

AMENDMENT NO. 2

This Amendment No. 2 (“Amendment”) dated October 2, 2023 to the Transaction Confirmation: Resource Contingent Bundled REC - Energy and Green Attributes dated October 19, 2018, as amended by Amendment No. 1 dated February 27, 2019, (“Confirmation”), is entered into by and between Avista Corporation (“Avista”) and Morgan Stanley Capital Group Inc. (“MSCG”). Avista and MSCG are sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on October 19, 2018, the Parties entered into the Confirmation, which was later amended by Amendment No. 1 dated February 27, 2019;

WHEREAS, pursuant to the Confirmation, Avista is to sell MSCG electricity (“Project Energy”) produced by the Clearwater Paper CEC-certified biomass facility located in Lewiston, Idaho, bundled with the associated renewable energy certificates (“RECs”), delivered on an hourly basis without substituting Energy from any other source to the Delivery Point (“Bundled Green Energy”) that qualifies as Resource Contingent Bundled REC as described in the WSPP Agreement, Schedule R, Section R-2.3.4;

WHEREAS, pursuant to the Confirmation, the Delivery Term was to expire by its terms on December 31, 2023;

WHEREAS, the Parties desire to amend the Confirmation to extend the Delivery Term for three additional years such that the Confirmation shall expire by its terms on December 31, 2026.

NOW THEREFORE, it is agreed as follows:

AGREEMENT TO AMEND

1. The Delivery Term of the Confirmation is deleted and replaced in its entirety with the following:

Subject to the terms of this Confirmation, the Parties anticipate that the Delivery Term shall be comprised of Delivery Period 1 and Delivery Period 2. For the purposes of the foregoing:

“Delivery Period 1” shall be the period from and including HE 0100 PPT December 15, 2018, and continuing through HE 2400 PPT December 31, 2023, and continuing through the completion of the transfer of all of the Product required to be delivered with respect to such period, including all applicable RECs through WREGIS (“Delivery Period 1 RECs”), to Buyer and the payment of all amounts due Seller pursuant to this Confirmation, provided, however that all of the Delivery Period 1 RECs associated with the Project Energy and RECs shall be transferred to Buyer no later than April 15, 2024.

AMENDMENT NO. 2 TO TRANSACTION CONFIRMATION BETWEEN AVISTA CORPORATION AND MORGAN STANLEY CAPITAL GROUP INC.

“Delivery Period 2” shall be the period from and including HE 0100 PPT January 1, 2024, and continuing through HE 2400 PPT December 31, 2026, and continuing through the completion of the transfer of all of the Product required to be delivered with respect to such period, including all applicable RECs through WREGIS (“Delivery Period 2 RECs”), to Buyer and the payment of all amounts due Seller pursuant to this Confirmation; provided, however, that all of the Delivery Period 2 RECs associated with the Project Energy and RECs shall be transferred to Buyer no later than April 15, 2027.

2. The Contract Price in the Confirmation is deleted and replaced in its entirety with the following:

The Contract Price shall consist of the Energy Price and the RECs Prices, as follows:

“Energy Price”: (a) shall, for Delivery Period 1, equal the applicable Powerdex Mid-Columbia Hourly Price per MWh (or mutually agreed to alternative) multiplied by the sum of all Energy delivered to Buyer for such applicable hour; and (b) shall, for Delivery Period 2, equal the Intercontinental Exchange (ICE) Mid-Columbia Firm On Peak (DAILY) and ICE Mid-Columbia Firm Off Peak (DAILY) (or mutually agreed to alternative) multiplied by the sum of all Energy delivered to Buyer for such applicable period.

The PCC1 REC Price: (a) shall, for Delivery Period 1, equal \$9.00/MWh multiplied by the Contract Quantity of PCC1 RECs that are transferred from Seller to Buyer through WREGIS where the PCC1 REC Contract Quantity for Delivery Period 1 shall be determined as the lesser of (i) the hourly metered generation (the “Metered Energy”) and (ii) the hourly amount scheduled to the Delivery Point (the “Scheduled Energy”); and (b) shall, for Delivery Period 2, equal \$27.10/MWh multiplied by the Contract Quantity of PCC1 RECs that are transferred from Seller to Buyer through WREGIS where the PCC1 REC Contract Quantity for Delivery Period 2 shall be determined as the lesser of (i) the Metered Energy and (ii) the Scheduled Energy

The PCC2 REC Price: (a) shall, for Delivery Period 1, equal \$4.50 for each REC multiplied by the Contract Quantity of PCC2 RECs that are transferred from Seller to Buyer through WREGIS where the PCC2 REC Contract Quantity for Delivery Period 1 shall be equal to the positive amount by which the Metered Energy exceeds the Scheduled Energy; and (b) shall, for Delivery Period 2, equal \$27.10 for each REC multiplied by the Contract Quantity of PCC2 RECs that are transferred from Seller to Buyer through WREGIS where the PCC2 REC Contract Quantity for Delivery Period 2 shall be equal to the positive amount by which the Metered Energy exceeds the Scheduled Energy.

3. Notwithstanding the foregoing, this Amendment shall not become effective unless or until such time as the Idaho Public Utilities Commission (“Commission”) approves Amendment No. 1 to the Power Purchase and Sale Agreement Between Avista Corporation and Clearwater Paper Corporation dated September 26, 2023 (“Clearwater Amendment”) and, to the extent necessary, the Delivery Term stated in this section shall be automatically adjusted to commence on HE 0100 PPT on the effective date of the Clearwater Amendment that is approved by the Commission.

4. Except as expressly amended by the provisions set forth in this Amendment, all of the terms and conditions of the Confirmation shall remain in full force and effect following execution of this Amendment and each Party confirms, ratifies and approves the Confirmation as amended by this Amendment. All capitalized terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Confirmation. For the avoidance of doubt, this Amendment is hereby incorporated in the Confirmation and, as of the effective date of this Amendment, all references to the Confirmation shall be deemed to be references to the Confirmation as amended by Amendment No. 1 and this Amendment.

5. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed as an original and together shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives as of the date first set forth above.

AVISTA CORPORATION

**MORGAN STANLEY CAPITAL GROUP
INC.**

By: Kevin Holland

By: Ken Collins

Printed Name: _____

Printed Name: Kevin Collins

Title: _____

Title: Vice President