

POWER PURCHASE AGREEMENT
BETWEEN
FORD HYDRO LIMITED PARTNERSHIP
AND
AVISTA CORPORATION

This Power Purchase Agreement (“Agreement”) is made by and between Avista Corporation, a Washington corporation (“Avista”), and Ford Hydro Limited Partnership (“Seller”). Avista and Seller are sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Seller owns, operates and maintains a 1.499 MW hydroelectric generating unit(s) near Weippe, Idaho, as more fully described in Exhibit A (“Facility”); and

WHEREAS, Seller will operate the Facility as a Qualifying Facility, as defined by the Public Utility Regulatory Policies Act of 1978 (“PURPA”);

WHEREAS, the Parties entered into the Second Amended and Restated Power Purchase Agreement, which was approved by the Commission with an effective date of July 1, 2022, and which was later amended by Amendment No. 1 (“Second Amended and Restated Agreement”);

WHEREAS, the Second Amended and Restated Agreement will expire in accordance with its terms on June 29, 2024; and

WHEREAS, upon the expiration of the Second Amended and Restated Agreement, this Agreement will constitute a renewal of the Second Amended and Restated Agreement such that Seller will continue to sell, and Avista will continue to purchase, Net Delivered Output pursuant to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements set forth herein, the Parties agree as follows.

1. DEFINITIONS

Except as otherwise defined in this Agreement, whenever used in this Agreement and exhibits hereto, the following terms shall have the following meanings:

1.1 **“Agreement”** means this Power Purchase Agreement, including all exhibits, and any written amendments.

1.2 **Reserved**

1.3 **“aMW”** means average megawatt(s). An average megawatt is calculated by dividing the total generation in MWh over a given period of time (e.g., a calendar month) by the number of hours in that period of time.

1.4 **“Business Day”** means every day other than a Saturday or Sunday or a national holiday. National holidays shall be those holidays observed NERC.

1.5 **“Commission”** means the Idaho Public Utilities Commission, or its successor.

1.6 **“Effective Date”** shall have the meaning provided in Section 4 of this Agreement.

1.7 **“Environmental Attributes”** means any and all certificates, credits, benefits, emissions reductions, environmental air quality credits and emissions reduction credits, offsets and allowances, howsoever entitled, resulting from the avoidance of the emission of any gas, chemical, or other substance attributable to the generation of energy by the Facility, and the delivery of such energy to the electricity grid, and include without limitation, any of the same arising out of any current or future legislation or regulation concerned with oxides of nitrogen, sulfur, or carbon, with particulate matter, soot, or mercury, or implementing the United Nations Framework Convention on Climate Change (“UNFCCC”) or the Kyoto Protocol to the UNFCCC or crediting “early action” with a view thereto, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator (collectively with any state or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, the “CAMD”), but specifically excluding investment tax credits, production tax credits, and cash grants associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with ownership of the Facility that are applicable to a state or federal income tax obligation, if any. Environmental Attributes also include the reporting rights or Renewable Energy Certificates (“RECs”) associated with these Environmental Attributes. Environmental Attributes include without limitation all “Environmental Attributes” and all “Green Attributes” as those terms are defined in Appendix A-1 and Appendix A-2 of California Public Utilities Commission D. 08-08-028 in R. 06-02-012. RECS are accumulated on a MWh basis and one REC represents the Environmental Attributes associated with one MWh of energy. Environmental Attributes do not include any energy, capacity, reliability or other power attributes from the Facility.

1.8 **“Facility”** means the electric energy generating facilities, including all equipment and structures necessary to generate and supply electric energy, more particularly described at Exhibit A.

1.9 **“Facility Service Power”** means the electric energy generated and used by the Facility during its operation to operate equipment that is auxiliary to primary generation equipment

including, but not limited to, pumping, generator excitation, cooling or other operations related to the production of electric energy by the Facility.

1.10 “**Force Majeure**” shall have the meaning provided in Section 12 of this Agreement.

1.11 “**FERC**” means the Federal Energy Regulatory Commission, or its successor.

1.12 “**Initial Year Monthly Net Output Estimates**” shall have the meaning provided in Section 5.1 of this Agreement.

1.13 “**Interconnection Agreement**” the agreement between Seller and Avista which governs how the Net Output is delivered to Avista’s at the Point of Interconnection during the Term of this Agreement.

1.14 “**MW**” means megawatt. One thousand kilowatts equals one megawatt.

1.15 “**MWh**” means megawatt-hour. One thousand kilowatt-hours equals one megawatt-hour.

1.16 “**Market Energy Price**” means eighty-five percent (85%) of the PowerDex hourly Mid-Columbia index (“Mid-C Index”) price; provided, however, if the Mid-C Index price is less than zero, the Market Energy Price shall be one-hundred and fifteen percent (115%) of the Mid-C Index price.

1.17 “**Nameplate Capacity Rating**” means the maximum generating capacity of the Facility, as determined by the manufacturer, and expressed in megawatts (MW) or kilowatts (kW).

1.18 “**NERC**” means the North American Electric Reliability Corporation or its successor.

1.19 “**Net Delivered Output**” means the capability and electric energy generated by the Facility, less Facility Service Power and losses, expressed in megawatt-hours (MWh) or kilowatt-hours (kWh), that is delivered to Avista at the Point of Delivery.

1.20 “**Net Delivered Output Price**” shall have the meaning provided in Section 6.1 of this Agreement

1.21 “**Point of Delivery**” means the location, as specified in Exhibit A of this Agreement, where the electric energy produced by the Facility is delivered by Seller to Avista’s electrical system.

1.22 “**Prudent Utility Practices**” means the practices, methods, and acts commonly and ordinarily used in electrical engineering and operations by a significant portion of the electric power generation and transmission industry, in the exercise of reasonable judgment in the light of the facts known or that should have been known at the time a decision was made, that would have

been expected to accomplish the desired result in a manner consistent with law, regulation, reliability, safety, environmental protection, economy, and expedition.

1.23 “Qualifying Facility” or “QF” means a generating facility which meets the requirements for “QF” status under PURPA and part 292 of FERC’s Regulations, 18 C.F.R. Part 292, and which has obtained certification of its QF status.

1.24 “Shortfall Energy” means the Delivered Net Output delivered during any month where the Delivered Net Output delivered in such month is less than 90 percent (90%) of the Delivered Net Output Estimate for such month.

1.25 “Surplus Energy” means the Delivered Net Output delivered during any month that exceeds 110 percent (110%) of the Delivered Net Output Estimate for such month.

1.26 “Term” shall have the meaning provided in Section 4 of this Agreement.

1.27 “WECC” means the Western Electricity Coordinating Council or its successor.

1.28 “WREGIS” means the Western Renewable Energy Generation Information System, or a successor.

1.29 “WREGIS Operating Rules” means the then current operating rules and requirements adopted by WREGIS, as such rules and requirements may be amended, supplemented or replaced (in whole or in part) from time to time.

2. WARRANTIES

2.1 No Warranty by Avista. Avista makes no warranties, expressed or implied, regarding any aspect of Seller’s design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility, and any review, acceptance or failure to review Seller’s design, specifications, equipment or Facility shall not be an endorsement or a confirmation by Avista. Avista assumes no responsibility or obligation with regard to any NERC and/or WECC reliability standard associated with the Facility or the delivery of electric energy from the Facility to the Point of Delivery.

2.2 Seller’s Warranty. Seller warrants and represents that: (a) Seller has investigated and determined that it is capable of performing and will perform the obligations hereunder and has not relied upon the advice, experience or expertise of Avista in connection with the transactions contemplated by this Agreement; (b) all professionals and experts including, but not limited to, engineers, attorneys or accountants, that Seller may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Seller; (c) Seller will comply with all applicable laws and regulations and shall obtain and comply with applicable licenses, permits and approvals in the design, construction, operation and maintenance of the Facility; and (d) the Facility is, and during the Term of this Agreement will remain, a Qualifying Facility as that term is used in 18 C.F.R Part 292. Seller’s failure to maintain Qualifying Facility status will be a material breach of this Agreement. Avista reserves the right to review the Seller’s

Qualifying Facility status and associated support and compliance documents at any time during the Term of this Agreement.

3. CONDITIONS PRIOR TO DELIVERY OF NET OUTPUT

3.1 Seller Representation. Seller represents that, prior to the commencement of the first delivery of Net Output to Avista Seller's licenses, permits and approvals (including, but not limited to, evidence of compliance with Subpart B, 18 C.F.R. § 292.207, tribal, state and local business licenses, environmental permits, easements, leases and all other required approvals) are legally and validly issued, are held in the name of the Seller, and Seller is in substantial compliance with said permits.

3.2 Independent Engineering Certifications. Upon Avista's request, prior to the commencement of the first delivery of Net Output to Avista, Seller shall submit to Avista applicable Independent Engineering Certifications for Construction Adequacy for a Qualifying Facility. The Independent Engineering Certification shall be signed by a licensed professional engineer in good standing and be submitted in a form specified in Exhibit C-1. Avista's acceptance of such forms shall not be unreasonably withheld. This Section 3.2 shall not apply to a Seller who has previously provided the certification required by this Section to Avista for the same Facility.

3.3 Interconnection Agreement. Seller shall provide Avista a copy of its Interconnection Agreement, which shall be attached hereto as Exhibit D.

3.4 Insurance. Upon Avista's request, Seller shall, to the extent applicable, submit to Avista evidence of compliance with Section 8.

3.5 Network Resource Designation. Upon Avista's request, Seller shall provide to Avista all data required by Avista to enable the Facility to be designated by Avista as a network resource.

4. TERM OF AGREEMENT

4.1 This Agreement shall be effective on July 1, 2024, or such other date set by Commission order (the "Effective Date") and shall continue for two (2) years after the Effective Date (the "Term"), unless otherwise terminated as provided herein.

4.2 Seller and Avista shall jointly petition the Commission for an order approving this Agreement. This Agreement is conditioned upon Commission approval.

5. NET OUTPUT AMOUNTS

5.1 Initial Monthly Net Output Estimates. Seller shall provide to Avista Delivered Net Output estimates for each of the twelve consecutive months that begin with the Effective Date, counting the month during which the Effective Date occurs as month one ("Initial Year Monthly Net Output Estimates"). Seller shall provide to Avista such Initial Year Monthly Net Output

Estimates to Avista by written notice in accordance with Section 28 no later than five (5) calendar days prior to the Effective Date.

5.2 Subsequent Monthly Net Output Estimates. At the end of June 2025, and at the end of every third month thereafter, Seller shall provide to Avista Delivered Net Output estimates pertaining to each of the additional consecutive three months for which Seller has not yet delivered to Avista Delivered Net Output estimates, so that Seller shall have provided in advance on a rolling basis to Avista six months of Delivered Net Output estimates. Seller shall provide such Delivered Net Output estimates to Avista by written notice in accordance with Section 28, no later than 5:00 p.m. of the last business day of the month during which they are required to be provided.

5.3 Content of Delivered Net Output Estimates. All Delivered Net Output estimates shall be expressed in kilowatt-hours by month.

5.4 Failure to Provide Net Output Estimates. If Seller fails to provide to Avista Delivered Net Output estimates when required herein pertaining to any month or months, Avista shall determine the Delivered Net Output estimates pertaining to such month or months, and the Delivered Net Output estimates shall be binding for purposes of the Agreement as though they were prepared by Seller and provided to Avista as required by the Agreement.

5.5 Seller's Revisions of Delivered Net Output Estimates. After the Effective Date, Seller may revise its Delivered Net Output estimates previously provided to Avista for any future month by providing Avista written notice in accordance with Section 28, no later than 5:00 p.m. (PPT) of the 25th day of the month immediately preceding the month for which Seller is revising its Delivered Net Output estimate. For example, if Seller would like to revise the Delivered Net Output estimate for October, Seller would need to submit a revised Delivered Net Output estimate for October no later than September 25th or the last business day prior to September 25th.

5.6 Avista Adjustment of Monthly Delivered Net Output Estimate. If, pursuant to this Agreement, including Sections 10.2 and 12 of this Agreement, Avista or Seller is excused from delivering or accepting Delivered Net Output, as applicable, from the Facility, the Delivered Net Output estimate for the specific month in which the reduction or suspension occurs ~~will be~~ reduced in accordance with the following:

- NO = Current month's Delivered Net Output estimate
- SGU = (a) If Avista is excused from accepting Seller's Delivered Net Output, this value will be equal to the percentage of curtailment as specified by Avista multiplied by the TGU as defined below.

(b) If Seller is excused from delivering Delivered Net Output, this value will be the generation unit size rating of 1.499 MW
- TGU = Generation unit size rating of 1.499 MW

RSH = Actual hours the Facility's Delivered Net Output was either reduced or suspended

TH = Actual total hours in the current month

Resulting formula being:

$$\text{Adjusted Delivered Net Output} = \text{NO} - \left(\left(\frac{\text{SGU}}{\text{TGU}} \times \text{NO} \right) \times \left(\frac{\text{RSH}}{\text{TH}} \right) \right)$$

This Adjusted Delivered Net Output Estimate will be used in applicable calculations for only the specific month in which Avista is excused from accepting, or Seller is excused from delivering, the Delivered Net Output.

6. PURCHASE PRICES AND PAYMENT

6.1 Net Delivered Output Cost. For all Net Delivered Output received by Avista for each hour that is not Surplus Energy or Shortfall Energy, Avista shall pay the applicable rate based upon the following Avoided Cost Rates For Non-Fueled Projects Smaller Than Ten Average Megawatts per month - Non-Levelized ("Net Delivered Output Price"). The anticipated applicable rates for such Net Delivered Output is shown in Exhibit E. Notwithstanding anything in Exhibit E, the applicable rate for Net Delivered Output that is not Surplus Energy shall be the Avoided Cost Rates for Non-Fueled Projects Smaller Than Ten Average Megawatts per month – Non-Levelized that are approved by the Commission and in effect on the Effective Date.

6.2 Surplus and Shortfall Energy Cost. For all Surplus Energy and Shortfall Energy, Avista shall pay to the Project Developer the lesser of (i) current month's Market Energy Price per megawatt-hour, or (ii) the Net Delivered Output Price specified in Section 6.1.

6.3 Payments to Seller. For any calendar month in which Seller has delivered Net Output from the Facility to Avista in accordance with this Agreement, Avista shall prepare and submit to Seller a monthly statement based upon Net Output delivered to Avista during the previous month. Payments owed by Avista shall be paid no later than the 20th day of the month following the end of the monthly billing period or five days after the receipt of a monthly statement, whichever is later. If the due date falls on a non-Business Day, then the payment shall be due on the next Business Day.

6.4 Payments to Avista and Right of Set Off. If Seller is obligated to make any payment or refund to Avista, Seller agrees that Avista may set off such payment or refund amount against any current or future payments due Seller under this Agreement. If Avista does not elect to set off, or if no current or future payment is owed by Avista, Avista shall submit an invoice to Seller for such payments. Seller shall pay Avista no later than the 20th day of the month following the end of the monthly billing period or five days after the receipt of a monthly statement,

whichever is later. If the due date falls on a non-Business Day, then the payment shall be due on the next Business Day.

6.5 Interest. In addition to the remedies set forth in Section 15 of this Agreement, any amounts owing after the due date specified in Sections 7.3 and 7.4 will be subject to interest in the amount of one and one half percent (1.5%) per month, not to exceed the maximum rate allowed by the law, multiplied by the unpaid balance.

6.6 Wire Transfer. All payments shall be made by ACH or wire transfer in accordance with further agreement of the Parties.

6.7 Title and Risk of Loss. As between the Parties, Seller shall be deemed to be in control of the output from the Facility up to and until delivery to and receipt by Avista at the Point of Delivery and Avista shall be deemed to be in control of the Net Output delivered to and received by Avista.

7. ENVIRONMENTAL ATTRIBUTES

7.1 Ownership of Environmental Attributes. To the full extent allowed by applicable laws or regulations, Avista shall own or be entitled to claim fifty percent of the Environmental Attributes associated with the Net Delivered Output.

To the extent necessary, Seller shall assign to Avista all rights, title and authority necessary for Avista to register, own, hold and manage such Environmental Attributes in Avista's own name and to Avista's account, including any rights associated with WREGIS (or any other renewable energy information or tracking system that may be established) with regard to monitoring, tracking, certifying, or trading such Environmental Attributes. The Environmental Attributes to be transferred to Avista hereunder will be sourced from the Facility. Seller shall take all reasonable steps, at Seller's expense, required to obtain and maintain tradable renewable certification, including Green-e, California Energy Commission, or other similar certification for the Facility and/or the Gross Facility Output.

7.2 Transfers. To the extent that Avista is to own any Environmental Attributes in accordance with Section 7.1 of this Agreement, Seller shall transfer all such Environmental Attributes to Avista on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Seller shall comply with all laws, including, without limitation, the WREGIS Operating Rules, regarding the certification and transfer of such Environmental Attributes to Avista and Avista shall be given sole title to all such Environmental Attributes. Seller warrants that upon delivery to Avista, the Environmental Attributes will be free and clear of all liens, security interests, claims and encumbrances. Upon request of Avista, Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that such Environmental Attributes are issued and tracked for purposes of satisfying state renewable portfolio standard requirements, including Washington State's Energy Independence Act requirements, and are transferred in a timely manner to Avista.

7.3 Changes to WREGIS. If the WREGIS Operating Rules are changed or replaced after the Effective Date, WREGIS applies the WREGIS Operating Rules in a manner inconsistent with Section 7.2 after the Effective Date, or WREGIS is eliminated or replaced, the Parties promptly shall modify Section 7.2 as reasonably required to cause and enable Seller to transfer Environmental Attributes to Avista (to the extent required by Sections 7.1 and 7.2), including but not limited to those modifications reasonably required to cause and enable Seller to transfer to Avista's WREGIS Account the Environmental Attributes that are required to be transferred to Avista for each given calendar month under this Agreement.

8. INSURANCE; CONTINUING OBLIGATIONS

8.1 Insurance. Prior to the commencement of the first delivery of Net Output to Avista, Seller, at its own cost, shall obtain and maintain the following insurance in force over the term of this Agreement and shall provide certificates of all insurance policies. All insurance policies required to fulfill the requirements of this Section 7 shall include language requiring that any notice of cancellation or notice of change in policy terms be sent to Avista by the insurance carrier(s) at least sixty days prior to any change or termination of the policies.

8.1.1 General Liability. Seller shall carry commercial general liability insurance for bodily injury and property damage with a minimum limit equal to \$1,000,000 for each occurrence. The deductible shall not exceed the Seller's financial ability to cover claims and shall not be greater than prevailing practices for similar operations in the State of Washington.

8.1.2 Property. Seller shall carry all-risk property insurance for repair or replacement of the Facility. The limit of property insurance shall be sufficient to restore operations in the event of reasonably foreseeable losses from natural, operational, mechanical and human-caused perils. The deductible shall not exceed the Seller's financial ability to fund the cost of losses and shall not be greater than prevailing practices for similar operations in the State of Idaho.

8.1.3 Qualifying Insurance. The insurance coverage required by this Section 8 shall be obtained from an insurance company reasonably acceptable to Avista and shall include an endorsement naming Avista as an additional insured and loss payee as applicable.

8.1.4 Notice of Loss or Lapse of Insurance by Seller. If the insurance coverage required by this Section 7 is lost or lapses for any reason, Seller will immediately notify Avista in writing of such loss or lapse. Such notice shall advise Avista of (i) the reason for such loss or lapse and (ii) the steps Seller is taking to replace or reinstate coverage. Seller's failure to provide the notice required by this Section and/or to promptly replace or reinstate coverage will constitute a material breach of this Agreement.

8.3 Continuing Obligations. For the Term of this Agreement, Seller will provide Avista with the following:

8.3.1 Insurance. Upon Avista's request, Seller shall provide Avista evidence of compliance with the provisions of Section 8.1. If Seller fails to comply, such failure will be a material breach and may only be cured by Seller promptly supplying evidence that the required insurance coverage has been replaced or reinstated.

8.3.2 Engineer's Certification. If requested by Avista, Seller will supply Avista with a Certification of Ongoing Operations and Maintenance from a Registered Professional Engineer licensed in the state in which the Facility is located, which certification shall be substantially in the form specified in Exhibit C-2. Seller's failure to supply the certificate required by this Section 8.3.2 will be a material breach that may only be cured by Seller promptly providing the required certificate. Avista may request the Certification of Ongoing Operations and Maintenance required by this Section once in during the Term.

8.3.3 Licenses and Permits. During the Term of this Agreement, Seller shall comply with all applicable federal, state, and local laws and regulations. Seller shall maintain compliance with all permits and licenses described in Section 3.1 of this Agreement. In addition, Seller will obtain, and supply Avista with copies of, any new or additional permits or licenses that may be required for Seller's operations. If at any time Seller fails to maintain compliance with the permits and licenses described in Section 3.1 or this Section, or to provide documentation required by this Section, such failure will be a material breach of this Agreement that may only be cured by Seller submitting to Avista evidence of compliance.

9. CURTAILMENT, INTERRUPTION OR REDUCTION OF DELIVERY

Avista may require Seller to curtail, interrupt or reduce delivery of Net Delivered Output if, in accordance with Section 10.2, Avista determines that curtailment, interruption or reduction is necessary because of a Force Majeure event or to protect persons or property from injury or damage, or because of emergencies, necessary system maintenance, system modification or special operating circumstances. Avista will use commercially reasonable efforts to keep any period of curtailment, interruption, or reduction to a minimum. In order not to interfere unreasonably with Seller operations, Avista will, to the extent practical, give Seller reasonable prior notice of any curtailment, interruption, or reduction, the reason for its occurrence and its probable duration. Seller understands and agrees that Avista may not be able to provide notice to Seller prior to interruption, curtailment, or reduction of electrical energy deliveries to Avista in emergency circumstances, real-time operations of the electric system, and/or unplanned events.

10. OPERATION

10.1 Communications and Reporting. Avista and the Seller shall maintain appropriate operating communications through the Communicating and Reporting Guidelines specified in Exhibit B.

10.2 Excuse From Acceptance of Delivery of Energy.

10.2.1 Avista may curtail, interrupt, reduce or suspend delivery, receipt or acceptance of Net Delivered Output if Avista, in its sole discretion, reasonably determines that such curtailment, interruption, reduction or suspension is necessary, consistent with Prudent Utility Practice, and that the failure to do so may:

(a) endanger any person or property, or Avista's electric system, or any electric system with which Avista's system is interconnected;

(b) cause, or contribute to, an imminent significant disruption of electric service to Avista's or another utility's customers;

(c) interfere with any construction, installation, inspection, testing, repair, replacement, improvement, alteration, modification, operation, use or maintenance of, or addition to, Avista's electric system or other property of Avista; or

(d) prevent or interfere with Avista's compliance with any applicable law or regulatory requirement.

10.2.2 Avista shall promptly notify Seller of the reasons for any such curtailment, interruption, reduction or suspension provided for in Section 10.2. Avista shall use reasonable efforts to limit the duration of any such curtailment, interruption, reduction or suspension.

10.3 Seller's Risk. Seller shall design, construct, own, operate and maintain the Facility at its own risk and expense in compliance with all applicable laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of any governmental authority.

10.4 Avista's Right to Inspect. Seller shall permit Avista to inspect and audit the Facility, any related production, delivery and scheduling documentation or the operation, use or maintenance of the Facility at any reasonable time and upon reasonable notice. Seller shall provide Avista reasonable advance notice of any Facility test or inspection performed by or at the direction of Seller.

10.5 Seller Obligations in Accordance with Prudent Utility Practices. Seller shall own, operate and maintain the Facility and any Seller-owned Interconnection Facilities so as to allow reliable generation and delivery of Net Delivered Output to Avista for the full Term of the Agreement, in accordance with Prudent Utility Practices.

10.6 Modifications. Seller shall notify Avista in writing prior to making any material modifications to the Facility. Material modifications to the Facility include, but are not limited to, any modification that increases or decreases the Facility nameplate capacity rating, changes the primary energy source, and changes to the generator fuel. Any material modifications to the Facility, including but not limited to the generator or turbine, that (1) increases the Facility nameplate capacity rating, or (2) changes the primary energy source, or (3) changes to the generator fuel, will require a review, and subject to Section 21 of this Agreement, amendment of the Agreement, including amendment to Exhibit A to reflect the Facility as actually modified and adjustment of the applicable pricing to ensure that, as of the date when output is first delivered from the modified Facility, payments to

Seller reflect the proper authorized rates for the Facility as modified. In the event that, as a result of the modifications to the Facility, Avista determines that the Facility is no longer a Qualifying Facility or if the Parties are unable to mutually agree to an amendment to the Agreement that satisfies the requirements of this paragraph, Avista may terminate the Agreement. If the Agreement is terminated because of such modifications, Project Developer will be responsible for any financial damages incurred by Avista as a result of such termination.

11. INTERCONNECTION, METERING AND TRANSMISSION

Seller shall make all necessary arrangements to interconnect its Facility with the electrical system of Avista. Any required metering for the Facility shall be pursuant to the Interconnection Agreement.

12. FORCE MAJEURE

12.1 Except as expressly provided in Section 12.6, neither Party shall be liable to the other Party, or be considered to be in breach of or default under this Agreement, for delay in performance due to a cause or condition beyond such Party's reasonable control which despite the exercise of reasonable due diligence, such Party is unable to prevent or overcome ("Force Majeure"), including but not limited to:

(a) fire, flood, earthquake, volcanic activity; court order and act of civil, military or governmental authority; strike, lockout and other labor dispute; riot, insurrection, sabotage or war; pandemic or epidemic; unanticipated electrical disturbance originating in or transmitted through such Party's electric system or any electric system with which such Party's system is interconnected; or

(b) an action taken by such Party which is, in the sole judgment of such Party, necessary or prudent to protect the operation, performance, integrity, reliability or stability of such Party's electric system or any electric system with which such Party's electric system is interconnected, whether such actions occur automatically or manually.

12.2 In the event of a Force Majeure event, the time for performance shall be extended by a period of time reasonably necessary to overcome such delay. Avista shall not be required to pay for any output from the Facility which, as a result of any Force Majeure event, is not delivered.

12.3 Nothing contained in this Section shall require any Party to settle any strike, lockout or other labor dispute.

12.4 In the event of a Force Majeure event, the delayed Party shall provide the other Party notice by telephone or email as soon as reasonably practicable and written notice within fourteen days after the occurrence of the Force Majeure event. Such notice shall include the particulars of the occurrence. The suspension of performance shall be of no greater scope and no longer duration than is required by the Force Majeure and the delayed Party shall use its best efforts to remedy its inability to perform.

12.5 Force Majeure shall include any unforeseen electrical disturbance that prevents any electric energy deliveries from occurring at the Point of Delivery.

12.6 Notwithstanding anything to the contrary herein, Force Majeure shall not apply to, or excuse any default under, Sections 16.1(a), 16.1(b), 16.1(c), or 16.1(d). For the avoidance of doubt, Avista may declare Seller in Default if an event described in any of Sections 16.1(a), 16.1(b), 16.1(c), or 16.1(d), occurs and Avista may pursue any remedy available to it under this agreement.

13. INDEMNITY/LIMITATIONS OF LIABILITY

13.1 Seller shall indemnify, defend and hold harmless Avista, its directors, officers, employees, agents, and representatives, against and from any and all losses, expenses, liabilities, claims or actions (hereafter "Loss"), based upon or arising out of bodily injuries or damages to persons, including without limitation death resulting therefrom, or physical damages to or losses of property caused by, arising out of or sustained in connection with the construction, operation or maintenance of the Facility. In the event that any such Loss is caused by the negligence of both Seller and Avista, including their employees, agents, suppliers and subcontractors, the Loss shall be borne by Seller and Avista in the proportion that their respective negligence bears to the total negligence causing the Loss.

13.2 SELLER AND AVISTA SPECIFICALLY WARRANT THAT THE TERMS AND CONDITIONS OF THE FOREGOING INDEMNITY PROVISIONS ARE THE SUBJECT OF MUTUAL NEGOTIATION BY THE PARTIES, AND ARE SPECIFICALLY AND EXPRESSLY AGREED TO IN CONSIDERATION OF THE MUTUAL BENEFITS DERIVED UNDER THE TERMS OF THE AGREEMENT.

13.3 EXCEPT FOR CLAIMS ARISING OUT OF FRAUD OR WILFUL MISCONDUCT AND AS OTHERWISE EXPRESSLY PROVIDED HEREIN, NEITHER PARTY SHALL BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT, SAVINGS OR REVENUE, LOSS OF THE USE OF EQUIPMENT, COST OF CAPITAL, OR COST OF TEMPORARY EQUIPMENT OR SERVICES, WHETHER BASED IN WHOLE OR IN PART IN CONTRACT, IN TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY; PROVIDED, HOWEVER, THAT ANY AMOUNTS DUE TO SELLER AS PAYMENT FOR NET OUTPUT DELIVERED TO AVISTA PURSUANT TO THE TERMS OF THIS AGREEMENT SHALL BE DEEMED TO BE DIRECT DAMAGES.

13.4 TO THE EXTENT PERMITTED BY APPLICABLE LAW, AVISTA AND SELLER EACH WAIVE WITH RESPECT TO THE OTHER ANY IMMUNITY OR DEFENSE OR OTHER PROTECTION THAT MAY BE AFFORDED BY WORKER'S COMPENSATION, INDUSTRIAL INSURANCE, OR SIMILAR LAWS APPLICABLE TO THE JURISDICTION WHERE WORK IS TO BE PERFORMED OR THE DEVELOPMENTS ARE LOCATED AS NECESSARY TO INDEMNIFY, DEFEND AND

HOLD HARMLESS THE OTHER FROM SUCH LOSSES TO THE EXTENT SET FORTH IN THIS SECTION 13. THE PARTIES HAVE SPECIFICALLY NEGOTIATED THIS SECTION AND THE PARTIES MAKE THE FOREGOING WAIVER WITH THE FULL KNOWLEDGE OF THE CONSEQUENCES.

14. ASSIGNMENT

14.1 Seller shall not assign its rights or delegate its duties under this Agreement without the prior written consent of Avista, which consent shall not be unreasonably withheld. Subject to the foregoing restrictions on assignments, this Agreement shall be fully binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors, heirs and assigns.

14.2 Seller shall have the right without Avista's consent, but with a thirty days prior written notice to Avista, to make collateral assignments of its rights under this Agreement to satisfy the requirements of any development, construction, or other reasonable long-term financing. A collateral assignment shall not constitute a delegation of Seller's obligations under this Agreement, and this Agreement shall not bind the collateral assignee. Any collateral assignee succeeding to any portion of the ownership interest of Seller shall be considered Seller's successor in interest and shall thereafter be bound by this Agreement.

15. NO UNSPECIFIED THIRD-PARTY BENEFICIARIES

There are no third-party beneficiaries of this Agreement. Nothing contained in this Agreement is intended to confer any right or interest on anyone other than the Parties, and their respective successors, heirs and assigns permitted under Section 14.

16. DEFAULT AND TERMINATION

16.1 In addition to any other breach or failure to perform under this Agreement, each of the following events shall constitute a Default:

- (a) The Facility ceases to be a Qualifying Facility;
- b) A Party becomes insolvent (e.g., is unable to meet its obligations as they become due or its liabilities exceed its assets);
- (c) Seller makes a general assignment of substantially all of its assets for the benefit of its creditors, files a petition for bankruptcy or reorganization or seeks other relief under any applicable insolvency laws;
- (d) Seller has filed against it a petition for bankruptcy, reorganization or other relief under any applicable insolvency laws and such petition is not dismissed or stayed within sixty days after it is filed;
- (e) Seller is in default under any Agreement related to this Agreement; or
- (f) Termination, cancellation or expiration of any agreement required for Seller to deliver electric energy to Avista under this Agreement, including but not limited to the Interconnection Agreement.

16.2 Notice and Opportunity to Cure. In the event of a Default, the non-Defaulting Party shall give written notice to the Defaulting Party of a Default in accordance with Section 28. Except as provided in Section 16.1(d), if the Defaulting Party has not cured the breach within thirty days after receipt of such written notice, the non-Defaulting Party may, at its option, terminate this Agreement and/or pursue any remedy available to it in law or equity; *provided* that, if a Default occurs under Sections 16.1(a) or 16.1(f), Seller shall not deliver any output from the Facility to Avista, and Avista shall have no obligation to accept any output from the Facility, until such Default is cured.

16.3 Additional Rights and Remedies. Any right or remedy afforded to either Party under this Agreement on account of a Default by the other Party is in addition to, and not in lieu of, all other rights or remedies available to such Party under any other provisions of this Agreement, by law or otherwise on account of the Default.

16.4 Damages. If this Agreement is terminated as a result of Seller's Default after the Effective Date, Seller shall pay Avista, in addition to other damages, the positive difference, if any, between the applicable Net Delivered Output Price and the cost to replace the output from the Facility for twelve months beginning on the date of the original Default, plus all associated transmission costs to Avista to acquire such replacement of the output from the Facility.

17. DISPUTE RESOLUTION

Each Party shall strive to resolve any and all differences during the term of the Agreement through meetings and discussions. If a dispute cannot be resolved within a reasonable time, not to exceed thirty days, each Party shall escalate the unresolved dispute to a senior officer designated by each Party. If the senior officers are not able to resolve the dispute within ten Business Days of escalation then the Parties may agree to mediate or arbitrate the dispute. In the event that the Parties do not agree to mediation or arbitration, either Party may, as applicable, request a hearing before the Commission or seek relief in a court of competent jurisdiction.

18. RELEASE BY SELLER

Seller releases Avista from any and all claims, losses, harm, liabilities, damages, costs and expenses to the extent resulting from any:

18.1 Electric disturbance or fluctuation that migrates, directly or indirectly, from Avista's electric system to the Facility;

18.2 Interruption, suspension or curtailment of electric service to the Facility or any other premises owned, possessed, controlled or served by Seller, which interruption, suspension or curtailment is caused or contributed to by the Facility or the interconnection of the Facility;

18.3 Disconnection, interruption, suspension or curtailment by Avista pursuant to terms of this Agreement or the Interconnection Agreement.

19. SEVERAL OBLIGATIONS

The duties, obligations and liabilities of the Parties under this Agreement are intended to be several not joint or collective. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties. Each Party shall be individually and severally liable for its own obligations under this Agreement. Further, neither Party shall have any rights, power or authority to enter into any agreement or undertaking for or on behalf of, to act as to be an agent or representative of, or to otherwise bind the other Party.

20. IMPLEMENTATION

Each Party shall promptly take such action (including, but not limited to, the execution, acknowledgement and delivery of documents) as may be reasonably requested by the other Party for the implementation or continuing performance of this Agreement.

21. NON-WAIVER

The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such Party's right to assert or rely upon any such

provision or right in that or any subsequent instance; rather, the same shall be and remain in full force and effect.

22. AMENDMENT

No change, amendment or modification of any provision of this Agreement shall be valid unless set forth in a written amendment to this Agreement signed by both Parties and subsequently approved by the Commission.

23. CHOICE OF LAWS

This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho without reference to its choice of law provisions.

24. HEADINGS

The Section headings in this Agreement are for convenience only and shall not be considered part of or used in the interpretation of this Agreement.

25. SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and this Agreement shall be construed in all respects as if the invalid or unenforceable provision were omitted.

26. COUNTERPARTS

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

27. TAXES

Seller shall pay before delinquency all taxes and other governmental charges which, if failed to be paid when due, could result in a lien upon the Facility or the Interconnection Facilities.

28. NOTICES

Unless otherwise specified, all written notices or other communications required by or provided under this Agreement shall be mailed or delivered to the following addresses, and shall be considered delivered when deposited in the US Mail, postage prepaid, by certified or registered mail or delivered in person:

to Avista:	Director, Power Supply Avista Corporation P.O. Box 3727 Spokane, WA 99220
to Seller:	Ford Hydro Limited Partnership PO Box 1432 Lewiston, ID 83501

Either Party may change its designated representative to receive notice and/or address specified above by giving the other Party written notice of such change.

29. SURVIVAL

Rights and obligations which, by their nature, should survive termination or expiration of this Agreement, will remain in effect until satisfied, including without limitation, all outstanding financial obligations, and the provisions of Section 13 (Indemnity) and Section 17 (Dispute Resolution).

30. ENTIRE AGREEMENT

This Agreement, including the following exhibits which are attached and incorporated by reference herein, constitutes the entire agreement of the Parties and supersedes all prior and contemporaneous oral or written agreements between the Parties with respect to the subject matter hereof.

Exhibit A	Project Description and Point of Delivery
Exhibit B	Communications and Reporting
Exhibit C-1	Independent Engineering Certifications for Construction Adequacy for a Qualifying Facility
Exhibit C-2	Independent Engineering Certifications for Ongoing Operations and Maintenance for a Qualifying Facility
Exhibit D	Interconnection Agreement
Exhibit E	Purchase Prices

31. Authority

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its duly authorized representative as of the date set forth below.

**FORD HYDRO LIMITED
PARTNERSHIP**

By: Brenda Ford
Digitally signed by Brenda Ford
DN: cn=Brenda Ford, o, ou,
email=brenda@westford.co,
c=US
Date: 2024.05.15 11:49:04 -07'00'

Printed Name: Brenda Ford

Title: Manager

Date: 05/15/2024

AVISTA CORPORATION

By: Ryan Finesilver
Digitally signed by Ryan
Finesilver
Date: 2024.05.15
13:21:25 -07'00'

Printed Name: Ryan Finesilver

Title: Resource Marketing Manager

Date: 05/15/2024

Exhibit A

Project Description and Point of Delivery

Jim Ford Creek Hydroelectric Project Features	
Diversion Structure	52 ft. long, 5 ft. high concrete structure with automated rack rake, two 30" intakes and conduits leading to valve house
Valve House	Adjacent to the diversion and containing two 30" motorized valves and a bifurcation leading into the low pressure conduit
Low Pressure Conduit	7,126 feet of low pressure conduit buried in the Project access road
Penstock	914 feet of high pressure steel penstock
Powerhouse	A concrete substructure with three turbine bays and steel building measuring approximately 24 feet by 60 feet.
Turbines	(3) 600 rpm two-jet horizontal Pelton turbines manufactured by Canyon Industries rated at 600 kW under 480 ft of head
Generators	(3) 600 rpm, three-phase horizontal induction generators manufactured by Toshiba rated at 752 amps at 480 V
Switchgear	A fully automated switchgear and controls package manufactured by Sierra Electro Development (SEDCO)
Substation	A single 3 phase 480/13,800V pad mounted transformer rated at 2000 KVA
Transmission	8,000 ft of buried 13.8 kV transmission line following the conduit route, then overhead for a short distance to the utility interconnect
Access Road	9,000 of gravel access road, the majority of which shares the conduit alignment

Exhibit B
Communication and Reporting

(1) Email communications between Seller and Avista shall be submitted to:

Avista: ryan.finesilver@avistacorp.com; or
 chris.drake@avistacorp.com

Seller: brenda@ford.fm
Alternate: andrea@lohmanaccounting.com

(2) All oral communications relating to electric energy scheduling, generation level changes, interruptions or outages between Seller and Avista will be communicated on a recorded line as follows:

(a) Pre-Schedule (5:30 am to 12:00 noon on Business Days):

Avista Pre-Scheduler: (509) 495-4911
Alternate Phone: (509) 495-4073

Seller: Russ Ford, Operator: (208) 827-1041
Alternate Phone: Brenda Ford, Manager: (208) 413-8777

(b) Real-Time Schedule (available 24 hours a day)

Avista Real-Time Scheduler: (509) 495-8534

Seller: Russ Ford, Operator: (208) 827-1041
Alternate Phone: Brenda Ford, Manager: (208) 413-8777

(3) Either Party may change its contact information upon written notice to the other Party.

Exhibit C -1

**Independent Engineering Certification for
Construction Adequacy for a Qualifying Facility**

1. I, _____ am a licensed professional engineer registered to practice and in good standing in the State of _____. I have substantial experience in the design, construction and operation of electric power plants of the same type as _____ (Title of QF) sited at _____ in _____ County, State of _____ (the "Facility").

2. I have reviewed and/or supervised the review of the construction in progress or of the completed Facility and it is my professional opinion that said Facility has been designed and built according to appropriate plans and specifications bearing the words "CERTIFIED FOR ACCEPTANCE" and with the stamp of the certifying licensed professional engineer of the design, and that the Facility was built to commercially acceptable standards for this type of facility.

3. I have no economic relationship to the designer or owner of said Facility and have made my analysis of the plans and specifications independently.

4. I hereby CERTIFY that the above statements are complete, true, and accurate to the best of my knowledge and I therefore set my hand and seal below.

Signed and Sealed

DATE: _____

SIGNATURE: _____

PRINTED NAME: _____

Exhibit C -2

Independent Engineering Certification of Ongoing Operations and Maintenance for a Qualifying Facility

1. The undersigned is a duly authorized representative of _____, in its capacity as an independent engineer (the "Independent Engineer"). The Independent Engineer has substantial experience reviewing the design, construction, and operation of electric power plants of the same type as hydroelectric project ("Facility").
2. Independent Engineer has reviewed the operation and maintenance agreement ("O&M Agreement") for the Facility and it is the Independent Engineer's professional opinion that, provided the Facility has been designed and built to appropriate standards, the O&M Agreement is the same as the original O&M Agreement in place at COD, the is consistent with Prudent Utility Practices (as defined in the Agreement) and therefore is considered adequate to support the Facility's production of energy in accordance with the requirements of the Agreement, noting that the Independent Engineer makes no representation as to the amounts of energy that will be produced by the Facility.
3. Independent Engineer has no economic relationship to the designer or owner of said Facility and has made its analysis of the O&M Agreement independently.
4. Independent Engineer hereby confirms that the above statements are complete, true, and accurate to the best of its knowledge.

Signed and Sealed

DATE: _____

SIGNATURE: _____

PRINTED NAME: _____

Exhibit D

Interconnection Agreement

EXHIBIT D

Interconnection Facilities and Costs

D-1 DESCRIPTION OF INTERCONNECTION FACILITIES AND COSTS.

(To be inserted upon completion of Interconnection Facilities engineering.)

D-2 SALVAGE VALUE. Within 60 days of the date of the termination of this Agreement Water Power will prepare and forward to Seller an estimate of the remaining value of those Interconnection Facilities in D-1 of this appendix less the cost of removal and transfer to Water Power's nearest warehouse, if the Interconnection Facilities will be removed (net salvage value). Water Power may then be invoiced by the Seller for the net salvage value estimated by Water Power for the Interconnection Facilities and shall pay such amount to the Seller within 30 days after receipt of said invoice. The Seller shall have the right to offset the amount of the net salvage value estimated by Water Power against any present or future payments due Water Power.

Exhibit E

Purchase Prices

Avoided Cost Rates for Non-Fueled Projects Smaller Than Ten Average Megawatts per month – Non-Levelized

The pricing information provided herein is based on current avoided cost rates in Idaho and is subject to change as provided in Section 11.1 of the Agreement.

Period	Season 1		Season 2	
	Heavy Load Hour (\$/MWh)	Light Load Hour (\$/MWh)	Heavy Load Hour (\$/MWh)	Light Load Hour (\$/MWh)
2024	70.50	65.10	54.83	50.63
2025	67.31	61.91	52.35	48.15
2026	64.92	59.52	50.49	46.29

Exhibit F

Preliminary Generation Estimates

Month	Amounts in kWhs
July	0
August	0
September	0
October	0
November	0
December	1,850,000
January	485,000
February	577,247
March	786,624
April	800,689
May	466,538
June	0