Western Area Power Administration
Rocky Mountain Region
Renewable Energy Certificate Program Principles

1. Customers that receive Pick-Sloan Missouri Basin Program -- Western Division and Fryingpan-Arkansas Project (collectively the Loveland Area Projects or LAP) Firm Electric Service (FES) allocations and take delivery of firm energy are eligible to obtain Renewable Energy Certificates (RECs) under the Rocky Mountain Region (RMR) REC Program (Program). Customers that receive FES allocations and take delivery of firm energy will be allocated RECs under the Program and will herein be called Participants.

2. RECs will be allocated annually based upon the energy associated with each customer's FES allocation. Energy generated from U.S. Bureau of Reclamation (Reclamation) hydropower facilities during the preceding calendar year will be allocated in the ratio of one (1) REC to one (1) megawatt hour (MWh) generated. Purchase Power, including Purchase Power from renewable resources, is not part of the Program.

3. Generation from the LAP hydropower facilities fluctuates each year. Participants will be allocated RECs on a proportionate share of the actual generation from the LAP hydropower dams, not to exceed each Participant's FES allocation.
    a. Should generation be less than the sum of the Participants' FES allocations, Participants will receive a proportionate share of RECs for actual generation from each LAP hydropower dam that year. This amount may be less than the Participant's FES allocation.
    b. Should generation be greater than the sum of the Participants' FES allocations, RMR may, at its sole discretion, allocate the excess RECs to Participants on a proportionate share to offset lesser generation years.
    c. The equation for determining each Participant's allocated RECs shall be the total available RECs multiplied by each Participant's percentage of firm energy, then rounded down to the last whole MWh.

4. RMR offers these RECs as an additional benefit of the firm energy delivered to Participants and considers RECs an environmental attribute of the energy generated by Reclamation. RECs are subject to the same terms and conditions as the Participant's FES Contract.

5. RMR makes no warranties or guarantees that the RECs qualify for or meet any Federal, state, or local renewable energy standards. It is the Participant's responsibility to verify whether RECs qualify for Federal, state, or other renewable energy standard requirements.

6. Tracking and Management of RECs: RMR uses the Western Renewable Energy Generation Information System (WREGIS) to track each Participant's annual proportionate share of RECs generated from LAP hydropower dams during the preceding calendar year.
    a. Yellowtail Dam was initially registered by WAPA's RMR under WREGIS. WAPA's Upper Great Plains Region (UGPR)'s portion of the Yellowtail Dam generation RECs (50 percent) are exported from WREGIS to the Midwest Renewable Energy Tracking System (M-RETS) annually.

7. RMR shall hold each Participant's RECs in separate subaccounts in WREGIS, unless other arrangements have been requested. RMR will not sell or retire RECs for Participants.

8. Recognizing that RECs differ in values depending on the location and size of the generation unit, Participants will be allowed to request RECs from generation units under 30 MW, and from Colorado and Wyoming based generation. RMR will define further subsets of RECs as necessary. RECs in each subset will be pro-rated (rounded down) to those customers that request RECs from that subset, up to the amount of their LAP FES allocation.

9. If Participants want more RECs associated with a subset of LAP generation than are available, each will receive a pro-rated amount (rounded down) based on the allocations of all customers who have requested generation from a particular subset. RMR will try to accommodate preferences for specific RECs but cannot guarantee delivery.

10. Participants may request other arrangements for the tracking and management of their RECs which include: 1) managing their own RECs in WREGIS; 2) managing their own RECs in a tracking system compatible with receiving exports from WREGIS (compatible tracking system); or 3) designating another entity (Designated Entity), approved by RMR, to manage the Participant's RECs in WREGIS or a compatible tracking system on the Participant's behalf.
    a. A separate contract with RMR may be required to transfer RECs to Designated Entities at RMR's discretion.
    b. Participants and/or their Designated Entity are responsible for:
        i. Tracking, managing, transferring, exporting, retiring, and selling RECs and paying any associated fees.
        ii. Ensuring the double counting of RECs does not occur, and RMR expressly disclaims any responsibility therefor.
        iii. Ensuring established REC Program Principles are followed, including but not limited to, following the terms of the FES Contract.
    c. Upon request, RMR will transfer RECs to a Designated Entity and may require a separate contract as referenced in 10a above.

d. The right of the Participant or Designated Entity to claim, hold, resell, or otherwise use RECs is only for the term of the Participant's underlying applicable FES Contract.

11. RECs associated with Project Use Power Contracts will be allocated in the same manner as FES Contracts.

12. RMR REC Program Costs:
    a. Costs for RMR to administer the program and costs for the issuance of RECs to the Participant's or its Designated Entity's WREGIS account (or compatible tracking system) will be incorporated into the LAP firm power rate. If these costs become burdensome, RMR reserves the right to recoup these costs from its customers at its discretion.

13. RMR reserves the right to suspend or terminate the Program upon reasonable advance written notice to Participants. Though RMR may solicit input, it can change these Principles, without notice, at its discretion.

14. Participants and Designated Entities shall indemnify and hold RMR harmless for any losses or liability related to RMR's administration of the Program.

SHEILA COOK
Digitally signed by SHEILA COOK
Date: 2026.02.18 15:00:26 -07'00'

Approved: ______________________ Date: February 18, 2026

Sheila D. Cook
Acting Vice President of Power Marketing