

**State of Colorado Geothermal Energy Tax
Credit Offering (“GETCO”) Tax Credit Agreement
Amendment #1**

State Agency

Colorado Energy Office

Owner

City and County of Denver

Original Agreement Number

CT 26-2095

Amendment Agreement Number

CT 26-2095 A1

Tax Agreement Reservation Amount

Credit Years 2025-2027

Tax Credit Amount equal to 30% of
Qualified Expenditures not to exceed the
Total Tax Reservation Amount

Credit Period

Beginning Date

December 2, 2025

Credit Period

Expiration Date

December 31, 2027

Tax Credit Agreement

Expiration Date

January 31, 2029

**Total Tax Credit Reservation Amount
for All Credit Years \$4,999,400.00**

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

Owner

City and County of Denver

State of Colorado

Jared S. Polis, Governor

Colorado Energy Office

Will Toor, Executive Director

See Attached Signature Page

By: _____

Date: _____

By: _____

Date: _____

State Controller

Robert Jaros, CPA, MBA, JD

By: Jonathon Bray, Controller, Office of
the Governor

Amendment Effective Date:

In accordance with §24-30-202, C.R.S., this Amendment is not valid until signed and dated above by the State Controller or an authorized delegate.

1. Parties

This Amendment (the “Amendment”) to the Original Tax Credit Agreement shown on the Cover Page for this Amendment (the “Tax Credit Agreement”) is entered into by and between the Owner, and the State.

2. Terminology

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Tax Credit Agreement shall be construed and interpreted in accordance with the Tax Credit Agreement.

3. Amendment Effective Date and Term

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Owner for any Work performed or expense incurred under this Amendment either before or after the Amendment term shown in §3.B of this Amendment.

B. Amendment Term

The Parties’ respective performances under this Amendment and the changes to the Tax Credit Agreement contained herein shall commence on the Amendment Effective Date shown on the Signature Page for this Amendment and shall terminate on the termination of the Tax Credit Agreement.

4. Purpose

The purpose of this Amendment is to include a Tax Credit Agreement Expiration Date to enhance Agreement clarity, and to modify the Project’s Statement of Work to update timelines and to clarify that Task 1.3 is not a Task Eligible for GETCO Investment.

5. Modifications

The Tax Credit Agreement and all prior amendments thereto, if any, are modified as follows:

A. Term and Effective Date, Paragraph 2, Credit Period

Paragraph 2, Credit Period, of the Term and Effective Date Section shall be deleted and replaced with the following language:

“The Owner shall complete the study or project within the Credit Period and shall complete all other obligations under this Tax Credit Agreement prior to the Agreement Expiration Date. The relevant Credit Period dates (Credit Period Beginning Date to Credit Period Expiration Date) and performance timelines are listed on the Cover Page. Owner may request an extension of the Credit Period from CEO, which CEO may approve or deny upon review of the request. If the extension is denied, the Owner will have an opportunity to reapply. The Credit Period Expiration Date does not indicate the ending of the Owner’s obligations under this Tax Credit Agreement with CEO.”

B. A Tax Credit Agreement Expiration Date shall be added to the Tax Credit Agreement Cover Page as indicated on the Tax Credit Agreement Cover Page for this Amendment.

C. Definitions

The following term shall be added to the Definitions section of the Agreement.

“Tax Credit Agreement Expiration Date” means the date shown on the Cover Page for this Agreement. The date comes after the Credit Period Expiration Date and encompasses the term in which all the annual performance project reporting obligations are due under this Agreement.”

D. Statement of Work

Exhibit B Addendum 3, the project’s Statement of Work is hereby deleted in its entirety and is replaced with Exhibit B Addendum 3-A, attached hereto and incorporated by reference herein. Hereinafter all references to Exhibit B Addendum 3, shall mean Exhibit B Addendum 3-A.

6. Limits of Effect and Order of Precedence

This Amendment is incorporated by reference into the Tax Credit Agreement, and the Tax Credit Agreement and all prior amendments or other modifications to the Tax Credit Agreement, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Tax Credit Agreement, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Tax Credit Agreement or any prior modification to the Tax Credit Agreement, the provisions of this Amendment shall in all respects

supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Tax Credit Agreement to the extent that this Amendment specifically modifies those Special Provisions.

Exhibit B Addendum 3-A

Expectations and Procedures for Owner

This section is subject to the agreed upon Statement of Work between the awardee and the Colorado Energy Office. The Owner agrees to adhering to and providing all necessary documents and procedures outlined under Exhibit A: Owner Obligations and all Addendums under Exhibit B.

Additionally, the Owner shall comply with the Project's Statement of Work outlined below:

I. Geothermal Energy Tax Credit Offering Description

The Geothermal Energy Tax Credit Offering (GETCO) is authorized by Sections 6 and 7 of House Bill 23-1272 Decarbonization Tax Policy to create refundable merit-based tax incentives that support the use of low- or zero-emission, geothermal energy for electricity generation and space heating and cooling in homes, businesses, and communities. There are two types of Colorado state tax incentive offers under GETCO: the investment tax credit (ITC), and the production tax credit (PTC). **This Statement of Work document focuses on projects awarded for the Investment Tax Credit (ITC).** This Cycle, the CEO released investment for the following:

- Thermal Energy Network Feasibility Studies
- Thermal Energy Network Detailed Design Studies
- Thermal Energy Network Construction / Installation Projects
- Geothermal Electricity Feasibility Studies
- Geothermal Electricity Projects

The City and County of Denver has been awarded a tax credit reservation for the Geothermal Energy Tax Credit ITC Geothermal Thermal Energy Network Detailed Design Study Standards & Guidelines Cycle 2 released on October 1, 2024. Please note that the use of the word "Project" throughout this SOW refers to the approved project *or* study as applicable to the tax credit reservation.

The City and County of Denver is awarded a \$4,999,400 Geothermal Energy Tax Credit Offering reservation for the Credit Period from December 2, 2025 to December 31, 2027.

II. Project Description

Project Title: Downtown Denver District Thermal Network Detailed Engineering Design

Owner Name: City and County of Denver

Owner Tax ID Number: 84-6000580

Project Location: Fourteen Buildings near Civic Center Park, encompassing 5.5 million square feet of occupiable space

1. Denver Elections - 200 W 14th Avenue
2. Police Administration Building and Pre-Arrest Detention Facility - 1331 Cherokee Street
 - a. These two buildings are served by common utilities and were considered as a single building for the study.
3. Denver Crime Lab - 1371 Cherokee Street
4. City and County Building - 1431 Bannock Street
5. McNichols Civic Center Building - 144 W Colfax Avenue
6. Denver Public Library Central Branch - 10 W 14th Avenue Parkway
7. Denver Art Museum Hamilton Building - 100 W 14th Avenue
8. Denver Art Museum Martin Building - 100 W 14th Avenue
 - a. The two Denver Art Museum buildings share a common address but are served by separate utility connection and were considered separately for the study.
9. Van Cise-Simonet Justice Center - 490 W Colfax Avenue
10. Lindsey-Flanigan Courthouse - 520 W Colfax Avenue
11. Wellington Webb Municipal Office Building - 201 W Colfax Avenue
12. Minoru Yasui Plaza - 303 W Colfax Avenue
 - a. This facility is not connected to the steam loop and is heated via the natural gas service.
13. The Colorado Convention Center - 700 14th Street

Project Credit Period: December 2, 2025 to December 31, 2027

Project Scope Completion Date: July 31, 2027

Tax Credit Agreement Expiration Date: January 31, 2029

Project Overview:

The "Downtown Denver District Thermal Network Detailed Engineering Design" study focuses on designing a modern multisource district thermal energy system, referred to as the "Ambient Loop," which will deliver simultaneous heating and cooling services using a common ambient temperature water loop. The project aims to complete the engineering design work needed for Denver to formalize specifications, equipment selection, and a phased transition of municipal buildings to this ambient loop. The study aims to confirm the feasibility of the project and address any concerns.

Total Estimated Eligible Costs	\$16,697,600
Maximum GETCO Tax Reservation	\$4,999,400
% of Project Funding Cost Coverage	30%
Total Estimated Annual GHG Emissions Prevented Annually	>12,000 MT CO ₂ e
Total GHG Emissions Reduction per Dollar of GETCO Tax Credit Reservation	0.0024 MT CO ₂ e per GETCO Dollar

Project Objectives:

The final Detailed Engineering Design study will include:

- **Detailed engineering designs** for the thermal energy network, including pipe sizing, layout, and routing as well as building-side equipment conversions to work with the ambient loop.
- **Specification of materials and equipment** needed, such as pipes, heat exchangers, pumps, control systems, heat transfer fluid, and desuperheaters for domestic hot water (if connected and enabled).
- **Design options** for required monitoring and data trending capabilities for system flows, groundwater & heat transfer fluid temperatures, equipment energy consumption, GHP performance monitoring, and other relevant data.
- **Modeling of annual energy load profile** for all buildings in the proposed thermal energy network, and how the thermal energy network design will meet this annual load profile.
- Information on **compliance with environmental and regulatory requirements**.
- **Construction schedule and cost estimate**.
- Information on **necessary permits and approvals**.

- The initial engineering and design report including the above details will be delivered to the CEO by 12/31/2026.

Project Team:

- **Administrative Team:**
 - Jonathan Rogers, Acting Deputy Executive Director (Office of Climate Action)
 - Drew Halpern, Senior Energy Project Manager
- **Contractor**
 - Denver has released an RFP to identify the contractor(s) needed for the execution of this project. The City and County of Denver will email the CEO once contractor(s) have been selected to seek CEO approval.
- Other entities or individuals identified and approved by the CEO.

III. Tasks, Deliverables and Timeline

The following tasks outline the tax credit terms, detailing the specific requirements and expectations for the Tax Credit Owner. Compliance with these tasks, associated deliverables, and stipulated timelines is essential for the Tax Credit Owner to receive tax credit investment for the project. The Tax Credit Owner is therefore obligated to execute the outlined work tasks and submit the corresponding deliverables to the CEO within the prescribed deadlines.

State Accessibility Requirements

Any work product deliverables must comply with the State of Colorado accessibility technical standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines, currently WCAG 2.1.

The State may require that compliance to the State's accessibility standards for any work product be determined by a third party selected by the State.

Please refer to the Vendor Accessibility Guide for more information on the State's accessibility requirements.

Administration

The Owner shall follow all necessary requirements outlined in Exhibit A: Owner Obligations in the Tax Credit Agreement. The following Administrative Tasks are to be

completed in addition to what is outlined in Exhibit A of the Tax Credit Agreement. Please note that the Tax Credit Owner is not eligible to claim any of the following administrative and reporting deliverables under Task 1 as a Qualified Expenditure in their Tax Credit Cost Certificate requests. A detailed Statement of Work schedule of task due dates can be found in the below Project Budget and Tax Reservation Conditions section, subsection III.

Task 1.1. Kick-off Meeting

A kick-off meeting between the Tax Credit Owner with the CEO will be held within 2 weeks and no later than 45 days of Agreement execution and will establish the expectations of Tax Credit Owner for implementing this Agreement. The meeting shall include, but not be limited to, a review of the project implementation timeline, the Owner's strategy to implement the project and associated deliverables, and a review of this Agreement to ensure clear understanding of expectations and requirements.

Deliverable(s): PowerPoint slides developed by the Tax Credit Owner containing the project timeline, implementation strategy and associated deliverables. Other meeting materials developed as appropriate.

Deadline: Within 45 days of Agreement Execution unless otherwise agreed upon in writing by both parties.

Task 1.2. Mid-Year Development Progress Reports

GETCO Owners will be required to submit one Mid-Year Development Progress Report six (6) months after the start of the Owner's Income Tax Year for each eligible Tax Year. If a Tax Credit Reservation is granted for three Income Tax Years, Owner will be required to submit three Reports, one per Income Tax Year.

Mid-Year Progress Development Reports will include the total accumulated Qualified Expenditures for the current Income Tax Year, progress towards Project goals and objectives, any new or updates on previously identified risks and risk mitigation strategies, and any other information deemed influential to the Project's scope. Any modifications to the awarded Project will be explained in the Mid-Year Project Development Progress Report with it being up to the discretion of the CEO to approve or deny whether the proposed changes will be eligible as a Qualified Expenditure for the Tax Credit for that specific Income Tax Year.

Deliverables(s): Mid-Year Development Progress Reports will include the total accumulated Qualified Expenditures for the current Income Tax Year, progress towards project goals and objectives, any new or updates on previously identified risks and risk mitigation strategies, and any other objectives previously stated in the

Statement of Work. A template for the Mid-Year Development Progress Report is available and will be provided after the TCA is executed.

Deadline: Six (6) months after the start of the Owner's Income Tax Year. Mid-Year Progress Reports are only accepted during the Credit Period. The first report due date may be modified upon an agreement in writing between CEO and Owner if the Execution Date of this Agreement falls under six months.

Task 1.3. Billing and Procedures: Annual Tax Credit Cost Certificate Request

The Owner must submit a Tax Credit Cost Certificate Request no later than 60 days after December 31 of each eligible Income Tax Year. Deadlines for the Annual Tax Credit Cost Certificate Request will be outlined here:

City and County of Denver [84-6000580]	Beginning Income Tax Year	End Income Tax Year	Due date of Request (no later than 90 days after end of income tax year)
Year 1 of Credit Period*	December 2, 2025	December 31, 2025	March 1, 2026
Year 2 of Credit Period	January 1, 2026	December 31, 2026	March 1, 2027
Year 3 of Credit Period	January 1, 2027	December 31, 2027	March 1, 2028

*The Owner will only be compensated for completed Qualified Expenditures during the Credit Period.

The Owner may request a 30-day extension for submitting the Annual Tax Credit Cost Certificate Report within 45 days of the 60-day due date. Approval of the extension request is at the Office's discretion.

The Annual Tax Credit Cost Certificate Request shall include the following components:

- Total dollar amount of the accumulated Qualified Expenditures during the Income Tax Year
- 30% request of the Qualified Expenditures up to the maximum GETCO Reservation of \$4,999,400.
- CPA report by a Colorado-based and CEO-approved CPA report.
- Short justification or explanation of the specific costs associated with the Qualified Expenditure and timing of completed Qualified Expenditure related costs for the claimed income tax year.

- Final Programmatic Report (see below for details)
- Formal request for the issuance of a Cost Certificate Signed Required Declaration.

Please refer to Exhibit A: Sections 5-7 of the Tax Credit Agreement for more detailed information regarding each of these requirements.

Included in this Request, The Owner shall submit a final programmatic report that includes the following information:

- **Programmatic Report:** A technical account of all project-related work performed, project objectives, results initially estimated and achieved (including but not limited to the total GETCO investment realized and to the extent available, effects of the project on gas use, electricity use, emissions and energy costs), technology implemented, successes/challenges/lessons learned, changes to original project scope, operational summary. The Annual Report also includes accomplishments, work products developed, project participants and other collaborating organizations, project impacts, and any changes or problems. Report should account for compliance with applicable project-related codes and requirements, whether local, state, or federal. This report will be publicly available.
- **Compliance with all applicable project-related codes and requirements, whether local, state, or federal.**
- Other additional information required by the Owner pertaining to the Project will be outlined herein:
 - The Detailed Engineering Design study with confidential information redacted. Classification of confidential information must be agreed upon the Owner and CEO.

Please note, prior to submission to CEO, the Annual Tax Credit Cost Certificate Request report must be audited by a licensed Certified Public Accountant that is not affiliated with the Owner. Find requirements for the information needed in Exhibit B of the Tax Credit Agreement. For each eligible tax year within the Credit Period, CEO will review the submitted Tax Credit Cost Certificate Request and verify that it satisfies the information provided by the applicant in their application. If CEO determines that the scope of the Project for that tax year and all reporting requirements are complete and verified, CEO will issue a Tax Credit Certificate for no more than the lesser of 30% or \$4,999,400 of the Qualified Expenditures for that tax year. The total dollar amount of 30% of the Qualified Expenditures over the Credit Period shall not exceed the amount awarded. Owners will claim the credit by filing

the tax credit certificate with their state income tax returns with the Colorado Department of Revenue.

Owner may not claim the Tax Credit Amount until a Tax Credit Cost Certificate is issued. Owner may only claim the Tax Credit Amount certified by CEO in a Tax Credit Cost Certificate for the tax year in which Owner made the Qualified Expenditures to which the Tax Credit Certificate relates. Owner is allowed to submit only three Tax Credit Cost Certificates over the three-year Credit Period.

Deliverable(s): Annual Tax Credit Cost Certificate Request Report

Deadline: No later than 60 days after December 31 of each eligible income tax year. The Owner may request a 30-day extension for submitting the Annual Tax Credit Cost Certificate Report within 45 days of the 60-day due date. Approval of the extension request is at the Office's discretion.

FOR TAX EXEMPT ENTITIES:

CEO will issue Tax Credit reservation certificates in the same manner to all eligible taxpayers including tax-exempt entities and tribal governments. For tax year 2024, DOR is implementing a new income tax return type (form DR 0990) for governments (including tribal governments) and nonprofits that are claiming refundable credits and that have no other tax liability. In those cases, the full amount of the credit will be refunded when they file that return, claim the credit, and attach the credit certificate. Governments and nonprofits that have unrelated business taxable income will continue to file a corporate income tax return (DR 0112) to calculate the tax due on that income and claim any credits they are allowed. The credit will first offset the tax liability, and any remainder will be refunded.

Task. 1.4. Additional Reporting

The awarded Owner may be subject to additional reporting based on the project or study type. The requirements concerning additional reporting are outlined below:

The City and County of Denver will not be subject to additional reporting.

Task 1.5 Project Completion Report

Projects will be subject to Project Completion Reports.

Deliverable: CEO will provide a Notification of Completion report template. This report is separate from the final CPA-audited Annual Tax Credit Cost Certificate Request Report. Unless, if the Project scope end date falls within the Q4 of the

calendar year, the Owner should submit the Project Completion Report with the final Tax Credit Cost Certificate Request.

Deadline: The Owner is required to submit this Notification within 90 days after the Credit Period End Date or 60 days of the final day of the Credit Period.

Task 1.6 Annual Project Performance Reports

Projects are subject to annual performance reporting requirements up to four (4) years after the Credit Period has been completed and Tax Credit(s) has been claimed. The Owner is required to submit Annual Reports to the CEO affirming continued ownership, operational status, and GHG avoidance/ reduction contributions of the awarded GETCO project.

Deadline: The Owner is required to submit Annual Reports by January 31st, and for three (3) years thereafter, for a total of four (4) annual reports. The third CPA-audited Annual Tax Credit Cost Certificate Request Report, claimed in the final year of the Credit Period, will count as the first Annual Report for Task 1.6.

Final Project Deliverables - Thermal Energy Networks

Upon completion of the study or project, the Owner is required to submit the following final project deliverables:

Task 2.1. Thermal Energy Network Study Deliverable(s):

The detailed engineering design shall meet State Accessibility Requirements and include the following documentation/information:

- Discussion of system design alternatives and justification for the chosen system design
- Development of detailed engineering design for the thermal energy network, including pipe sizing, layout, and routing.
- Specification of materials and equipment needed, such as pipes, heat exchangers, pumps, control systems, heat transfer fluid, and desuperheaters for domestic hot water (if connected and enabled).
- Discussion of design options for required monitoring and data trending capabilities for system flows, groundwater & heat transfer fluid temperatures, equipment energy consumption, GHP performance monitoring, and other relevant data.
- Modeling of annual energy load profile for all buildings in the proposed thermal energy network, and discussion of how the thermal energy network design will meet this annual load profile.

- Addressing environmental and regulatory requirements
- Creating a construction schedule and cost estimate
- Identification of necessary permits and approvals.

Deadline: July 31, 2027

IV. Site Visits and Evaluation

CEO staff, State of Colorado employees, or other GETCO representatives may require access to the site of a GETCO-awarded project, before, during and/or within four calendar years of equipment installation (i.e. On-site Monitoring Visit). Tax credit Owners shall provide such access upon request. Please refer to the Auditing Requirements document found in the Cycle 2 GETCO Google Drive folder for more information. Additionally, CEO may perform program evaluation(s) to aid in continuous program improvement which may take the form of a questionnaire or a more detailed interview. CEO may engage with Owner to discuss the possibility of creating a success story/case study of a project upon project completion, with participation in such an activity voluntary.

V. Commissioning & Operation Verification

If applicable to the project, the Tax Credit Owner shall undertake a process to ensure all completed systems & equipment are designed, installed, tested, operated, and maintained according to the design and specifications to ensure proper installation and operation. Assurance will be provided via the submission of a commissioning logbook for the equipment & systems purchased & installed under this Agreement.

Deliverables may include (as applicable to the project):

- Documentation including a commissioning logbook and any supporting data to be provided by the Tax Credit Owner
- Additional supporting documentation including, but not limited to, functional testing reports/logs, system operations and maintenance guides

VI. Project Documentation & Records Retention

The Owner must maintain for a minimum of three years after project completion full and accurate records relating to the project(s) credited by GETCO and must ensure adequate control over related parties in the project. The CEO shall be afforded access to such records, and be granted the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon CEO's request, the

Owner must furnish all data, reports, contracts, documents, and other information relevant to the project within a reasonable timeframe.

Project Budget and Tax Reservation Conditions

I. Qualified Expenditures

The following items are eligible expenditures under this Agreement:

- Expenses associated with the conduction and completion of the Detailed Engineering Design Study, which consist of the deliverables outlined in Task 2.

Table 1. Tasks Eligible for GETCO Investment

Task Number	Task Eligible for GETCO Investment (Yes / No / N/A)
Task 1	
Task 1.1	No
Task 1.2	No
Task 1.3	No
Task 1.4	No
Task 1.5	No
Task 1.6	No
Task 2	
Task 2.1	Yes

II. Project Budget

The table below details the estimated budget for the Qualified Project Expenditures under GETCO, CEO agrees to allow investment up to 30% of Total Estimated Project

Cost. The Owner agrees to pay the additional costs required to complete the Project and fulfill this Statement of Work.

Table 2. Project Budget Summary

Total Estimated Cost	GETCO Tax Credit Amount	Percentage of Total Estimated Cost	Estimated Total Expenditures Per Income Tax Year
\$16,697,600	Up to \$4,999,400	30%	Year 1: \$1,669,760 Year 2: \$10,018,560 Year 3: \$5,009,280

III. Statement of Work Project / Study Schedule

1. Task	2. Estimated Time Frame
Credit Period Effective Date and End Date:	December 2, 2025 - December 31, 2027
Task 1.1: Kick-off Meeting	Within 45 days of { Agreement Effective Date}
Task 1.2: Mid-Year Development Progress Reports	June 30, 2025, June 30, 2026, June 30, 2027
Task 1.3: Annual Tax Credit Cost Certificate Request	March 1, 2026, March 1, 2027, March 1, 2028
Task 1.4: Additional Reporting	N/A
Task 1.5 Project Completion Report	Within 60 days of December 31, 2027
Task 1.6 Annual Project Performance Reports	January 31, 2027, January 31, 2028, January 31, 2029
Task 2:	July 31, 2027

Contract Control Number: CASR-202684193-01_202581103-01
Contractor Name: Colorado Energy Office

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at
Denver, Colorado as of:

SEAL

CITY AND COUNTY OF DENVER:

ATTEST:

By:

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Attorney for the City and County of Denver

By:

By:

By:

Contract Control Number:
Contractor Name:

CASR-202684193-01_202581103-01
Colorado Energy Office

By: *****See Attached Signature Page*****

Name: _____
(please print)

Title: _____
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)