



**Intermountain Power Project
RENEWAL CONTRACT
COORDINATING COMMITTEE MEETING**

AUGUST 4, 2020

VIRTUAL MEETING VIA WEBEX

RENEWAL CONTRACT COORDINATING COMMITTEE PARTICIPATING VOTES

August 3, 2020

CHAIRMAN – R. DAN ELDREDGE 801-938-1333 dan@ipautah.com	%	Yes	No	Abs	Remarks
BURBANK 164 W. Magnolia Boulevard, Burbank, CA 91502 Jorge Somoano 818-238-3550 jsomoano@burbankca.gov Lincoln Bleveans (Alt) 818-238-3651 bleveans@burbankca.gov Scott Mellon (Alt) 818-238-3659 smellon@burbankca.gov	3.334				
GLENDALE 141 N. Glendale Ave, 4 th FL, Glendale, CA 91206 Stephen M. Zurn 818-548-2107 SZurn@glendaleca.gov Mark Young (Alt) 818-548-2107 myoung@glendaleca.gov	4.167				
LOS ANGELES 111 N. Hope St. Room 1263, Los Angeles CA 90012 Paul Schultz 213-367-2929 Paul.Schultz@ladwp.com Reiko Kerr (Alt) 213-367-0387 Rm 921 Reiko.Kerr@ladwp.com Martin Adams (Alt.) Martin.Adams@ladwp.com	71.442				
UTAH MUNICIPALITIES Ted Olson 435-283-7533 ted.olson@snow.edu Snow College 150 College Avenue, Ephraim UT 84627 Eric Larsen (Alt) 435-743-5114 Mobile: 435-253-1536 elarsen@frontiernet.net 210 South 370 East, Fillmore, UT84631	5.737				
BOUNTIFUL Allen Johnson 801-298-6162 ajohnson@bountifulutah.gov 198 South 200 West, Bountiful UT 84010 Gary Hill (Alt) 801-298-6140 ghill@bountifulutah.gov 790 South 100 East, Bountiful UT 84010	1.711				
LOGAN 530 North 800 West, Logan UT 84321 Mark Montgomery 435-716-9744 mark.montgomery@loganutah.org Yuqi Zhao (Alt) 435-716-9738 Yuqi.zhao@loganutah.org	2.491				
MURRAY 153 West 4800 South. Murray UT 84107 Blaine Haacke 801-558-9626 bhaacke@murray.utah.gov Greg Bellon (Alt) 801-330-9974 gbellon@murray.utah.gov	4.036				
REC'S (Bridger Valley, Garkane Energy, Flowell Electric) Durand Robison 435-743-6214 durandr@flowellelectric.com Flowell Electric 495 N 3200 W, Fillmore UT 84631 LaDel Laub (Alt) 435-439-5311 ladell@dixiepower.com Dixie-Escalante, 71 East Hwy 56 Beryl UT 84714	1.713				
DIXIE-ESCALANTE Durand Robison 435-743-6214 durand@deseretpower.com 495 North 3200 West, HC 61, Fillmore UT 84631 LaDel Laub (Alt) 435-439-5311 ladell@dixiepower.com 71 East Hwy 56, Beryl UT 84714-5197	1.548				
MOON LAKE ELECTRIC ASSOC. 800 West Highway 40, Roosevelt UT 84066 Grant Earl 435-7225-5400 gjearl@mleainc.com	2.018				
MT. WHEELER POWER, INC. 1600 Great Basin Blvd, Ely, NV 89301 Kevin Robison (Alt) 755-289-8981 kevinr@mwpower.org	1.803				
TOTAL	100.000				

**NOTICE OF INTERMOUNTAIN POWER PROJECT
RENEWAL CONTRACT COORDINATING COMMITTEE MEETING**

THE INTERMOUNTAIN POWER PROJECT (IPP) HAS SCHEDULED A MEETING OF THE RENEWAL CONTRACT COORDINATING COMMITTEE AT 11:30 A.M. ON TUESDAY, AUGUST 4, 2020 VIA TELECONFERENCE.

TELECONFERENCE INFORMATION

Dial-in Number: (213) 306-3065

Access Code: 146 030 1530

Password (if prompted): tmESW7qfR22

Link:

<https://ladwp.webex.com/ladwp/j.php?MTID=mb6c5238b0adeaa1d754261a53c9e64ab>

A G E N D A

1. INTRODUCTIONS AND ANNOUNCEMENTS (DAN ELDREDGE)

2. CONSIDERATION AND APPROVAL OF THE MAY 18, 2020 RENEWAL CONTRACT COORDINATING COMMITTEE MEETING MINUTES

3. DISCUSSION OF THE AUGUST 4, 2020 INTERMOUNTAIN POWER PROJECT COORDINATING COMMITTEE MEETING (DAN ELDREDGE)

4. **RESOLUTION RCCC-2020-001**
CONSIDERATION AND APPROVAL OF HYDROGEN BETTERMENT FUNDING PLAN AND OEM HYDROGEN BETTERMENT (GREG HUYNH)

5. **RESOLUTION RCCC-2020-002**
CONSIDERATION AND APPROVAL OF PLANS FOR PRE-FUNDING RETIREMENT COSTS (GREG HUYNH)

6. **RESOLUTION RCCC-2020-003**
CONSIDERATION AND APPROVAL OF THE RESERVE DISPOSITION PLAN (GREG HUYNH)

7. 2021 IPP RCCC MEETING CALENDAR

8. EXECUTIVE SESSION

NOTE: The executive session is for the members of the IPP Renewal Contract Coordinating Committee, the IPA Board and staff and legal counsel of the Operating Agent, the Project Manager, the members of the IPP Renewal Contract Coordinating Committee and IPA. If any attendee has a question whether they should be in the executive session or not, please come forward

9. OTHER BUSINESS

10. TIME AND PLACE OF NEXT MEETING
11:30 A.M., TUESDAY, NOVEMBER 3, 2020
RIVERSIDE, CALIFORNIA

1 **DRAFT INTERMOUNTAIN POWER PROJECT**
2 **RENEWAL CONTRACT COORDINATING COMMITTEE MEETING**
3 **MINUTES**
4 **MAY 18, 2020**

5
6 **MINUTES**
7

8 A WebEx virtual meeting of the Intermountain Power Project (IPP) Renewal Contract
9 Coordinating Committee (RCCC) was held on May 18, 2020. The following participated:

10
11 Dan Eldredge IPA (IPP RCCC Chair)
12 Linford Jensen IPA
13 Cameron Cowan IPA
14 Vance Huntley IPA
15 Cody Combe IPA
16 Michelle Miller IPA
17 Bruce Rigby IPA
18 Nick Tatton IPA
19 Saif Mogri IPA Consultant
20 Shawn Smith Anaheim
21 Charles Guss Anaheim
22 Graham Bowen Anaheim
23 Kristin Weger Anaheim
24 Allison Kott Anaheim
25 Allen Johnson Bountiful
26 Timothy Hammond (Alt.) Burbank
27 Bob Liu Burbank
28 Mark Young (Alt.) Glendale
29 Jon Finlinson IPSC
30 Jon Christensen IPSC
31 Paul Schultz LADWP
32 Lori Morrish LADWP
33 Greg Huynh LADWP
34 John Aguilar LADWP
35 Vaughn Minassian LADWP
36 Mark Montgomery Logan
37 Blaine Haacke Murray
38 Matt Young Murray
39 Kevin Robison MT. Wheeler
40 Mandip Samra Pasadena
41 Kelly Nguyen Pasadena
42 Shari Thomas Pasadena
43 Durand Robison REC's
44 Roy Xu Riverside
45 Daniel Garcia Riverside
46 Ted Olson Utah Municipalities

1 Eric Larsen (Alt.) Utah Municipalities
2 Mark Buchi Holland & Hart
3 Eric Bawden Holland & Hart
4 Rob Hughes Parsons, Behle & Latimer
5

6 **INTRODUCTIONS AND ANNOUNCEMENTS**

7
8 The meeting commenced at 10:55 a.m. conducted by Chair Dan Eldredge. Mr. Eldredge
9 welcomed everyone to the meeting. He stated the RCCC has a quorum to conduct the business
10 before them. Mr. Eldredge had the RCCC members and visitors introduced.
11

12 **CONSIDERATION AND APPROVAL OF THE MARCH 10, 2020 RENEWAL**
13 **CONTRACT COORDINATING COMMITTEE MEETING MINUTES**

14
15 Mr. Eldredge asked for a motion to approve the RCCC meeting minutes of March 10, 2020.
16

17 **Mr. Johnson made a motion to approve the RCCC meeting minutes of March 10,**
18 **2020. Mr. Hammond seconded the motion. A vote by all RCCC members**
19 **participating in the virtual meeting was taken and the vote was unanimous in the**
20 **affirmative.**
21

22 **DISCUSSION OF THE MAY 18, 2020 INTERMOUNTAIN POWER PROJECT**
23 **COORDINATING COMMITTEE MEETING**

24
25 Mr. Eldredge said the RCCC members received reports covered in the IPP Coordinating
26 Committee meeting earlier today.
27

28 Mr. Eldredge asked for questions or comments on the reports. There were none.
29

30 **EXECUTIVE SESSION**

31
32 There was none.
33

34 **OTHER BUSINESS**

35
36 There was none.
37

38 Mr. Eldredge thanked everyone for their participation and asked for a motion to adjourn the
39 meeting.
40

41 **Mr. Olson made a motion to adjourn. Mr. Young seconded the motion. A vote by**
42 **all RCCC members participating in the virtual meeting was taken and the vote was**
43 **unanimous in the affirmative. Meeting adjourned at 11:00 a.m.**
44

1 **TIME AND PLACE OF NEXT MEETING**

2

3 Tuesday, August 4, 2020, at 11:30 a.m., at the Park City Sheraton, Park City, Utah.

4

5 Minutes taken by Michelle Miller

6

7

RESOLUTION

RCCC-2020-001

APPROVAL OF HYDROGEN BETTERMENT FUNDING PLAN AND OEM HYDROGEN BETTERMENT

On motion of _____, seconded by _____, at a telephonic meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held on August 4, 2020, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Renewal Power Sales Contracts) to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, collectively, the “Renewal Power Sales Contracts”); and

WHEREAS, as described in Resolution CC-2019-018 of the Original Coordinating Committee (as defined in the Renewal Power Sales Contracts) and Resolution IPA-2019-019 of the IPA Board of Directors (the “IPA Board”), the Project Manager has commenced the Alternative Repowering (the “Project”), which includes the purchase and installation of two 420-MW combined-cycle gas-fired power blocks, each power block consisting of one gas turbine, a heat recovery steam generator train and a single steam turbine (the “Power Blocks”); and

WHEREAS, to implement the Project, the Project Manager has entered into contracts for professional services and the purchase of equipment, and will enter into additional contracts for equipment, services, construction, and other necessary elements of the Project (the “Project Contracts”) as the Project moves forward; and

WHEREAS, those items of equipment, services, construction, and other elements necessary to complete the Project are hereafter referred to as the “Baseline Scope”; and

WHEREAS, pursuant to Resolutions CC-2020-001 and IPA-2020-001, the Project Manager has executed on behalf of IPA a contract with Mitsubishi Hitachi Power Systems Americas, Inc. (“MHPS”), providing for the purchase of the two Power Blocks (the “OEM Contract”); and

WHEREAS, the combustor technology in the gas turbines to be provided under the OEM Contract is capable of burning a fuel blend that includes at least 30 percent hydrogen, but the turbines would require additional balance of plant equipment and OEM-provided equipment to operate with a 30 percent hydrogen blend; and

WHEREAS, the Purchasers desire (i) that the Power Blocks and the Project be designed and constructed in a manner that will allow the gas turbines included in the Power Blocks to be fueled at the outset with a fuel blend that consists of 30 percent hydrogen, (ii) to increase the hydrogen percentage above 30 percent at some point after the Transition Date, and (iii) to

eventually operate with fuel consisting of 100 percent hydrogen (the “Hydrogen Targets”); and

WHEREAS, in order to meet the Hydrogen Targets, the Project Manager will need to contract for items of equipment, services, and construction in addition to what is required by the Baseline Scope (those additional items, “Hydrogen Betterments”); and

WHEREAS, it will be more economical to contract for Hydrogen Betterments to be implemented in conjunction with the Project, rather than as separate projects from and after the Transition Date; and

WHEREAS, MHPS has offered a Hydrogen Betterment as an option to the Baseline Scope under the OEM Contract, consisting of fuel delivery modifications necessary for the burning of a hydrogen fuel blend, along with physical equipment modifications that will allow for a 100 percent hydrogen fuel facility (the “OEM Hydrogen Betterment”); and

WHEREAS, the amount of the OEM Hydrogen Betterment (the “OEM Hydrogen Betterment Cost”), plus a reasonable amount for contingencies, is \$5,150,000; and

WHEREAS, the OEM Hydrogen Betterment currently is an option under the OEM Contract that, if exercised, will be included in the OEM Contract, but the OEM Hydrogen Betterment Cost will be invoiced separately; and

WHEREAS, the Project Manager has estimated that performing the same work after the Project is complete will cost tens of millions of dollars more than the OEM Hydrogen Betterment Cost, and will require substantial outage time, and for those reasons the Project Manager is of the opinion that it is in the best interests of IPP, and in accordance with Prudent Utility Practice (as defined in the Original Power Sales Contracts, as Original Power Sales Contracts is defined in the Renewal Power Sales Contracts), to exercise the option to include the OEM Hydrogen Betterment in the OEM Contract pursuant to a change order; and

WHEREAS, the parties to the Original Power Sales Contracts that are not Purchasers (the “Exiting Purchasers”) are generally supportive of Hydrogen Betterments such as the OEM Hydrogen Betterment, but because the benefits of the Hydrogen Betterments will not be fully realized until after the Transition Date, the Purchasers and the Exiting Purchasers agree that the costs of the Hydrogen Betterments should not be borne by the Exiting Purchasers; and

WHEREAS, for the reasons described above, the Purchasers and the Exiting Purchasers also agree that costs and expenses related to repair or replacement of the Power Blocks or other equipment should not be borne by the Exiting Purchasers to the extent those costs and expenses are attributed to the Hydrogen Betterments; and

WHEREAS, the Operating Agent has recommended that a mechanism be created to allow for the Purchasers to fund the OEM Hydrogen Betterment and future Hydrogen Betterments without participation by the Exiting Purchasers according to the plan set forth in

Resolution No. CC-2020-011 (the “CC Resolution”) of the Original Coordinating Committee (the “Hydrogen Betterment Funding Plan”); and

WHEREAS, the Committee has received a letter dated July 28, 2020 from Mr. Gregory S. Huynh on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”) recommending that the Committee (i) approve and adopt, and recommend that the IPA Board approve and adopt, the Hydrogen Betterment Funding Plan (as defined and described in the CC Resolution), and (ii) authorize, and recommend that the IPA Board authorize, the Project Manager to execute a change order to the OEM Contract in the amount of the OEM Hydrogen Betterment Cost for the OEM Hydrogen Betterment as described therein and above; and

WHEREAS, the Operating Agent provided a briefing at meetings of the Original Coordinating Committee and the Committee on March 10, 2020, and on conference calls on March 19, June 18, July 13, and July 29, 2020 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described and explained the basis of the Operating Agent’s recommendations, advice and determinations as set forth herein; and

WHEREAS, the Original Coordinating Committee, by the CC Resolution, (i) approved and adopted, and recommended that the IPA Board approve and adopt, the Hydrogen Betterment Funding Plan as described therein, and (ii) authorized, and recommended that the IPA Board authorize, the Project Manager to execute a change order to the OEM Contract in the amount of the OEM Hydrogen Betterment Cost for the OEM Hydrogen Betterment as described therein;

WHEREAS, the Committee has reviewed and considered the Operating Agent Recommendation Letter, the Operating Agent Briefing, and the CC Resolution, including the recommendations, advice and determinations of the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby (i) approves and adopts, and recommends that the IPA Board approve and adopt, the Hydrogen Betterment Funding Plan as described herein, and (ii) authorizes, and recommends that the IPA Board authorize, the Project Manager to execute a change order to the OEM Contract in the amount of the OEM Hydrogen Betterment Cost for the OEM Hydrogen Betterment as described herein, all on the terms and conditions described in the Operating Agent Recommendation Letter and the Operating Agent Briefing; provided that such terms are consistent with the approval of this Resolution by the IPA Board, with the Project Agreements (as defined in the Construction Management and Operating Agreement between IPA and the Operating Agent) and applicable law; and

BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

Resolution No. RCCC-2020-001

August 4, 2020

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INTERMOUNTAIN POWER PROJECT
RENEWAL CONTRACT COORDINATING
COMMITTEE

CHAIRMAN

ATTEST:

SECRETARY

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RESOLUTION

RCCC-2020-002

APPROVAL OF PLANS FOR PRE-FUNDING RETIREMENT COSTS

On motion of _____, seconded by _____, at a telephonic meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held on August 4, 2020, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Renewal Power Sales Contracts) to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, collectively, the “Renewal Power Sales Contracts”); and

WHEREAS, as described in Resolution CC-2019-018 of the Original Coordinating Committee (as defined in the Renewal Power Sales Contracts) and Resolution IPA-2019-019 of the IPA Board of Directors (the “IPA Board”), the Project Manager has commenced the Alternative Repowering (the “Project”); and

WHEREAS, Section 44.2 of the Original Power Sales Contracts (as defined in the Renewal Power Sales Contracts) provides that the Project shall not proceed without a plan for performing Retirement Actions (as defined in the Original Power Sales Contracts) and paying Retirement Costs (as defined in the Original Power Sales Contracts) (the “Section 44 Retirement Plan”); and

WHEREAS, the Section 44 Retirement Plan was approved by the Original Coordinating Committee, the Committee, and the IPA Board on August 6, 2019, pursuant to Resolutions CC-2019-014, RCCC-2019-002, and IPA-2019-014, respectively; and

WHEREAS, the Section 44 Retirement Plan estimates that the Retirement Costs will total \$260,412,000 (that amount, the “2019 Retirement Cost Estimate”); and

WHEREAS, Section 44.5 of the Original Power Sales Contracts contemplates payment of the Retirement Costs through the issuance of IPA Bonds, but allows the Original Coordinating Committee to approve other methods of funding; and

WHEREAS, if the Retirement Costs are paid through the issuance of IPA Bonds, those Bonds would likely be issued in Fiscal Year 2024-25 for a 20 year term, such that the Original Purchasers (as defined in the Renewal Power Sales Contracts) would pay the debt service on those Bonds during Fiscal Years 2025-26 and 2026-27 until the Transition Date, and thereafter the Purchasers would pay the debt service over the eighteen Fiscal Years from and after the Transition Date; and

WHEREAS, rather than issuing IPA Bonds for the entire amount of the Retirement Costs, the Operating Agent proposes funding the Retirement Costs according to the Pre-Funding Plan (as defined and described in Resolution CC-2020-012 of the Original Coordinating Committee (the “CC Resolution”)), and the “Renewal Pre-Funding Plan,” which shall consist of (i) the same terms

as the Pre-Funding Plan but with each reference to a “Purchaser” therein referring to an Original Purchaser and each reference to a “Renewal Purchaser” therein referring to a Purchaser (as defined in the Renewal Power Sales Contracts); and (ii) the following paragraph 10 (with each reference to a “Purchaser” below referring to a Purchaser (as defined in the Renewal Power Sales Contracts)):

10. During each Fiscal Year commencing on or after the Transition Date, invoices for each Purchaser’s Monthly Power Costs for such Fiscal Year will include a line item for Retirement Costs for such Fiscal Year as a debit against that Purchaser’s Pre-Funding Credit, if any, with Pre-Funding Credits being first allocated in equal monthly amounts up to but not exceeding the line item for Retirement Costs included on the monthly invoice for such Purchaser’s Monthly Power Costs. A Purchaser’s Pre-Funding Credit exceeding the total of all Retirement Costs included as a line item on such Purchaser’s invoices for Monthly Power Costs after the Transition Date, if any, shall be allocated as illustrated in Table 1b of Example 4 on Exhibit A to the CC Resolution.

WHEREAS, Exhibit A to the CC Resolution includes illustrative examples of how the Plans (as defined below) will operate in practice based on different assumptions regarding the amount of the 2025 Retirement Cost Estimate and the amounts that Original Purchasers or Purchasers elect to pre-fund (including illustrations of the Renewal Pre-Funding Plan in Tables 1c of the various examples on Exhibit A to the CC Resolution); and

WHEREAS, the Operating Agent is of the opinion that the Pre-Funding Plan and the Renewal Pre-Funding Plan (individually and collectively, the “Plans”) are advantageous because they could greatly reduce the amount of Transition Project Indebtedness to be incurred to pay Retirement Costs, and thereby reduce interest costs for those Original Purchasers and Purchasers who elect to pay Pre-Funding Charges; and

WHEREAS, the Operating Agent is also of the opinion that the Plans are equitable, because they ensure that those Original Purchasers and Purchasers that do not elect to pay Pre-Funding Charges pay no more and no less than the share of Retirement Costs that they would pay if IPA were to issue Bonds for the entire amount of the Retirement Costs; and

WHEREAS, the Committee has received a letter dated July 27, 2020 from Mr. Gregory S. Huynh on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”) recommending that the Committee approve and adopt, and recommend that the IPA Board approve and adopt, the Plans as described therein; and

WHEREAS, the Operating Agent provided a briefing at meetings of the Original Coordinating Committee and the Committee on March 10, 2020, and on conference calls on March 19, June 22, July 13, and July 29, 2020 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described, and explained the basis of, the Operating Agent’s recommendations, advice and determinations described in the Operating Agent Recommendation Letter; and

WHEREAS, the Original Coordinating Committee, by the CC Resolution, approved, and recommended that the Committee and the IPA Board approve, the Pre-Funding Plan on the terms and conditions described in the Operating Agent Recommendation Letter and the Operating Agent Briefing; provided that such terms are consistent with the approval of the Pre-Funding Plan by the IPA Board, with the Project Agreements (as defined in the Construction Management and Operating Agreement between IPA and the Operating Agent) and applicable law; and

WHEREAS, the Committee has reviewed and considered the Operating Agent Recommendation Letter, the Operating Agent Briefing, and the CC Resolution, including the recommendations, advice and determinations of the Operating Agent.

NOW THEREFORE, BE IT RESOLVED, that the Committee hereby approves and adopts, and recommends that the IPA Board approve and adopt, the Plans on the terms and conditions described in the Operating Agent Recommendation Letter and the Operating Agent Briefing; provided that such terms are consistent with the approval of the Plans by the IPA Board, with the Project Agreements (as defined in the Construction Management and Operating Agreement between IPA and the Operating Agent) and applicable law; and

BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

INTERMOUNTAIN POWER PROJECT
RENEWAL CONTRACT
COORDINATING COMMITTEE

CHAIRMAN

ATTEST:

SECRETARY

RESOLUTION

RCCC-2020-003

APPROVAL OF THE RESERVE DISPOSITION PLAN

On motion of _____, seconded by _____, at a telephonic meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held on August 4, 2020, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Renewal Power Sales Contracts) to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, collectively, the “Renewal Power Sales Contracts”); and

WHEREAS, IPA keeps certain cash and other assets in reserve, as required by the Amended and Restated Power Supply Revenue Bond Resolution, adopted August 28, 1998 (as amended and supplemented from time to time, the “Amended and Restated Bond Resolution”), the Subordinated Power Supply Revenue Bond Resolution adopted March 4, 2004 (as amended and supplemented from time to time, the “Subordinated Bond Resolution”), or as the Original Coordinating Committee (as defined in the Renewal Power Sales Contracts) and IPA have deemed advisable to hold in reserve to address unexpected costs associated with IPP; and

WHEREAS, those cash and other assets (collectively, the “Reserve Funds”), with funding levels as of February 29, 2020, are summarized in the table attached as Exhibit A to Resolution No. CC-2020-014 of the Original Coordinating Committee (the “CC Resolution”); and

WHEREAS, the Operating Agent deems it advisable to establish a plan for disposition of the Reserve Funds in conjunction with the scheduled expiration of the Original Power Sales Contracts (as defined in the Renewal Power Sales Contracts) in 2027, and in a manner that (i) complies with the requirements of the Amended and Restated Bond Resolution, the Subordinated Bond Resolution, the Original Power Sales Contracts, and the Renewal Power Sales Contracts, (ii) maintains a reasonable amount of working capital and contingency reserves until the expiration of the Original Power Sales Contracts, and (iii) is equitable to the Original Purchasers (as defined in the Renewal Power Sales Contracts) that funded the Reserve Funds through the payment of Monthly Power Costs (or, in the case of those Reserve Funds that were funded from the proceeds of Bonds, through the payment of Debt Service on those Bonds); and

WHEREAS, the Operating Agent has proposed the Reserve Disposition Plan (as defined and described in the CC Resolution); and

WHEREAS, the Operating Agent has determined pursuant to Section 804(b) of the Amended and Restated Bond Resolution that the following conditions are satisfied with respect to the actions contemplated by this Resolution (being, collectively, the “Section 804(b)

Conditions”): the actions contemplated by this Resolution are desirable in the conduct of the business of IPA relating to the Project and do not materially impair the ability of IPA to comply with Section 808 of the Amended and Restated Bond Resolution and the Operating Agent recommends that the Committee find, and recommend that the IPA Board find, that the Section 804(b) Conditions are so satisfied; and

WHEREAS, the Committee has received a letter dated July 27, 2020 from Mr. Gregory S. Huynh on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”) recommending that the Committee approve and adopt, and recommend that the IPA Board approve and adopt, the Reserve Disposition Plan as described in the CC Resolution; and

WHEREAS, the Operating Agent provided a briefing at meetings of the Original Coordinating Committee and the Committee on March 10, 2020, and on conference calls on March 19, June 25, July 13, and July 29, 2020 (collectively, the “Operating Agent Briefing”), during which the Operating Agent described and explained the basis of the Operating Agent’s recommendations, advice and determinations as set forth herein; and

WHEREAS, the Original Coordinating Committee, by the CC Resolution, approved and adopted, and recommended that the IPA Board approve and adopt, the Reserve Disposition Plan as described in the CC Resolution; and

WHEREAS, the Committee has reviewed and considered the Operating Agent Recommendation Letter, the Operating Agent Briefing, and the CC Resolution, including the recommendations, advice and determinations of the Operating Agent.

NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby approves and adopts, and recommends that the IPA Board approve and adopt, the Reserve Disposition Plan as described in the CC Resolution on the terms and conditions described in the Operating Agent Recommendation Letter and the Operating Agent Briefing; provided that such terms are consistent with the approval of this Resolution by the IPA Board, with the Project Agreements (as defined in the Construction Management and Operating Agreement between IPA and the Operating Agent) and applicable law; and

BE IT FURTHER RESOLVED, that the Committee hereby finds, and recommends that the IPA Board finds, that the Section 804(b) Conditions are satisfied with respect to the actions contemplated by this Resolution; and

BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

Resolution No. RCCC-2020-003

August 4, 2020

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INTERMOUNTAIN POWER PROJECT,
RENEWAL CONTRACT COORDINATING
COMMITTEE

CHAIRMAN

ATTEST:

SECRETARY

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**2021 MEETING CALENDAR
IPP RENEWAL CONTRACT COORDINATING COMMITTEE
(RCCC)**

March 9 (Tuesday)	Las Vegas, NV-Time to Be Determined
April 19 (Monday)	Virtual Meeting-Time to Be Determined
May 17 (Monday)	Delta, UT-Time to Be Determined
July 19 (Monday)	Virtual Meeting-Time to Be Determined
August 3 (Tuesday)	Utah Location-Time to Be Determined
September 20 (Monday)	Virtual Meeting-Time to Be Determined
November 2 (Tuesday)	Pasadena, CA-Time to Be Determined