



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

**July 19, 2021  
Virtual Meeting via WebEx**

**RENEWAL CONTRACT COORDINATING COMMITTEE PARTICIPATING VOTES**

**March 5, 2021**

CHAIRMAN – R. DAN ELDREDGE 801-938-1333 <a href="mailto:dan@jpautah.com">dan@jpautah.com</a>	%	Yes	No	Abs	Remarks
<b>BURBANK</b> 164 W. Magnolia Boulevard, Burbank, CA 91502 Dawn Roth Lindell 818-238-3550 <a href="mailto:drothlindell@burbankca.gov">drothlindell@burbankca.gov</a> Mandip Samra (Alt) 818-238-3752 <a href="mailto:msamra@burbankca.gov">msamra@burbankca.gov</a> Scott Mellon (Alt) 818-238-3659 <a href="mailto:smellon@burbankca.gov">smellon@burbankca.gov</a>	3.334				
<b>GLENDALE</b> 141 N. Glendale Ave, 4 <sup>th</sup> FL, Glendale, CA 91206 Stephen M. Zurn 818-548-2107 <a href="mailto:SZurn@glendaleca.gov">SZurn@glendaleca.gov</a> Mark Young (Alt) 818-548-2107 <a href="mailto:myoung@glendaleca.gov">myoung@glendaleca.gov</a>	4.167				
<b>LOS ANGELES</b> 111 N. Hope St. Room 1263, Los Angeles CA 90012 Paul Schultz 213-367-2929 <a href="mailto:Paul.Schultz@ladwp.com">Paul.Schultz@ladwp.com</a> Reiko Kerr (Alt) 213-367-0387 Rm 921 <a href="mailto:Reiko.Kerr@ladwp.com">Reiko.Kerr@ladwp.com</a> Martin Adams (Alt.) <a href="mailto:Martin.Adams@ladwp.com">Martin.Adams@ladwp.com</a>	71.442				
<b>UTAH MUNICIPALITIES</b> Eric Larsen (Alt) 435-743-5114 Mobile: 435-253-1536 <a href="mailto:elarsen@frontiernet.net">elarsen@frontiernet.net</a> 210 South 370 East, Fillmore, UT84631	5.737				
<b>BOUNTIFUL</b> Allen Johnson 801-298-6162 <a href="mailto:ajohnson@bountifulutah.gov">ajohnson@bountifulutah.gov</a> 198 South 200 West, Bountiful UT 84010 Gary Hill (Alt) 801-298-6140 <a href="mailto:ghill@bountifulutah.gov">ghill@bountifulutah.gov</a> 790 South 100 East, Bountiful UT 84010	1.711				
<b>LOGAN</b> 530 North 800 West, Logan UT 84321 Mark Montgomery 435-716-9744 <a href="mailto:mark.montgomery@loganutah.org">mark.montgomery@loganutah.org</a> Yuqi Zhao (Alt) 435-716-9738 <a href="mailto:Yuqi.zhao@loganutah.org">Yuqi.zhao@loganutah.org</a>	2.491				
<b>MURRAY</b> 153 West 4800 South. Murray UT 84107 Blaine Haacke 801-558-9626 <a href="mailto:bhaacke@murray.utah.gov">bhaacke@murray.utah.gov</a> Greg Bellon (Alt) 801-330-9974 <a href="mailto:gbellon@murray.utah.gov">gbellon@murray.utah.gov</a>	4.036				
<b>REC'S (Bridger Valley, Garkane Energy, Flowell Electric)</b> LaDel Laub (Alt) 435-439-5311 <a href="mailto:ladell@dixiepower.com">ladell@dixiepower.com</a> Dixie-Escalante, 71 East Hwy 56 Beryl UT 84714	1.713				
<b>DIXIE-ESCALANTE</b> LaDel Laub (Alt) 435-439-5311 <a href="mailto:ladell@dixiepower.com">ladell@dixiepower.com</a> 71 East Hwy 56, Beryl UT 84714-5197	1.548				
<b>MOON LAKE ELECTRIC ASSOC.</b> 800 West Highway 40, Roosevelt UT 84066 Grant Earl 435-7225-5400 <a href="mailto:gjearl@mleainc.com">gjearl@mleainc.com</a>	2.018				
<b>MT. WHEELER POWER, INC.</b> 1600 Great Basin Blvd, Ely, NV 89301 Kevin Robison (Alt) 755-289-8981 <a href="mailto:kevinr@mwpower.org">kevinr@mwpower.org</a>	1.803				
<b>TOTAL</b>	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 8:00 A.M. PACIFIC TIME, 9:00 A.M. MOUNTAIN TIME, ON MONDAY, JULY 19, 2021 VIA WEBEX.

Webex Meeting Link:  
<https://ladwp.webex.com/meet/gregory.huynh>

Meeting number (access code): 960 527 414

Join by Phone:  
1-213-306-3065  
1-415-655-0002

**A G E N D A**

1. INTRODUCTIONS AND ANNOUNCEMENTS (DAN ELDREDGE)
2. DISCUSSION OF THE JULY 19, 2021 INTERMOUNTAIN POWER PROJECT COORDINATING COMMITTEE MEETING (DAN ELDREDGE)
3. **RESOLUTION RCCC-2021-004**  
CONSIDERATION AND APPROVAL OF SCPA STS AGREEMENTS (LORI MORRISH)
4. **RESOLUTION RCCC-2021-005**  
CONSIDERATION AND APPROVAL OF AMENDED AND RESTATED CONSTRUCTION MANAGEMENT AND OPERATING AGREEMENT (GREG HUYNH)
5. 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 Project Manager and IPA. If any attendee has a question whether they should be in the executive session or not, please contact the IPP Coordinating Committee Chair, Dan Eldredge, at [dan@ipautah.com](mailto:dan@ipautah.com) before the meeting commences or by using the WebEx "Raise Hand" feature during the meeting (after the meeting commences and before it ends).

6. OTHER BUSINESS

RENEWAL CONTRACT COORDINATING COMMITTEE MEETING AGENDA  
JULY 19, 2021  
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7. TIME AND PLACE OF NEXT MEETING  
10:30 A.M. PACIFIC TIME, 11:30 A.M. MOUNTAIN TIME, TUESDAY,  
AUGUST 3, 2021  
SHERATON HOTEL, PARK CITY, UTAH

## RESOLUTION

RCCC-2021-004

### APPROVAL OF SCPPA STS AGREEMENTS

On motion of \_\_\_\_\_, seconded by \_\_\_\_\_, at a virtual meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held July 19, 2021, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Power Sales Contracts) to those certain Power Sales Contracts, dated as of September 28, 1978 for the Utah Purchasers (as defined in such Power Sales Contracts) and August 6, 1980 for the California Purchasers (as defined in such Power Sales Contracts) (such Power Sales Contracts, as amended, revised and updated, collectively, the “Power Sales Contracts”); and

WHEREAS, IPA is also a party to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, the “Renewal Power Sales Contracts”) with those Purchasers that (i) accepted the Renewal Offer (as defined in the Power Sales Contracts) and (ii) did not subsequently terminate their Renewal Power Sales Contract pursuant to Section 42.1 of the Renewal Power Sales Contracts (“Renewal Purchasers”); and

WHEREAS, pursuant to Resolution Nos. CC-2021-003, RCCC-2021-001, and IPA-2021-003, the Original Coordinating Committee (as defined in the Renewal Power Sales Contracts), the Committee, and the IPA Board of Directors (“IPA Board”), respectively, have previously approved a Capital Improvement known as the STS Renewal Project, which is more particularly described on Exhibit A attached to Resolution No. CC-2021-014 of the Original Coordinating Committee; and

WHEREAS, the Project Manager has been working with the Southern California Public Power Authority (“SCPPA”), IPA, and the California Purchasers to arrange for SCPPA to fund the Costs of Acquisition and Construction (as defined in the Power Sales Contracts) of the STS Renewal Project through payments-in-aid of construction (the “STS Financing”), all as contemplated by and in accordance with Section 32 of the Power Sales Contracts and Resolution Nos. CC-2020-010 and IPA-2020-009 (collectively, the “STS Financing Resolutions”); and

WHEREAS, the STS Financing calls for IPA and SCPPA to enter into two agreements: (1) Second Amendment to Southern Transmission System Agreement (the “Second Amendment”), which agreement amends the provisions of the Southern Transmission System Agreement between IPA and SCPPA and dated as of May 1, 1983 (the “STS Agreement”), to provide, among other things, for SCPPA to finance the STS Renewal Project, and (2) the Renewal Southern Transmission System Agreement (the “Renewal STS Agreement”), which agreement provides, among other things, for SCPPA to finance future, as-yet-unidentified Southern Transmission Capital Improvements undertaken by the Project Manager under the Renewal Power Sales Contracts; and

WHEREAS, the Second Amendment acknowledges that the California Purchasers that are not Renewal Purchasers (the “Exiting California Purchasers”) will not contribute to any reserve funds for the STS Renewal Project, and to the extent that the Exiting California Purchasers’ Monthly Power Costs are allocable to such reserves, requires IPA to return those amounts to the Exiting California Purchasers no later than the Transition Date (that obligation, the “New Reserve Payback”); and

WHEREAS, to provide a source of funds for the New Reserve Payback, the Project Manager recommends that paragraph 4.d. of the Reserve Disposition Plan, (as approved and adopted by the Committee, Renewal Committee, and IPA Board pursuant to Resolutions CC-2020-014, RCCC-2020-003, and IPA-2020-013, respectively) be amended to read as follows (the “Reserve Payback Amendment”):

*Transfer to Operational Reserves. ~~No later than the Transition Date~~Upon the expiration of the Power Sales Contracts, IPA will (i) disburse to each Exiting California Purchaser an amount of money from the FCI Reserve equal to the amount of money paid by that Exiting California Purchaser through Monthly Power Costs that is allocable to that portion of SCPPA’s payments-in-aid of construction for the STS Renewal Project that is used to fund any reserve funds, including but not limited to the R&C Reserve or the Operating Reserve, and then (ii) transfer the remaining balance of the FCI Reserve to the Operational Reserves pursuant to Section 5.13.2 of the Renewal Power Sales Contracts, and credit to the account of each Renewal Purchaser an amount equal to the transferred balance of the Operational Reserves multiplied by that Renewal Purchaser’s Net Entitlement Share (which remaining balances, for purposes of said Section 5.13.2 of the Renewal Power Sales Contracts, shall be and be deemed to have been directed by each such Renewal Purchaser to be transferred to such Operational Reserves from such Renewal Purchaser’s share, if any, of the FCI Reserve); and*

WHEREAS, to ensure that the STS Agreement, as amended by the Second Amendment, terminates on June 15, 2027, the Project Manager is of the opinion that IPA should not execute the Second Amendment or Renewal STS Agreement until the legal defeasance of IPA’s outstanding Bonds (as defined in the Power Sales Contracts) other than IPA’s Transition Project Indebtedness (as defined in the Power Sales Contracts) (such Bonds being the “Pre-Repowering Bonds”), such that the termination of the Power Sales Contracts on June 15, 2027 pursuant to Section 23 of the Power Sales Contracts will not be prohibited pursuant to Section 26.1 of the Power Sales Contracts; and

WHEREAS, to ensure that the STS Agreement, as amended by the Second Amendment, terminates on June 15, 2027, the Project Manager is of the opinion that IPA should not execute the Second Amendment or Renewal STS Agreement until the legal defeasance of IPA’s outstanding Bonds (as defined in the Power Sales Contracts) other than IPA’s Transition Project Indebtedness (as defined in the Power Sales Contracts) (such Bonds being the “Pre-Repowering Bonds”), such that the termination of the Power Sales Contracts on June 15, 2027 pursuant to Section 23 of the Power Sales Contracts will not be prohibited pursuant to Section 26.1 of the Power Sales Contracts; and

WHEREAS, IPA has provided to the Committee a copy of a proposed IPA supplemental bond resolution (the “Supplemental Bond Resolution”) that, upon its adoption by the IPA Board, would establish a separate fund, to be designated as the STS Capital Improvement Construction Fund, into which payments-in-aid of construction made by SCPPA for the STS Renewal Project would be deposited and out of which costs of designing, constructing and installing the STS Renewal Project would be paid; and

WHEREAS, the Committee has received a letter dated July 15, 2021 from Ms. Lori K. Morrish on behalf of the Project Manager (the “Project Manager Recommendation Letter”) recommending that the Committee approve, and recommend that the IPA Board approve, the Second Amendment and the Renewal STS Agreement and that the IPA Board and recommending that the IPA Board approve the Reserve Payment Amendment and the Supplemental Bond Resolution ; and

WHEREAS, the Project Manager provided a briefing on a conference call on July 12, 2021, and at a meeting of the Committee on July 19, 2021 (collectively, the “Project Manager Briefing”), during which the Project Manager described and explained the basis of the Project Manager’s recommendations, advice and determinations as set forth herein; and

WHEREAS, the Committee has reviewed and considered the Project Manager Recommendation Letter and the Project Manager Briefing, including the recommendations, advice and determinations of the Project Manager in the foregoing.

NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby approves, and recommends that the IPA Board approve, the Second Amendment and the Renewal STS Agreement, subject to the following conditions (the “IPA Conditions”) being satisfied prior to execution of such agreements by IPA: (i) that the Pre-Repowering Bonds have been legally defeased; and (ii) that IPA determines pursuant to Section 20.2 of the Renewal Power Sales Contracts that the Transfer (as defined in the Renewal Power Sales Contracts) of capacity rights contemplated by the Renewal Agreements for the Acquisition of Capacity will not adversely affect the eligibility for exemption from Federal income taxes of the interest paid, or to be paid, on the Project Indebtedness (as defined in the Renewal Power Sales Contracts) or Debt Instruments (as defined in the Renewal Power Sales Contracts) outstanding at the time of such determination or that IPA may incur or issue after the time of such determination; and

BE IT FURTHER RESOLVED, that the Committee hereby approves and adopts, and recommends that the IPA Board approve and adopt, the Reserve Payback Amendments to the Reserve Disposition Plan; and

BE IT FURTHER RESOLVED, that the Committee hereby recommends that the IPA Board adopt the Supplemental Bond Resolution; and

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July 19, 2021

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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

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CHAIRMAN, RENEWAL CONTRACT  
COORDINATING COMMITTEE

ATTEST:

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SECRETARY



**RESOLUTION**

**RCCC-2021-005**

**APPROVAL OF AMENDED AND RESTATED  
CONSTRUCTION MANAGEMENT AND OPERATING AGREEMENT**

On motion of \_\_\_\_\_, seconded by \_\_\_\_\_, at a virtual meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held on July 19, 2021, the following Resolution was duly adopted:

WHEREAS, Intermountain Power Agency (“IPA”) is a party with the Purchasers (as defined in such Power Sales Contracts) to those certain Power Sales Contracts, dated as of September 28, 1978 for the Utah Purchasers (as defined in such Power Sales Contracts) and August 6, 1980 for the California Purchasers (as defined in such Power Sales Contracts) (such Power Sales Contracts, as amended, revised and updated, collectively, the “Power Sales Contracts”); and

WHEREAS, pursuant to Section 5.2 of the Power Sales Contracts, IPA agreed to appoint the Department of Water and Power of the City of Los Angeles (“LADWP”) as the Project Manager and Operating Agent to construct, operate and maintain the Project; and

WHEREAS, IPA and LADWP are parties to that certain Construction Management and Operating Agreement dated as of September 12, 1980, as amended by that certain First Amendment to Intermountain Power Project Construction Management and Operating Agreement dated as of February 1, 1983 (the “Original CM&OA”), wherein IPA appointed LADWP as Project Manager and Operating Agent to construct, operate and maintain the Project; and

WHEREAS, the term of the Original CM&OA is the same as the term of the Power Sales Contracts, ending on June 15, 2027; and

WHEREAS, IPA is also a party to those certain Renewal Power Sales Contracts, dated as of January 16, 2017 (as amended and updated, the “Renewal Power Sales Contracts”) with those Purchasers that (i) accepted the Renewal Offer (as defined in the Power Sales Contracts) and (ii) did not subsequently terminate their Renewal Power Sales Contract pursuant to Section 42.1 of the Renewal Power Sales Contracts (“Renewal Purchasers”); and

WHEREAS, pursuant to Section 5.2 of the Renewal Power Sales Contracts, IPA has appointed LADWP as the Project Manager and Operating Agent to construct, operate, and maintain the Project during the Operational Period (as that term is defined in the Renewal Power Sales Contracts); and

WHEREAS, it is necessary to extend the term of the Original CM&OA to match the term of the Renewal Power Sales Contracts; and

WHEREAS, the Operating Agent deems it advisable and in accordance with Prudent Utility Practice to make certain other amendments and revisions to the Original CM&OA; and

WHEREAS, the Operating Agent has worked with IPA and legal counsel to prepare an Amended and Restated Construction Management and Operating Agreement (the “Amended and Restated CM&OA”) that (i) extends the term of the Original CM&OA to match the term of the Renewal Power Sales Contracts, and (ii) makes other appropriate revisions; and

WHEREAS, pursuant to Section 6.2.12 of the Renewal Power Sales Contracts, the Committee is responsible for approving amendments to the Construction Management and Operating Agreement (which approval from the Committee is being sought out of an abundance of caution notwithstanding the anticipated effectiveness of the Amended and Restated CM&OA prior to the Transition Date); and

WHEREAS, a letter dated July 9, 2021 has been received by the Committee from Mr. Gregory S. Huynh, on behalf of the Operating Agent (the “Operating Agent Recommendation Letter”), recommending that the Committee approve, and recommend that the IPA Board of Directors (“IPA Board”) approve, the Amended and Restated CM&OA; and

WHEREAS, the Operating Agent Recommendation Letter states that the Operating Agent is of the opinion that the Amended and Restated CM&OA is in accordance with Prudent Utility Practice (as defined in the Power Sales Contracts), and complies with applicable provisions of (i) the Amended and Restated Power Supply Revenue Bond Resolution, adopted August 28, 1998 (“Bond Resolution”), (ii) the Power Sales Contracts, and (iii) the Renewal Power Sales Contracts; and

WHEREAS, the Operating Agent provided a briefing on a conference call on July 12, 2021 and at a meeting of the Committee on July 19, 2021 (collectively, the “Operating Agent Briefing”), during which the Operating Agent further described and explained the basis of the Operating Agent’s recommendations, advice and determinations set forth above; and

WHEREAS, the Committee has reviewed and considered the Amended and Restated CM&OA, the Operating Agent Recommendation Letter and the Operating Agent Briefing, including the recommendations, advice and determinations of the Operating Agent in the foregoing.

NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby approves the Amended and Restated CM&OA, as submitted by the Operating Agent; and

BE IT FURTHER RESOLVED, that the Committee hereby recommends that the IPA Board approve the Amended and Restated CM&OA; and

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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

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CHAIRMAN, RENEWAL CONTRACT  
COORDINATING COMMITTEE

ATTEST:

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SECRETARY