

## **RESOLUTION**

**RCCC-2021-005**

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

On motion of Mandip Samra, seconded by Eric Larsen, at a meeting of the Intermountain Power Project (“IPP”) Renewal Contract Coordinating Committee (the “Committee”) held on August 3, 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 August 3, 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.

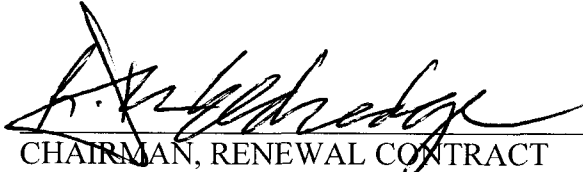
NOW, THEREFORE, BE IT RESOLVED, that the Committee hereby approves the Amended and Restated CM&OA, as submitted by the Operating Agent; and

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