

## **RESOLUTION**

**RCCC-2022-003**

### **APPROVAL OF AMENDED AND RESTATED BOND PURCHASE AGREEMENT WITH RBC CAPITAL MARKETS, LLC TO PROVIDE FUNDS FOR A PORTION OF THE COST OF ACQUISITION AND CONSTRUCTION OF CERTAIN CAPITAL IMPROVEMENTS OF INTERMOUNTAIN POWER AGENCY**

On motion of Blaine Haacke, seconded by Paul Schultz, at an Intermountain Power Project ("IPP") Renewal Contract Coordinating Committee meeting held on April 18, 2022 the following Resolution was duly adopted:

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

WHEREAS, IPA is a party with the Original Purchasers (as defined in the Renewal Power Sales Contracts) to the Original Power Sales Contracts (as defined in the Renewal Power Sales Contracts); and

WHEREAS, in Section 44.3 of the Original Power Sales Contracts, IPA and the Original Purchasers have agreed to undertake the Gas Repowering (as defined in the Original Power Sales Contracts) as a Capital Improvement (as defined in the Original Power Sales Contracts); and

WHEREAS, in Section 44.5 of the Original Power Sales Contracts, IPA and the Original Purchasers have agreed that unless otherwise approved by the Original Coordinating Committee (as defined in the Renewal Power Sales Contracts and also referred to herein as the "IPP Coordinating Committee", IPA shall finance the Gas Repowering by the issuance of IPA's Bonds (as defined in the Original Power Sales Contracts) or other obligations constituting Transition Project Indebtedness (as defined in the Original Power Sales Contracts); and

WHEREAS, Section 15.1.2 of the Renewal Power Sales Contracts requires IPA to obtain the prior approval of the IPP Renewal Contract Coordinating Committee for the issuance of Transition Project Indebtedness except for Transition Project Indebtedness satisfying the conditions of Section 15.1.2(A) or Section 15.1.2(B) of the Renewal Power Sales Contracts; and

WHEREAS, the IPP Coordinating Committee, by its Resolution No. CC-2019-020, the IPP Renewal Contract Coordinating Committee, by its Resolution No. RCCC-2019-003, and the IPA Board of Directors (the "IPA Board"), by its Resolution No. IPA-2019-021, each such resolution being adopted November 25, 2019, approved a Gas Repowering Plan of Finance (as defined in such resolutions) that contemplated a Gas Repowering Bridge Financing (as defined in the Gas Repowering Plan of Finance) to finance a portion of the Cost of Acquisition and Construction (as defined in the Power Sales Contracts) of the Gas Repowering prior to December 31, 2019 (the "2019 Gas Repowering Bridge Financing"); and

WHEREAS, the IPP Coordinating Committee, by its Resolution No. CC-2019-021, the IPP Renewal Contract Coordinating Committee, by its Resolution No. RCCC-2019-004, and the IPA Board by its Resolution No. IPA-2019-022, each such resolution being adopted November 25, 2019 (such resolutions being, collectively, the "2019 Gas Repowering Bridge Financing Resolutions"), approved IPA undertaking the 2019 Gas Repowering Bridge Financing pursuant to its Subordinated Power Supply Revenue Bond Resolution, adopted on March 4, 2004, as supplemented and amended, adopted in accordance with its Power Supply Revenue Bond Resolution adopted September 28, 1978, as supplemented, amended and restated (the "Bond Resolution"); and

WHEREAS, IPA staff solicited proposals from various financial institutions for the 2019 Gas Repowering Bridge Financing and, in consultation with the IPA Finance Committee, determined that the proposal submitted by RBC Capital Markets, LLC ("Underwriter") provided the most favorable terms and conditions for the 2019 Gas Repowering Bridge Financing and that it was necessary and desirable and in the best interest of IPA and the Purchasers that IPA obtain the 2019 Gas Repowering Bridge Financing from Underwriter; and

WHEREAS, IPA staff negotiated a Bond Purchase Agreement (the "Existing Bond Purchase Agreement") with Underwriter for purchase and sale of the Initial Drawdown Bonds (as defined in the Existing Bond Purchase Agreement) and a Bondholder's Agreement with Royal Bank of Canada, as the representative of the owners of the Drawdown Bonds (the Royal Bank of Canada being, in such capacity, the "Representative" and such Existing Bondholder's Agreement together with the Existing Bond Purchase Agreement, collectively, the "Existing RBC Agreements"), to provide for the financing of a portion of the Cost of Acquisition and Construction of certain Capital Improvements, where the Gas Repowering and the STS Renewal Project (as hereinafter defined) are Capital Improvements; and

WHEREAS, in the 2019 Gas Repowering Bridge Financing Resolutions, the IPP Coordinating Committee, the IPP Renewal Contract Coordinating Committee and the IPA Board, respectively, approved the terms and conditions of the Existing RBC Agreements substantially in the forms presented to and submitted to the IPP Coordinating Committee, the IPP Renewal Contract Coordinating Committee and the IPA Board contemporaneously with the 2019 Gas Repowering Bridge Financing Resolutions, following which approval, IPA entered into the Existing RBC Agreements with RBC and Royal Bank of Canada, respectively; and

WHEREAS, the IPP Coordinating Committee, by its Resolution No. CC-2021-003, the IPP Renewal Contract Coordinating Committee, by its Resolution No. RCCC-2021-001, and the IPA Board by its Resolution No. IPA-2021-003, each such resolution being adopted March 9, 2021 (such resolutions being, collectively, the "STS Renewal Project Resolutions"), approved the STS Renewal Project (as defined in the STS Renewal Project Resolutions), as a Capital Improvement, to be financed pursuant to the STS Financing Plan (as defined in the STS Renewal Project Resolutions) which provides for the financing of the STS Renewal Project through payments-in-aid of construction to be made to IPA by Southern California Public Power Authority on behalf of certain California Purchasers (as defined in the Renewal Power Sales Contracts); and

WHEREAS, pending the receipt of such payments-in-aid of construction, IPA staff recommends that IPA fund the Cost of Acquisition and Construction of the STS Renewal Project through drawings under the Drawdown Bonds (as hereinafter defined); and

WHEREAS, IPA staff has recommended that IPA amend and restate the Existing RBC Agreements to increase the amount available to IPA to borrow pursuant to the facility created under the Existing RBC Agreements and updating the Existing RBC Agreements to extend the latest date on which Drawings (as defined in the Amended and Restated RBC Agreements, as defined below) may be made from December 31, 2022 to December 31, 2023 and to change the "benchmark" interest rate for taxable borrowings from the London Inter-Bank Offered Rate ("LIBOR"), which is no longer determined or quoted, to the Daily Simple Overnight Financing Rate, which is the generally accepted substitute for LIBOR; and

WHEREAS, IPA staff has negotiated a draft of an Amended and Restated Bond Purchase Agreement (the "Amended and Restated Bond Purchase Agreement") with Underwriter for purchase and sale of the Drawdown Bonds (as defined in the Amended and Restated Bond Purchase Agreement), a draft of an Amended and Restated Bondholder's Agreement with the Representative (together with the Amended and Restated Bond Purchase Agreement, collectively, the "Amended and Restated RBC Agreements") and a draft of an Amended and Restated Tenth Supplemental Subordinated Power Supply Revenue Bond Resolution of IPA (the "Amended and Restated Supplemental Resolution" and, together with the Amended and Restated RBC Agreements, being, collectively, the "Drawdown Bond Documents") to provide for such increase and other changes described above; and

WHEREAS, the Amended and Restated RBC Agreements provide that IPA's obligation to repay the principal of and interest on borrowings made under the Amended and Restated RBC Agreements will constitute Subordinated Indebtedness (as defined in the Bond Resolution) secured by a pledge of the Subordinated Indebtedness Debt Service Account (as defined in the Bond Resolution) in the Subordinated Indebtedness Fund (as defined in the Bond Resolution) established pursuant to the Bond Resolution; and

WHEREAS, it is necessary and desirable that IPA's obligation to repay the principal of and interest on borrowings made under the Amended and Restated RBC Agreements constitute Subordinated Indebtedness secured by a pledge of the Subordinated Indebtedness Debt Service Account in the Subordinated Indebtedness Fund; and

WHEREAS, IPA staff has recommended that the IPP Renewal Contract Coordinating Committee determine, and recommend that the IPA Board determine, that the terms and conditions of the following are necessary or desirable and in the best interests of the Purchasers: (a) the Amended and Restated RBC Agreements in substantially the forms presented to the IPP Renewal Contract Coordinating Committee for adoption pursuant to this Resolution, subject to the completion of the Amended and Restated RBC Agreements and with such changes in the Amended and Restated RBC Agreements as the officer of IPA executing the same may approve, following the adoption of this Resolution, as necessary or desirable and in the best interests of IPA and the Purchasers, such approval to be evidenced conclusively by the execution and

delivery of such Amended and Restated RBC Agreements by such officer, and (b) the Amended and Restated Supplemental Resolution in substantially the form presented to the IPP Renewal Contract Coordinating Committee for adoption pursuant to this Resolution, subject to the completion of the Amended and Restated Supplemental Resolution and with such changes in the Amended and Restated Supplemental Resolution the IPA Board approves, following the adoption of this Resolution but prior to the adoption of the Amended and Restated Supplemental Resolution by the IPA Board, as necessary or desirable and in the best interests of IPA and the Purchasers, such approval to be evidenced conclusively by approval and adoption of this Resolution; and

WHEREAS, IPA staff has further recommended that the IPP Renewal Contract Coordinating Committee (a) approve, and recommend that the IPA Board approve, the Amended and Restated RBC Agreements, as completed and changed as provided above, and (b) approve, and recommend that the IPA Board adopt, the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above; and

WHEREAS, IPA staff has further recommended that the IPP Renewal Contract Coordinating Committee approve, and recommend that the IPA Board approve, (a) IPA's issuance and sale of the Drawdown Bonds on the terms and conditions of the Amended and Restated RBC Agreements, as completed and changed as provided above, and the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above, (b) payments to be made from the proceeds of the Drawdown Bonds for the Cost of Acquisition and Construction of the Gas Repowering and the STS Renewal Project, and any other working capital purposes, and (c) IPA's incurring as Subordinated Indebtedness, and pledging the Subordinated Indebtedness Debt Service Account in the Subordinated Indebtedness Fund to secure, IPA's obligation to repay the principal of and interest on borrowings made under or pursuant to the Amended and Restated RBC Agreements, as completed and changed as provided above, and the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above; and

WHEREAS, IPA staff has recommended that the IPP Renewal Contract Coordinating Committee condition its actions in this Resolution on the satisfaction of the following (the "Approval Condition"): that IPA has received opinions of its bond counsel and its outside general counsel stating that the Drawdown Bonds issued on the terms and conditions of the Amended and Restated RBC Agreements constitute Transition Project Indebtedness; and

WHEREAS, the IPP Renewal Contract Coordinating Committee has reviewed such recommendations and approvals.

NOW THEREFORE, BE IT RESOLVED, effective upon the satisfaction of the Approval Condition, that the IPP Renewal Contract Coordinating Committee hereby

(a) determines, and recommends that the IPA Board determine, that the terms and conditions of the following are necessary or desirable and in the best interests of the

Purchasers: (a) the Amended and Restated RBC Agreements in substantially the forms presented to the IPP Renewal Contract Coordinating Committee for adoption pursuant to this Resolution, subject to the completion of the Amended and Restated RBC Agreements and with such changes in the Amended and Restated RBC Agreements as the officer of IPA executing the same may approve, following the adoption of this Resolution, as necessary or desirable and in the best interests of IPA and the Purchasers, such approval to be evidenced conclusively by the execution and delivery of such Amended and Restated RBC Agreements by such officer, and (b) the Amended and Restated Supplemental Resolution in substantially the form presented to the IPP Renewal Contract Coordinating Committee for adoption pursuant to this Resolution, subject to the completion of the Amended and Restated Supplemental Resolution and with such changes in the Amended and Restated Supplemental Resolution the IPA Board approves, following the adoption of this Resolution but prior to the adoption of the Amended and Restated Supplemental Resolution by the IPA Board, as necessary or desirable and in the best interests of IPA and the Purchasers, such approval to be evidenced conclusively by approval and adoption of this Resolution; and

(b) approves, and recommends that the IPA Board approve, the Amended and Restated RBC Agreements, as completed and changed as provided above; and

(c) approves, and recommends that the IPA Board adopt, the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above; and

(d) approves, and recommends that the IPA Board approve, the following: (i) IPA's issuance and sale of the Drawdown Bonds on the terms and conditions of the Amended and Restated RBC Agreements, as completed and changed as provided above, and the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above, (ii) payments to be made from the proceeds of the Drawdown Bonds for the Cost of Acquisition and Construction of the Gas Repowering and the STS Renewal Project, and any other working capital purposes, and (iii) IPA's incurring as Subordinated Indebtedness, and pledging the Subordinated Indebtedness Debt Service Account in the Subordinated Indebtedness Fund to secure, IPA's obligation to repay the principal of and interest on borrowings made under or pursuant to the Amended and Restated RBC Agreements, as completed and changed as provided above, and the Amended and Restated Supplemental Resolution in substantially the form presented to the IPA Board for adoption as provided above; and

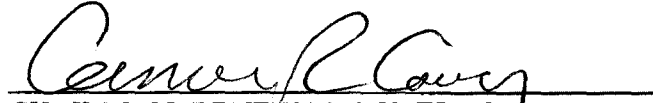
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BE IT FURTHER RESOLVED, that the Chairman is hereby authorized and directed by the IPP Renewal Contract Coordinating Committee to execute this Resolution and to do all things necessary to render the same in full force and effect.

INTERMOUNTAIN POWER PROJECT



CHAIRMAN, RENEWAL CONTRACT  
COORDINATING COMMITTEE

ATTEST:



SECRETARY

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