

RESOLUTION NO. 2017-005

RESOLUTION RELATING TO THE SOUTHERN TRANSMISSION PROJECT: AUTHORIZING (I) THE REFUNDING OF CERTAIN OUTSTANDING BONDS; (II) THE EXECUTION AND DELIVERY OF (A) A SUBORDINATE INDENTURE OF TRUST AUTHORIZING THE ISSUANCE OF TRANSMISSION PROJECT REVENUE BONDS, 2017 SUBORDINATE REFUNDING SERIES A; (B) A SUPPLEMENTAL INDENTURE OF TRUST RELATING TO SUCH BONDS; AND (C) A PURCHASE CONTRACT; (III) THE DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; (IV) CERTAIN RELATED ACTIONS; AND (V) THE OFFICERS OF THE AUTHORITY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE

WHEREAS, there has been presented to this meeting proposed forms of certain financing documents relating to the 2017 Refunding Bonds (as hereinafter defined);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority (the "Authority") as follows:

1. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to execute and deliver a Twenty-Ninth Supplemental Indenture of Trust relating to the 2017 Refunding Bonds, from the Authority to U.S. Bank National Association, as trustee (the "Trustee"), amending and supplementing the Indenture of Trust, by and between the Authority and the Trustee (as successor trustee), dated as of May 1, 1983, relating to the Southern Transmission Project (as supplemented and amended, the "Senior Indenture"), in the form on file with the Assistant Secretary of the Authority, with such changes, insertions and omissions (subject to Paragraph 8 hereof) as shall be approved by said President, Vice President or Executive Director (such approval to be conclusively evidenced by such officer's or Executive Director's execution and delivery thereof); and each of the Secretary and any Assistant Secretary is hereby authorized to attest thereto and to affix the seal of the Authority to said Twenty-Ninth Supplemental Indenture of Trust (said Twenty-Ninth Supplemental Indenture of Trust, in the form in which executed and delivered, is hereinafter referred to as the "Supplemental Indenture"). The Supplemental Indenture is hereby made a part of this Resolution as though set forth in full herein, and the same hereby is approved.

2. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to execute and deliver an Indenture of Trust relating to the 2017 Refunding Bonds, from the Authority to the Trustee in the form on file with the Assistant Secretary of the Authority, with such changes, insertions and omissions (subject to Paragraph 8 hereof) as shall be approved by said President, Vice President or Executive Director to provide for the terms of the Authority's Transmission Project Revenue Bonds, 2017 Subordinate Refunding Series A (the

“2017 Refunding Bonds”), such approval to be conclusively evidenced by such officer’s or Executive Director’s execution and delivery thereof; and each of the Secretary and any Assistant Secretary is hereby authorized to attest thereto and to affix the seal of Authority to said Indenture of Trust. Proceeds of the 2017 Refunding Bonds will be used, among other things, to refund all or any portion (as determined in accordance with Paragraph 8 hereof) of the Authority’s Transmission Project Revenue Bonds, 2009 Subordinate Refunding Series A (the “Refunded Bonds”). The Indenture of Trust relating to the 2017 Refunding Bonds, as executed and delivered, is hereinafter referred to as the “Indenture.” The Indenture is hereby made a part of this Resolution as though set forth in full herein, and the same hereby is approved.

The issuance of the 2017 Refunding Bonds is hereby authorized, subject to the provisions of this Resolution, the Senior Indenture, the Indenture and the Supplemental Indenture. The 2017 Refunding Bonds shall be dated, shall mature on the date and in the years and shall bear interest all as provided in the Indenture and the Supplemental Indenture. The form of the 2017 Refunding Bonds and the provisions for signatures, authentication, payment, registration, redemption (if any), denominations, sinking fund installments (if any), numbers and other terms thereof shall be as set forth in the Indenture and the Supplemental Indenture.

The 2017 Refunding Bonds shall be secured by the pledge effected by the Indenture and shall be special, limited obligations of the Authority payable solely from the sources specified in the Indenture. Neither the State of California nor any public agency thereof (other than the Authority) nor any member of the Authority nor any Project Participant (as defined in the Indenture) shall be obligated to pay the principal or Redemption Price (as defined in the Indenture) of, or interest on, the 2017 Refunding Bonds. Neither the faith and credit nor the taxing power of the State of California or any public agency thereof or any member of the Authority or any Project Participant is pledged to the payment of the principal or Redemption Price of, or interest on, the 2017 Refunding Bonds. The 2017 Refunding Bonds shall not constitute a debt or indebtedness of the Authority within the meaning of any provision or limitation of the constitution or statutes of the State of California, and they shall not constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit.

3. Each of the President, Vice President and Executive Director of the Authority is hereby authorized (i) to execute and deliver a purchase contract for the 2017 Refunding Bonds (the “Purchase Contract”), between the Authority and the senior manager (*e.g.*, Merrill Lynch, Pierce, Fenner & Smith Incorporated or its successor), as representative of itself and the other underwriter or underwriters named therein (the “Underwriters”), and (ii) to negotiate the Underwriters’ fee or discount relating to the 2017 Refunding Bonds. The purchase price at which the 2017 Refunding Bonds is to be sold to the Underwriters and the related Underwriters’ fee or discount shall each be determined in accordance with this Resolution. Payment for the 2017 Refunding Bonds shall be pursuant to the terms and conditions set forth in the Purchase Contract executed pursuant to this Resolution.

4. Each of the President, Vice President and Executive Director is hereby authorized to approve a Preliminary Official Statement relating to the 2017 Refunding Bonds in the form on file with the Assistant Secretary of the Authority (such approval to be conclusively evidenced by the delivery thereof) (the “Preliminary Official Statement”), and the Board of Directors hereby approves the use of the Preliminary Official Statement in connection with the offering and sale of the 2017 Refunding Bonds, with such additions thereto and changes therein as are determined

necessary or appropriate by the President, Vice President or Executive Director of the Authority to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission (except for the omission of those items permitted to be omitted therefrom by said Rule). Each of the President, Vice President and Executive Director of the Authority is authorized to deem the Preliminary Official Statement to be final within the meaning of such Rule 15c2-12. The Underwriters are hereby authorized to distribute (including by electronic delivery) the Preliminary Official Statement to potential purchasers of the 2017 Refunding Bonds.

5. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to approve an Official Statement relating to the 2017 Refunding Bonds (such approval to be conclusively evidenced by such officer's or Executive Director's execution and delivery thereof) (the "Official Statement"), and the Board of Directors hereby approves the use of the Official Statement in connection with the offering and sale of the 2017 Refunding Bonds. The Board of Directors hereby further approves the use of any supplement or amendment to such Official Statement that is necessary or appropriate so that, in the opinion of the President, the Vice President or the Executive Director of the Authority (after consultation with the Authority's Co-Bond Counsel), such Official Statement does not include any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which such statements were made, not misleading. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to execute the Official Statement and any amendment or supplement thereto, in the name and on behalf of the Authority, and thereupon to cause such Official Statement and any such amendment or supplement to be delivered to the Underwriters. The Underwriters are hereby authorized to distribute (including by electronic delivery) the Official Statement and any such amendment or supplement thereto to the purchasers of the 2017 Refunding Bonds.

6. The refunding of the Refunded Bonds as provided for in the Supplemental Indenture and the Indenture is hereby authorized. Each of the President, Vice President, Executive Director, Secretary and any Assistant Secretary of the Authority is hereby authorized on behalf of the Authority to purchase (by contract or otherwise), if any of such obligations are to be purchased, U.S. Government obligations and other permitted obligations (including, but not limited to, non-callable State and Local Government Series direct obligations of the United States of America issued by the Bureau of Public Debt and direct obligations of, or obligations unconditionally guaranteed by, the United States of America purchased on the open market) in such principal amounts, maturing at such time(s) and bearing such rate(s) of interest as shall be necessary to pay when due the redemption price(s) of and interest on the Refunded Bonds, and to take such other action as any of them may deem necessary or appropriate to effectuate the purchase of said obligations, if any of said obligations are to be so purchased.

7. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to determine, in connection with the issuance and delivery of the 2017 Refunding Bonds, (i) whether to obtain municipal bond insurance for all or any portion of the 2017 Refunding Bonds, and if it is determined that municipal bond insurance shall be obtained, the particular provider or providers of municipal bond insurance with whom the Authority shall contract for such municipal bond insurance and (ii) whether to obtain a Reserve Account Policy (as defined in the Indenture), if a debt service reserve account is to be funded, and if it is determined that a Reserve Account Policy shall be obtained, the particular provider or providers

thereof with whom the Authority shall contract for such Reserve Account Policy. The premium to be paid with respect to any municipal bond insurance policy or any Reserve Account Policy shall be approved by the Finance Committee (as defined in Paragraph 8(b)).

8. (a) Each of the President, Vice President and Executive Director of the Authority is hereby authorized to determine, in connection with the execution and delivery of the Supplemental Indenture, the Indenture and the Purchase Contract and the sale of the 2017 Refunding Bonds, and in consultation with the Finance Committee (as defined in Paragraph 8(b)), the following:

(i) the aggregate principal amount of the 2017 Refunding Bonds, which shall not exceed \$90 million;

(ii) the interest rates of the 2017 Refunding Bonds, the true interest cost of which shall not in the aggregate exceed 3.5% per annum;

(iii) the maturity dates for the 2017 Refunding Bonds, with the final maturity being no later than July 1, 2023;

(iv) the principal amount of each maturity of the 2017 Refunding Bonds and sinking fund installments (if any) for any term 2017 Refunding Bonds;

(v) the purchase price of the 2017 Refunding Bonds;

(vi) the first interest payment date for the 2017 Refunding Bonds;

(vii) the terms and conditions for delivery of the 2017 Refunding Bonds;

(viii) the Transmission Project Revenue Bonds, 2009 Subordinate Refunding Series A to be refunded by the 2017 Refunding Bonds, if less than all or if less than the current principal amount of each of the bonds is to be refunded (which bonds shall constitute the Refunded Bonds under the Supplemental Indenture and the Indenture);

(ix) the initial escrow securities (if any) to be purchased for the 2017 Series A Subordinate Bonds Refunding Escrow Fund under and as defined in the Supplemental Indenture;

(x) the redemption terms (if any) and prices of the 2017 Refunding Bonds;

(xi) the application of the proceeds of the 2017 Refunding Bonds and any other available moneys;

(xii) in connection with the refunding of the Refunded Bonds, any transfers required or permitted from any funds or accounts created under (a) the Senior Indenture, (b) the Indenture of Trust, dated as of January 1, 2009, by and between the Authority and the Trustee, relating to the Refunded Bonds (including, but not limited to, the transfer of any moneys in the 2009 Series A Payment Account established thereunder), (c) any other indenture

of trust relating to the Southern Transmission Project or (d) Board Resolution 2016-084 adopted on August 18, 2016 relating to the Project Stabilization Fund;

(xiii) whether or not to acquire municipal bond insurance in connection with the issuance of the 2017 Refunding Bonds, such determination to be made in accordance with Paragraph 7 of this Resolution, provided the premium for such insurance shall not exceed 2.0% of the payments insured, calculated as provided in the bond insurance commitment agreement (or similar agreement) between the Authority and the provider of any such municipal bond insurance;

(xiv) whether or not to acquire a Reserve Account Policy in connection with the issuance of the 2017 Refunding Bonds, such determination to be made in accordance with Paragraph 7 of this Resolution, provided the premium for such Reserve Account Policy shall not exceed 2.0% of the amount of the debt service reserve requirement for the 2017 Refunding Bonds, calculated as provided in the Reserve Account Policy commitment agreement (or similar agreement) between the Authority and the provider of any such Reserve Account Policy;

(xv) the date or dates on which the Refunded Bonds shall be redeemed (or, if applicable, paid at maturity); and

(xvi) such other matters as may be determined by the Finance Committee.

(b) As used herein, the "Finance Committee" refers to that portion of the committee of the Authority designated to consider financial matters comprised of at least three of the Cities of Anaheim, Burbank, Glendale, Los Angeles, Pasadena and Riverside.

9. The Board hereby determines pursuant to Section 511.2 of the Senior Indenture that moneys on deposit in the General Reserve Fund may be applied to or set aside for any of the purposes specified in said Section 511.2 (including any lawful purpose of the Authority related to the Southern Transmission Project), which purpose or purposes shall be evidenced by a certificate of the President, Vice President or Executive Director of the Authority. In connection with the application or setting aside of any such moneys, each of the President, Vice President, Executive Director, Secretary and any Assistant Secretary of the Authority is hereby authorized on behalf of the Authority to take such other actions as any of them may deem necessary or appropriate.

10. Each of the President, Vice President, Executive Director, Secretary and any Assistant Secretary and any other officer of the Authority is hereby authorized to take any and all actions which such person deems necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2017 Refunding Bonds or any portion thereof, for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further actions which such person may deem necessary or advisable in order to maintain any such registration or qualification for as long as such person

deems necessary or as required by law or by the Underwriters; and any such action previously taken is hereby ratified, confirmed and approved.

11. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to execute and deliver a financial advisory services agreement relating to the sale and issuance of the 2017 Refunding Bonds between the Authority and Public Financial Management, Inc., in any form approved by the Authority's Finance Committee, provided that the amount to be paid to Public Financial Management, Inc. thereunder shall not exceed \$79,000.

12. U.S. Bank National Association is hereby appointed as the Trustee and Paying Agent under the Indenture. Each of the President, Vice President and Executive Director of the Authority is hereby authorized to appoint from time to time any additional fiduciaries, depositaries or agents in connection with the 2017 Refunding Bonds or any portion thereof and to execute and deliver any and all agreements, documents and instruments necessary or advisable in connection with such appointment of U.S. Bank National Association and with any other such appointment.

13. The following are hereby designated as Project Agreements under the Senior Indenture and the Transmission Service Contracts (as defined in the Senior Indenture): (a) the Indenture; (b) the Supplemental Indenture; (c) any resolution of this Board of Directors as to the provision of certain continuing disclosure information with respect to the 2017 Refunding Bonds; and (d) any municipal bond insurance policy or Reserve Account Policy relating to the 2017 Refunding Bonds obtained in accordance with Paragraph 7 of this Resolution.

14. Each of the President, Vice President, Executive Director, Secretary, any Assistant Secretary of the Authority and any representative of the Department of Water and Power of The City of Los Angeles is hereby authorized to cause the Trustee to transfer moneys as contemplated by the Supplemental Indenture (including, but not limited to, the transfer of released moneys, if any, in the 2009 Series A Payment Account relating to the Refunded Bonds).

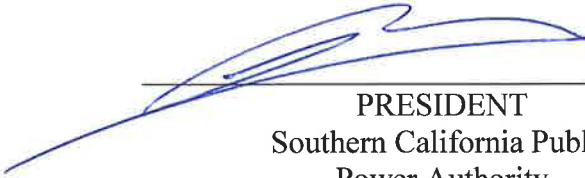
15. The Executive Director of the Authority, in addition to the other offices or positions with the Authority he already holds, is hereby appointed an Assistant Secretary of the Authority and an Authorized Authority Representative under the Senior Indenture, the Indenture and every other subordinate indenture of trust of the Authority relating to the Southern Transmission Project for the purpose of taking any and all required or permitted actions in connection with the issuance and delivery of the 2017 Refunding Bonds.

16. Each of the President, Vice President, Executive Director, Secretary, any Assistant Secretary and any other officer of the Authority is hereby authorized to execute and deliver any and all agreements, amendments, documents and instruments and to do and cause to be done any and all acts and things deemed necessary or advisable for carrying out the transactions contemplated by this Resolution (including, but not limited to, (i) executing and delivering, or approving, as applicable, any investment agreement or agreements relating to the investment of 2017 Refunding Bond proceeds, (ii) providing for the giving of written directions and notices, and the securing of any necessary third party consents or approvals, as required by the Supplemental Indenture, the Indenture or any other documents relating to the Refunded Bonds or the 2017 Refunding Bonds and (iii) making such changes to the agreements, documents and instruments referred to in this Resolution, and such other changes as shall be

requested by any rating agency, the Underwriters or any other party, if such changes are determined by any such officer or the Executive Director to be necessary or advisable). Each reference in this Resolution to the President, Vice President, Executive Director, Secretary, Assistant Secretary or other officer shall refer to the person holding such office or position, as applicable, at the time a given action is taken and shall not be limited to the person holding such office or position at the time of the adoption of this Resolution. All actions heretofore taken by the officers, employees and agents of the Authority in furtherance of the transactions contemplated by this Resolution are hereby approved, ratified and confirmed.

17. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 16th day of February, 2017.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority