

RESOLUTION NO. 2017-006

**RESOLUTION AS TO THE PROVISION OF CERTAIN
CONTINUING DISCLOSURE INFORMATION WITH
RESPECT TO TRANSMISSION PROJECT REVENUE
BONDS, 2017 SUBORDINATE REFUNDING SERIES A**

WHEREAS the Board of Directors of the Southern California Public Power Authority, a political subdivision of the State of California (“SCPPA”), has authorized the issuance of SCPPA’s Transmission Project Revenue Bonds, 2017 Subordinate Refunding Series A (the “2017 Series A Subordinate Bonds”) and has authorized the execution by SCPPA of an Indenture of Trust relating to the 2017 Series A Subordinate Bonds, dated as of March 1, 2017, from SCPPA to U.S. Bank National Association, as trustee (the “2017 Series A Subordinated Indenture”); and

WHEREAS, the Board of Directors of SCPPA hereby finds and determines that it is necessary, in connection with the authorization and sale of the 2017 Series A Subordinate Bonds, that SCPPA adopt this resolution in order to assist the Participating Underwriter (such term, and all other capitalized terms used herein without definition, having the respective meanings assigned thereto in Section 1 hereof) in complying with the Rule;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of SCPPA as follows:

1. Definitions. In addition to the definitions set forth in the 2017 Series A Subordinated Indenture, which apply to any capitalized term used in this Disclosure Resolution unless otherwise defined in this Disclosure Resolution, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by SCPPA pursuant to, and as described in, Sections 3 and 4 of this Disclosure Resolution.

“Audited Financial Statements” shall mean:

(a) with respect to SCPPA, SCPPA’s audited financial statements for its most recent fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time (or such other accounting principles as may be applicable to SCPPA in the future pursuant to applicable law);

(b) with respect to LADWP (as defined in Section 2(b) hereof), the audited financial statements of LADWP’s Power System for its most recent fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities and public utilities, as appropriate, from time to time (or such other accounting principles as may be applicable to LADWP in the future pursuant to applicable law);

(c) with respect to Riverside (as defined in Section 2(b) hereof), the audited financial statements of Riverside’s Electric System for its most recent fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time (or such other accounting principles as may be applicable to Riverside in the future pursuant to applicable law); and

(d) with respect to Anaheim (as defined in Section 2(b) hereof), the audited financial statements of Anaheim’s Electric Utility Fund for its most recent fiscal year, prepared in

accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time (or such other accounting principles as may be applicable to Anaheim in the future pursuant to applicable law).

“Beneficial Owner” shall mean any person holding a beneficial ownership interest in 2017 Series A Subordinate Bonds through nominees or depositories (including any person holding such interest through the book-entry-only system of The Depository Trust Company), together with any other person who is intended to be a beneficiary of this Disclosure Resolution under the Rule.

“Disclosure Resolution” shall mean this resolution, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

“Dissemination Agent” shall mean any person or entity appointed by SCPA and which has entered into a written agreement with SCPA pursuant to which such person or entity agrees to perform the duties and obligations of Dissemination Agent under this Disclosure Resolution.

“Final Official Statement” shall mean the Official Statement of SCPA relating to the 2017 Series A Subordinate Bonds, as amended, supplemented or updated.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Resolution.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Participating Underwriter” shall mean any of the original underwriters of the 2017 Series A Subordinate Bonds (or the underwriter, if there is only one original underwriter) required to comply with the Rule in connection with the offering of the 2017 Series A Subordinate Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time, together with all interpretive guidances or other official interpretations or explanations thereof that are promulgated by the SEC.

“SEC” shall mean the United States Securities and Exchange Commission.

2. Purpose of this Disclosure Resolution; Obligated Persons; Disclosure Resolution to Constitute a Contract.

(a) This Disclosure Resolution is adopted by SCPA for the benefit of the Owners and Beneficial Owners of the 2017 Series A Subordinate Bonds and in order to assist the Participating Underwriter in complying with the Rule.

(b) SCPA, the Department of Water and Power of The City of Los Angeles (“LADWP”), the City of Riverside, California (“Riverside”) and the City of Anaheim, California (“Anaheim”) each are hereby determined by SCPA to be an “obligated person” within the meaning of the Rule (and are the only “obligated persons” within the meaning of the Rule for whom financial information or operating data are presented in the Final Official Statement). Each such person shall only be an “obligated person” if and for so long as such person is an “obligated person” within the meaning of the Rule.

(c) In consideration of the purchase and acceptance of any and all of the 2017 Series A Subordinate Bonds by those who shall hold the same or shall own beneficial ownership interests therein from time to time, this Disclosure Resolution shall be deemed to be and shall constitute a contract between SCPPA and the Owners and Beneficial Owners from time to time of the 2017 Series A Subordinate Bonds, and the covenants and agreements herein set forth to be performed on behalf of SCPPA shall be for the benefit of the Owners and Beneficial Owners of any and all of the 2017 Series A Subordinate Bonds.

3. Provision of Annual Reports.

(a) SCPPA hereby covenants and agrees that it shall, or shall cause the Dissemination Agent to, not later than six months after the end of each fiscal year of SCPPA (presently, by each December 31, each such date being referred to herein as a "Final Submission Date"), commencing with the report for fiscal year 2016-17, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Resolution. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Resolution; provided that any Audited Financial Statements may be submitted separately from the balance of the Annual Report and later than the Final Submission Date if they are not available by that date. If the fiscal year for SCPPA, LADWP, Riverside or Anaheim changes, SCPPA shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than ten (10) business days prior to each Final Submission Date (each such date being referred to herein as a "Preliminary Submission Date"), SCPPA shall provide the Annual Report to the Dissemination Agent, if any. If by a Preliminary Submission Date, the Dissemination Agent, if any, has not received a copy of the Annual Report, the Dissemination Agent shall contact SCPPA to determine if SCPPA is in compliance with subsection (a).

(c) If SCPPA or the Dissemination Agent (if any), as the case may be, has not provided any Annual Report to the MSRB by a Final Submission Date, SCPPA or the Dissemination Agent, as applicable, shall provide a notice to the MSRB in substantially the form attached hereto as Exhibit A.

(d) SCPPA (or, in the event that SCPPA shall appoint a Dissemination Agent hereunder, the Dissemination Agent) shall provide the Annual Report to the MSRB on or before the Final Submission Date. In addition, if SCPPA shall have appointed a Dissemination Agent hereunder, the Dissemination Agent shall file a report with SCPPA certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Resolution and stating the date it was provided.

(e) Any Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

4. Content of Annual Reports. SCPPA's Annual Report shall contain or include by reference the following:

(a) If available at the time of filing of the Annual Report as provided herein, the Audited Financial Statements of SCPPA, LADWP, Riverside and Anaheim for the most recently ended fiscal year. If any Audited Financial Statements are not available by the Final Submission Date, the Annual Report shall contain unaudited financial statements for SCPPA, LADWP, Riverside or Anaheim, as applicable, in a format similar to the audited financial statements most recently prepared for such

obligated person, and such Audited Financial Statements shall be filed in the same manner as the Annual Report when and if they become available.

(b) Updated versions of the type of information contained in the Final Official Statement relating to the following:

1. operation and maintenance and operating statistics of the Project as set forth under the section entitled "THE SOUTHERN TRANSMISSION PROJECT" and under the subsection entitled "INTERMOUNTAIN POWER PROJECT - Operating Statistics" in Appendix B; and
2. the debt service requirements contained in Appendix F to the Final Official Statement.

(c) Updated versions of the type of information for LADWP contained in Appendix A to the Final Official Statement relating to the following:

1. the description of operations and the summary of operating results of LADWP's Power System; and
2. the summary of financial results of LADWP's Power System.

(d) Updated versions of the type of information for Riverside contained in Appendix A to the Final Official Statement relating to the following:

1. the description of operations and the summary of operating results of Riverside's Electric System; and
2. the summary of financial results of Riverside's Electric System.

(e) Updated versions of the type of information for Anaheim contained in Appendix A to the Final Official Statement relating to the following:

1. the description of operations and the summary of operating results of the Anaheim Public Utilities electric system (the "Anaheim Electric System"); and
2. the summary of financial results of Anaheim's Electric System.

(f) If known to SCPPA, the name, address and telephone number of a place where current information regarding any bond insurer with respect to the 2017 Series A Subordinate Bonds (the "Bond Insurer") may be obtained.

Any or all of the items listed above may be included by specific reference to other documents, including Annual Reports of SCPPA, LADWP, Riverside or Anaheim or official statements relating to debt or other securities issues of SCPPA, LADWP, Riverside, Anaheim or other entities, which have been submitted to the MSRB. If the document included by reference is a final official statement (as defined in the Rule), it must be available from the MSRB. SCPPA shall clearly identify each such other document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, SCPPA hereby covenants and agrees that it shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the 2017 Series A Subordinate Bonds:

1. principal or interest payment delinquencies;
2. non-payment related defaults, if material;
3. modifications to the rights of the Bondholders, if material;
4. optional, contingent or unscheduled calls, if any of the preceding are material, and tender offers;
5. defeasances;
6. rating changes;
7. adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of a 2017 Series A Subordinate Bond or other material events affecting the tax status of a 2017 Series A Subordinate Bond;
8. unscheduled draws on debt service reserves reflecting financial difficulties;
9. unscheduled draws on credit enhancements reflecting financial difficulties;
10. substitution of credit or liquidity providers or their failure to perform;
11. release, substitution or sale of property securing repayment of the 2017 Series A Subordinate Bonds, if material;
12. bankruptcy, insolvency, receivership or similar proceedings described below of SCPPA, LADWP, Riverside or Anaheim;
13. appointment of a successor or additional trustee or the change of name of a trustee, if material; or
14. the consummation of a merger, consolidation, or acquisition involving SCPPA, LADWP, Riverside or Anaheim or the sale of all or substantially all of the assets of the Southern Transmission Project other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(b) An event described in item 12 above of Section 5(a) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for SCPPA, LADWP, Riverside or Anaheim in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of said party, or if such jurisdiction has been assumed by

leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of said party.

(c) SCPPA shall provide notice of an occurrence of a Listed Event to the MSRB in a timely manner but not more than ten (10) business days after the occurrence of the event. Any notice of Listed Event(s) must be submitted to the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

6. Management's Discussion of Items Disclosed in Annual Reports or as Significant Events. If an item required to be disclosed in SCPPA's Annual Report under Section 4, or as a Listed Event under Section 5, would be misleading without discussion, SCPPA additionally covenants and agrees that it shall provide a statement clarifying the disclosure in order that the statement made will not be misleading in the light of the circumstances under which it is made.

7. Termination of Reporting Obligations. SCPPA's obligations under this Disclosure Resolution shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2017 Series A Subordinate Bonds. In addition, in the event that the Rule shall be amended, modified or repealed such that compliance by SCPPA with its obligations under this Disclosure Resolution no longer shall be required in any or all respects, then SCPPA's obligations under this Disclosure Resolution shall terminate to a like extent. If either such termination occurs prior to the final maturity of the 2017 Series A Subordinate Bonds, SCPPA shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Dissemination Agent. SCPPA may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Resolution, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

9. Amendment; Waiver.

(a) Notwithstanding any other provision of this Disclosure Resolution, SCPPA may, by resolution hereafter adopted, amend this Disclosure Resolution, and any provision of this Disclosure Resolution may be waived, provided that, in the opinion of nationally-recognized bond counsel, such amendment or waiver is permitted by the Rule.

(b) The Annual Report containing any modified operating data or financial information as a result of an amendment shall explain, to the extent required by the Rule, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If a change in accounting principles is included in any such modification, such Annual Report shall present, to the extent required by the Rule, a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

10. Additional Information. Nothing in this Disclosure Resolution shall be deemed to prevent SCPPA from disseminating, or require SCPPA to disseminate, any other information using the means of dissemination set forth in this Disclosure Resolution or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Resolution. If SCPPA chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Resolution, SCPPA shall have no obligation under this Disclosure

Resolution to update such information or include it in any future Annual Report, notice of occurrence of a Listed Event or other materials disseminated hereunder.

11. Default.

(a) In the event of a failure of SCPPA to comply with any provision of this Disclosure Resolution, any Owner or Beneficial Owner of any Outstanding 2017 Series A Subordinate Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, for the equal benefit and protection of all Owners or Beneficial Owners similarly situated, to cause SCPPA to comply with its obligations under this Disclosure Resolution.

(b) Notwithstanding the foregoing, no Owner or Beneficial Owner of the 2017 Series A Subordinate Bonds shall have the right to challenge the content or adequacy of the information provided pursuant to Sections 3, 4 or 5 of this Disclosure Resolution by mandamus, specific performance or other equitable proceedings unless Owners or Beneficial Owners of 2017 Series A Subordinate Bonds representing at least 25% in aggregate principal amount of the Outstanding affected 2017 Series A Subordinate Bonds shall join in such proceedings.

(c) A default under this Disclosure Resolution shall not be deemed an Event of Default under the 2017 Series A Subordinated Indenture, and the sole remedies under this Disclosure Resolution in the event of any failure of SCPPA to comply with this Disclosure Resolution shall be those described in subsection (a) above.

(d) Under no circumstances shall any person or entity be entitled to recover monetary damages hereunder in the event of any failure of SCPPA to comply with this Disclosure Resolution.

12. Duties, Immunities and Liabilities of Dissemination Agent. Any Dissemination Agent appointed hereunder shall have only such duties as are specifically set forth in this Disclosure Resolution and shall have such rights, immunities and liabilities as shall be set forth in the written agreement between SCPPA and such Dissemination Agent pursuant to which such Dissemination Agent agrees to perform the duties and obligations of Dissemination Agent under this Disclosure Resolution.

13. Beneficiaries. This Disclosure Resolution shall inure solely to the benefit of SCPPA, the Dissemination Agent, if any, and the Owners and Beneficial Owners from time to time of the 2017 Series A Subordinate Bonds, and, subject to Section 2(a) hereof, shall create no rights in any other person or entity.

14. Governing Law. This Disclosure Resolution shall be deemed to be a contract made under the Rule and the laws of the State of California, and for all purposes shall be construed and interpreted in accordance with, and its validity governed by, the Rule and the laws of the State of California, without regard to principles of conflicts of law.

15. Effective Date. This Disclosure Resolution shall become effective upon the date of authentication and delivery of the 2017 Series A Subordinate Bonds.

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

SOUTHERN CALIFORNIA PUBLIC POWER
AUTHORITY



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Southern California Public Power Authority
Name of Bond Issue: \$_____ Transmission Project Revenue Bonds,
2017 Subordinate Refunding Series A
Date of Issuance: _____, 2017

NOTICE IS HEREBY GIVEN that Southern California Public Power Authority (“SCPPA”) has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of Resolution No. 2017-____, adopted by the Board of Directors of SCPPA on _____, 2017 relating to the above-named Bonds. [SCPPA [has advised the undersigned that SCPPA] anticipates that the Annual Report will be filed by _____.]

Dated: _____

[SOUTHERN CALIFORNIA PUBLIC POWER
AUTHORITY]

[_____, as Dissemination Agent
on behalf of Southern California Public Power
Authority]

[cc: Southern California Public
Power Authority]