

RESOLUTION NO. 2017-010

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO (1) AN AGREEMENT FOR PURCHASE OF EQUIPMENT WITH SEDIVER USA, INC., AND (2) A PARTICIPATION AGREEMENT WITH LOS ANGELES DEPARTMENT OF WATER AND POWER, AND PROVIDING FOR ADDITIONAL CONTRIBUTIONS TO THE AUTHORITY'S REVOLVING GENERAL FUND, AND TAKING CERTAIN RELATED ACTION (RESTRUCTURING)

WHEREAS, the Southern California Public Power Authority ("SCPPA" or "the Authority") owns interests in various generation and transmission projects, the output of which has been sold to Members of the Authority ("Members"); and

WHEREAS, SCPPA Members are engaged in the generation, transmission, and distribution of electrical energy to retail customers; and

WHEREAS, in January 2017, the Authority issued a competitive Request for Proposals ("RFP") from qualified firms for the purchase of specific equipment ("Equipment") to be used in an impending upgrade to the DC Intertie by the Los Angeles Department of Water and Power ("LADWP"); and

WHEREAS, the Authority, in coordination with the staff of LADWP, completed a comprehensive scoring and selection process and Sediver USA Inc. (Sediver) was selected as the successful respondent to the RFP; and

WHEREAS, the Authority is willing and able to (i) enter into an agreement with Sediver to procure the Equipment and; (ii) bill all for the cost of the Equipment to the sole SCPPA Member receiving such Equipment; and

WHEREAS, LADWP is willing and able to pay all proportionate expenses and costs for provision of said Equipment; and

WHEREAS, the Board of Directors of Authority, in its Resolution No. 1990-15, established a revolving general fund (the "General Fund") for the payment of costs and expenses incurred by the Authority from time to time in carrying out its purposes; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1992-1, provided for the continuation of the General Fund and established a procedure to be followed with respect to additional contributions to the General Fund; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-2, provided for a separate bank account (the "Joint Planning Account") to hold and disburse the additional contributions to the General Fund with respect to joint planning matters; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-13, changed the name of the Joint Planning Account to the Restructuring Account; and

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

1. The Executive Director is authorized and directed to enter into an Equipment Purchase Agreement with Sediver USA, Inc. as the successful Respondent to SCPPA's recent solicitation for Equipment in coordination with LADWP. The Executive Director is further authorized to add such terms or approve changes to the Equipment Purchase Agreement that he, in his discretion, determines will be in the best interests of SCPPA and beneficial to the Member.
2. The Executive Director is authorized and directed to enter into a Participation Agreement with LADWP to secure the specified Equipment for and in coordination with LADWP.
3. The Board of Directors hereby provides for additional contributions to the General Fund. Notwithstanding anything to the contrary in Resolution No. 1992-1, such additional contributions:
 - a) shall be solely for the purpose of paying costs and expenses incurred by the Authority with respect to Sediver, and pending application for such purpose the contributions shall not be expended to pay costs or expenses properly allocable to one or more projects as provided in Section 3 of Resolution No. 1992-1;
 - b) with respect to each bill SCPPA receives from Sediver, shall be billed to the Members that have received Services from Sediver with respect to such bill, with the amount of each such Member's bill to be based upon the Services performed by Sediver for the benefit of such Member; and
 - c) shall be billed and collected by adding the amounts provided above to the Authority's Hoover Upgrading Project billings to Anaheim (if applicable), and to the Authority's Palo Verde Project billings to the other applicable Members, with such amounts designated as "Resolution 2017-010 Charge." In the alternative, Members who have elected to be billed under the Alternative Billing Method authorized by Resolution 2015-025 shall be billed separately according to the method prescribed therein.
4. Although the amounts to be contributed under this Resolution and related income shall constitute part of the General Fund, they shall be held and

accounted for in the Restructuring Account. The Executive Director of the Authority is hereby directed to utilize the Restructuring Account for the purpose of holding contributions and related income, and making disbursements, under this Resolution. The President, Vice President, Secretary, any Assistant Secretary and the Executive Director of the Authority are each authorized to execute checks drawn on the Restructuring Account from time to time.

5. Amounts contributed to and held in the General Fund and the Restructuring Account pursuant to this Resolution will not be contributed or held for the purposes of any project for which the Authority has obtained any form of external financing. Such amounts shall not constitute (a) Revenues, or (b) revenues, income, rents or receipts derived by the Authority from or attributable to Authority Capacity (or to the payment of the costs thereof) or the ownership or operation of any Project. As used herein, "Revenues," "Authority Capacity," and "Project" shall have the respective meanings set forth in the indentures of trust and other instruments governing the external financing arrangements entered into from time to time by the Authority.
6. The President, Vice President, Secretary, any Assistant Secretary, Executive Director and any other officer of the Authority are each hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.
7. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 20th day of April 2017.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority