

RESOLUTION NO. 1990-1

RESOLUTION APPROVING A SECOND SUPPLEMENTAL INDENTURE OF TRUST AND AUTHORIZING THE ISSUANCE OF SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY HYDROELECTRIC POWER PROJECT REVENUE BONDS, 1990 REFUNDING SERIES A; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE CONTRACT OR THE PREPARATION OF AN OFFICIAL BID FORM AND THE PUBLICATION OF A NOTICE OF SALE AND A NOTICE OF INTENTION TO SELL BONDS; AUTHORIZING THE DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; AUTHORIZING CERTAIN RELATED ACTIONS; AND AUTHORIZING THE OFFICERS OF THE AUTHORITY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE

BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. A form of Second Supplemental Indenture of Trust, dated as of January 1, 1990, from Southern California Public Power Authority (the "Authority") to First Interstate Bank of California, as trustee (the "Trustee"), has been presented to this meeting. Each of the President and Vice President and each of the Secretary and any Assistant Secretary of the Authority are hereby authorized and directed to execute and deliver said Supplemental Indenture with such changes, insertions and omissions (subject to Paragraph 9 hereof) as shall be approved by said President or Vice President (such approval to be conclusively evidenced by his execution and delivery thereof); and each of the Secretary and any Assistant Secretary is hereby authorized and directed to affix the seal of the Authority thereto (said Supplemental Indenture, in the form in which executed and delivered, being hereinafter referred to as the "Second Supplemental Indenture"). The Second Supplemental 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 Hydroelectric Power Project Revenue Bonds, 1990 Refunding Series A (the "Bonds"), of the Authority is hereby authorized, subject to the provisions of this Resolution and the Indenture of Trust, dated as of March 1, 1986, from the Authority to the Trustee (the "Original Indenture"), as heretofore supplemented and as supplemented by the Second Supplemental Indenture (collectively, the "Indenture"). The Bonds shall be dated, shall mature on October 1 in the years and shall bear interest at the rates (payable semiannually on April 1 and October 1, commencing April 1, 1990), all as provided in the Indenture.

The form of the Bonds and the provisions for signatures, authentication, payment, registration, redemption, denomination, sinking fund, number and other terms thereof shall be as set forth in the Indenture.

2. The 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 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 Bonds. The Bonds and interest coupons appurtenant thereto, if any, shall never 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, nor shall they constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit.

3. Pursuant to Section 6571 of the Government Code of the State of California it is hereby found and determined by the Board of Directors that (a) if the Bonds are sold at less than the par amount thereof, such sale of the Bonds at less than the par amount thereof will result in more favorable terms for the Bonds and (b) a negotiated sale of the Bonds is necessary.

Subject to Paragraph 4 hereof, each of the President and Vice President of the Authority is hereby authorized and directed to execute and deliver a purchase contract for the Bonds between the Authority and the underwriters. The purchase price at which the Bonds are to be sold to the underwriters and the related underwriters' discount shall each be determined in accordance with the provisions of Paragraph 9 of this Resolution. Payment for the Bonds shall be pursuant to the terms and conditions set forth in the purchase contract for the Bonds.

4. Notwithstanding Paragraph 3(b) of this Resolution, if, based on market conditions, the President or Vice President of the Authority, in consultation with the Finance Committee of the Authority, determines that a negotiated sale of the Bonds is not necessary and that the Bonds shall be sold by competitive bid, then the Bonds shall not be sold by negotiated sale and:

(a) each of the President and Vice President of the Authority is hereby authorized to approve the form, terms and provisions, in accordance with applicable law and standard

practice, of (i) the Official Bid Form, (ii) the Notice of Sale and (iii) the Notice of Intention to Sell Bonds;

(b) each of the Secretary and any Assistant Secretary of the Authority is hereby authorized and directed to cause the Notice of Sale, as approved pursuant to subparagraph (a) of this Paragraph 4, to be published once, at least fifteen (15) days prior to the earliest date for receiving proposals provided for therein, in the Los Angeles Times, a newspaper of general circulation circulated within the boundaries of each Project Participant;

(c) each of the Secretary and any Assistant Secretary of the Authority is hereby authorized and directed to cause the Notice of Intention to Sell Bonds, as approved pursuant to subparagraph (a) of this Paragraph 4, to be published once, at least fifteen (15) days prior to the earliest date for receiving proposals stated therein, in The Bond Buyer, a financial publication circulated throughout California;

(d) each of the Secretary and any Assistant Secretary of the Authority is hereby authorized and directed to cause to be furnished to prospective bidders for the Bonds, upon their request, a reasonable number of copies of the Notice of Sale, the Official Bid Form and the Preliminary Official Statement, as approved pursuant to this Resolution;

(e) each of the Secretary and any Assistant Secretary of the Authority is hereby authorized and directed to receive at the time and place determined under the Notice of Sale, open, read and examine sealed proposals for the purchase of the Bonds; and

(f) each of the President and Vice President of the Authority is hereby authorized and directed to accept the bid of the successful responsible bidder and to cause delivery of the Bonds upon payment of the purchase price of the Bonds in accordance with the provisions of Paragraph 12 of this Resolution.

5. Each of the President and Vice President of the Authority is hereby authorized to approve a Preliminary Official Statement relating to the Bonds (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 Bonds.

6. Each of the President and Vice President of the Authority is hereby authorized to approve an Official Statement relating to the Bonds (such approval to be conclusively evidenced

by his 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 Bonds, and the Board of Directors hereby further approves the use of any supplement or amendment to the Official Statement which is necessary so that the 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 not misleading. Each of the President and Vice President of the Authority is hereby authorized and directed to execute the Official Statement and any amendment or supplement thereto, in the name and on behalf of the Authority, and thereupon to cause the Official Statement and any such amendment or supplement to be delivered to the underwriters.

7. The advance refunding of the Refunded Bonds (as defined in the Second Supplemental Indenture) as provided for in the Second Supplemental Indenture is hereby authorized and directed. 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 U.S. Government obligations (including non-callable State and Local Government Series direct obligations of the United States of America issued by the Bureau of Public Debt and certain direct obligations of the United States of America purchased on the open market) in such amounts, maturing at such times and bearing such rates of interest as shall be necessary (taking into account any moneys or other securities deposited in the Escrow Account at the same time for such purpose) to pay when due the redemption price 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 securities.

8. Each of the President and Vice President of the Authority is hereby authorized to determine, in connection with the issuance and delivery of the Bonds, whether to obtain municipal bond insurance for the Bonds or any maturity or maturities of the 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.

9. Each of the President and Vice President of the Authority is hereby authorized to determine, in connection with the execution and delivery of the Second Supplemental Indenture and any sale of the Bonds, and in consultation with the Finance Committee of the Authority, the following with respect to the Bonds:

(a) the aggregate principal amount (not to exceed \$40,000,000);

(b) the interest rates, which together shall produce a true interest cost on the Bonds which does not exceed 7.25%;

(c) the maturity dates (each of which shall be an October 1) with the final maturity date to be no later than October 1, 2018;

(d) the principal amount in each maturity and the sinking fund installments for any term Bonds;

(e) the purchase price, which shall equal (i) the principal amount of the Bonds plus accrued interest, if any, from their date to the date of delivery, minus (ii) any agreed-upon original issue discount, and an underwriters' discount not to exceed 2% of the aggregate principal amount of the Bonds;

(f) the terms and conditions for delivery of the Bonds;

(g) the Outstanding (as such term is defined in the Indenture) Hydroelectric Power Project Revenue Bonds, 1986 Series A, of the Authority to be refunded by the Bonds (which Outstanding Bonds shall constitute the Refunded Bonds under the Second Supplemental Indenture);

(h) the initial Escrow Securities to be purchased and deposited in the Escrow Account under the Second Supplemental Indenture;

(i) the redemption terms and prices;

(j) the application of the proceeds;

(k) the transfers required, if any, from other funds or accounts under the Indenture; and

(l) the date(s) the Refunded Bonds shall be redeemed; and

(m) whether or not to acquire municipal bond insurance, such determination to be made in accordance with Paragraph 8 of this Resolution, provided the premium for such insurance shall not exceed 0.50% of the payments insured;

provided, however, that the terms so approved shall produce for the Authority as a result of the refunding present value debt service savings equal to not less than 5% of the aggregate principal amount of the Refunded Bonds.

10. Each of the President and Vice President of the Authority is hereby authorized to appoint from time to time any additional fiduciaries, depositaries or agents (including paying agents) in connection with the Bonds and to execute and deliver any and all documents and instruments necessary or proper in connection with each such appointment.

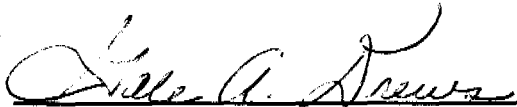
11. The appropriate Authority officers are hereby authorized and directed to cause the Trustee to transfer moneys as contemplated by the Second Supplemental Indenture.

12. Arthur T. Devine, in addition to the other offices or positions with the Authority he already holds, is hereby appointed an Assistant Secretary of the Authority for the purpose of taking any and all required action in connection with the issuance and delivery of the Bonds.


13. Each of the President, Vice President, Secretary and any Assistant Secretary of the Authority, and any other officer of the Authority, is hereby authorized and directed 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.

14. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority, this 3rd day of January, 1990.

  
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PRESIDENT  
Southern California Public  
Power Authority

ATTEST:

  
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ASSISTANT SECRETARY  
Southern California Public  
Power Authority