

RESOLUTION 16-15

APPROVAL OF, AND AUTHORIZATION TO EXECUTE AND DELIVER, THE RENEWAL OFFER DOCUMENTS.

On motion of _____, seconded by _____, at a duly noticed meeting of the City Council of Hyrum City, State of Utah (the "Council"), held the 21st day of April, 2016, the following Resolution was duly adopted:

WHEREAS, Hyrum City (the "Municipality") is a party to a Power Sales Contract (the "Power Sales Contract") with Intermountain Power Agency ("IPA"), pursuant to which the Municipality acquired a portion of the generation capacity and transmission capacity of the Intermountain Power Project (the "Project") through June 15, 2027; and

WHEREAS, IPA is a party to substantially identical power sales contracts with other parties (such other power sales contracts together with the Power Sales Contract being, collectively, the "Power Sales Contracts" and such other parties together with the Municipality being, collectively, the "Purchasers"); and

WHEREAS, IPA has advised the Municipality that the Power Sales Contracts have been amended to provide for, among other things, IPA to deliver the Renewal Offer Letter dated March 18, 2016 which has been received by the Municipality; and

WHEREAS, the Renewal Offer Letter provides that the Municipality is entitled to subscribe for entitlements in the generation capacity and the transmission capacity at IPP on the terms of the Renewal Offer Letter and the Renewal Power Sales Contract provided with the Renewal Offer Letter (the "Renewal Offer"); and

WHEREAS, to accept the Renewal Offer, the Municipality is required to indicate its acceptance of Renewal Offer on the Offer Acceptance provided with the Renewal Offer Letter and to execute the Renewal Power Sales Contract and comply with the other terms and conditions of the Renewal Offer Letter; and

WHEREAS, the Council has reviewed and discussed the Renewal Offer Letter, the Offer Acceptance and the Renewal Power Sales Contract; and

WHEREAS, the Council desires to authorize the chief executive of the Municipality to subscribe for any Orphan Original Purchaser

Entitlements (as defined in the Renewal Power Sales Contract) and any Utah Orphan Original Purchaser Entitlements (as defined in the Renewal Power Sales Contract) up to a total Generation Entitlement Share for the Municipality indicated below as the Maximum Authorized Subscription Generation Entitlement Share for the Municipality; and

WHEREAS, the Council desires to accept the Renewal Offer and approve and adopt the Offer Acceptance and the Renewal Power Sales Contract.

NOW, THEREFORE, BE IT RESOLVED, that after due consideration and discussion, the Council hereby approves and adopts the Acceptance Offer and the Renewal Power Sales Contract and authorizes and directs the Municipality's Mayor (the "Mayor") and the Municipality's Clerk/Recorder (the "Clerk/Recorder") to execute and deliver to IPA the Acceptance Offer and Renewal Power Sales Contract on behalf of the Municipality and to take or cause to be taken such other action as may be necessary or desirable in order to make the Offer Acceptance and the Renewal Power Sales Contract effective, as one or more of such may be modified to reflect (i) the outcome of each of the First Round Offer, the Second Round Offer (if necessary) and the Final Offer (if necessary), as such terms are defined in the Renewal Power Sales Contract, (ii) the insertion of dates and the Municipality's address for notice (as reflected on the records of IPA or as otherwise expressly provided to IPA as the Municipality's address for notice together with the delivery of the Offer Acceptance), (iii) the modification of exhibits and appendices to complete, update or correct the Acceptance Offer and/or the Renewal Power Sales Contract, (iv) the updating of appendices and exhibits to reflect elections made under the Offer Acceptance and/or the Renewal Power Sales Contract in accordance with the terms thereof and (v) other modifications approved by the Mayor, which approval shall be conclusively established and evidenced by the execution by the Mayor of such Offer Acceptance and/or Renewal Power Sales Contract as so modified;

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed (i) to subscribe for a Generation Entitlement Share (as defined in the Renewal Documents) and a Generation Cost Share (as defined in the Renewal Documents) equal to _____ percent (____%) and (ii) to elect a point of delivery at _____;

BE IT FURTHER RESOLVED, that the Mayor may elect to increase the Municipality's Generation Entitlement Share (with a

corresponding change to the Generation Cost Share) up to a total Generation Entitlement Share equal to _____ percent (____%) (the "Maximum Authorized Subscription Generation Entitlement Share"); provided that the Maximum Authorized Subscription Generation Entitlement Share shall be increased (i) as deemed necessary by the Mayor to provide for voting rights of the Utah Purchasers (as defined in the Renewal Documents) on the Renewal Contract Coordinating Committee (as defined in the Renewal Documents) equal to the aggregate voting rights of the Utah Purchasers (as defined in the Power Sales Contracts) on the Coordinating Committee (as defined in the Power Sales Contracts), and to enter into an agreement to provide for such increased election and/or to modify the Renewal Documents accordingly and (ii) automatically as a result of any increase in Subscription Generation Entitlement Share of the Municipality provided as a result of the operation of Section 26 of the Renewal Power Sales Contracts; and

BE IT FURTHER RESOLVED, that the Mayor and the Clerk/Recorder are hereby authorized and directed to execute and deliver, or cause to be executed and delivered, on behalf of the Municipality such additional documents, certificates, instruments, notices, opinions and agreements as may be deemed by the Mayor to be necessary or appropriate to the extent consistent with this Resolution.

BE IT FURTHER RESOLVED that this resolution shall become effective upon adoption.

ADOPTED AND PASSED by the City Council this 21st day of April, 2016.

HYRUM CITY

BY: _____
Stephanie Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Exhibit 5 to
Procedures

Form of Resolution Approving the Agreement for Sale of Renewal
Excess Power

[see attached]