



MINUTES OF THE IDAHO ENERGY RESOURCES AUTHORITY
DIRECTORS' MEETING – August 8, 2008

The meeting of the Idaho Energy Resources Authority was called to order by Chairman Robert Mooney at 10:00 A.M., MDT.

1. Attendance: Directors in attendance were: Robert Mooney, Ralph Williams, Larry Crowley, Charles Hedemark, Randy Hill and Mayor Darrell Kerby. Absent was Governor John Evans. Also attending was Ron Williams, local counsel.

2. BPA Third Party Financing:

Bob Mooney and Randy Hill reported on meetings with BPA concerning BPA third party financing. BPA has proposed JP Morgan as a co-senior investment banker on the first BPA related financing, along with Lehman Brothers. Randy Hill recommended that the Board accept the compromise of JP Morgan and Lehman as co-seniors with the expression of a strong preference for Lehman as book runner or manager. There was a unanimous sense of the Board to propose this compromise to Bonneville. BPA expects the financing to occur prior to the end of the year, roughly in the amount of \$50 million. Funds would be used to purchase transformers throughout the Bonneville system.

Discussion also revolved around fees the IERA would receive from Bonneville on the transaction. Bonneville has suggested IERA fees be similar to the fees charged by NIFC; around \$10,000 per transaction. It was noted, however, that NIFC has a number of such transactions with Bonneville. Jon Dull from Bonneville suggested that the IERA's first fee may need to be more and that BPA was open to this as a discussion point.

3. Old and New Business: Ralph Williams reported that Heber Carpenter of Raft River Electric is very willing to sit down with IERA to discuss fees or contributions to the IERA representing value the IERA brought to Raft River with respect to its negotiations with RUS for RUS funding of the Raft River transmission line to Duck Valley.

4. Adjourn: There is no old or new business to come before the Board and the meeting was adjourned at 11:00 A.M., MDT.

A handwritten signature in blue ink, appearing to read "R Hill", is written over a horizontal line.

Secretary