

MINUTES OF THE IDAHO ENERGY RESOURCES AUTHORITY
DIRECTORS' MEETING – October 15, 2013

The meeting of the Idaho Energy Resources Authority (“IERA” or “Authority”) was called to order by Chairman Bob Mooney at 11:30 A.M., MDT.

1. Attendance: Directors in attendance were: Bob Mooney, Charles Hedemark, Randy Hill, Dan Kunz and Mark Lliteras. Directors absent were: Eric Anderson and Jackie Flowers. Also in attendance were IERA legal counsel Jim Burr and Ron Williams. Public attendance included Ken Miller from the Snake River Alliance.

2. Approval of Prior Minutes: Upon motion and second, the Minutes of May 13, 2013, were unanimously approved.

3. Review History, Purpose and Powers of the IERA: Chairman Mooney, Mr. Burr and Mr. Williams reviewed the history and establishment of the IERA. One of the reasons for establishment of the IERA by the Idaho Consumer Owned Utilities Association was to allow the Authority to assist the Bonneville Power Administration (“Bonneville” or “BPA”) in third party financing of electric facilities. Mr. Williams reviewed the Authority’s Statement of Purpose, written and adopted by the original IERA Board in 2005 – 2006.

4. Overview of BPA’s Lease Financing Program: Chairman Mooney and Mr. Burr explained further the opportunity for the Authority to participate with Bonneville in BPA’s lease financing program. Mr. Burr walked the Board through a hand-out he had prepared regarding the BPA lease financing program. The Board also reviewed a previous letter Mr. Mooney had transmitted to Bonneville expressing the IERA’s interest in participating in BPA’s lease financing program.

5. Overview of Master Letter of Intent between BPA and the IERA: Mr. Burr explained the draft Master Letter of Intent (“MLOI”) he and Mr. Mooney had negotiated with BPA, on behalf of the IERA. Mr. Burr again used a handout to explain the key concepts of the draft MLOI. The Board had questions for Mr. Burr and Mr. Mooney regarding the draft MLOI. The Board discussed the importance of full and complete indemnity of the IERA, its officers, agents and directors, should the Authority agree to sign the MLOI. Mr. Hill asked for elimination of the sentence in paragraph 5(b) of the MLOI that excused Bonneville from having to indemnify and hold harmless an Indemnified Party against another Indemnified Party’s gross negligence or willful misconduct. Mr. Burr said he would request this change from Bonneville. Mr. Mooney informed the Board that it was his intent that the Board not act regarding the MLOI during this Board meeting, but that a resolution to approve the IERA signing the MLOI would be drafted and considered by the Board in a subsequent meeting.

6. Other Business: The Board selected Monday, October 28, 2013, at 9:00 A.M. MDT, 8:00 A.M. PDT, as the next meeting of the Authority.

7. Adjournment: There being no further business to come before the meeting, the meeting was declared adjourned at 2:00 P.M.


Secretary