

ALASKA ENERGY AUTHORITY

RESOLUTION NO. 2020-08

RESOLUTION OF THE ALASKA ENERGY AUTHORITY PROVIDING FOR THE SALE OF NOT TO EXCEED \$17,000,000 OF ALASKA ENERGY AUTHORITY POWER REVENUE BONDS, TENTH SERIES (TRANSMISSION LINE PROJECTS); AUTHORIZING AND ADOPTING A NINTH SUPPLEMENTAL RESOLUTION BY AND BETWEEN THE AUTHORITY AND U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, TO SECURE SAID BONDS; AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT BETWEEN THE AUTHORITY AND PURCHASER OF THE SAID BONDS; DELEGATING CERTAIN AUTHORITY TO THE CHAIR, THE VICE CHAIR, THE EXECUTIVE DIRECTOR, THE CHIEF FINANCIAL OFFICER, AND ACTING CHIEF FINANCIAL OFFICER; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, the Alaska Energy Authority ("Authority") is authorized by Title 44, Chapter 83, of the Alaska Statutes, as amended, to issue bonds for the purpose of carrying out its corporate purpose and power, including the establishment or increase of reserves to secure or to pay for bonds; and

WHEREAS, the Authority has, pursuant to the Power Revenue Bond Resolution, adopted by the Board on September 7, 1989, as amended and supplemented ("Master Bond Resolution"), issued nine series of power revenue bonds subject to terms and conditions set forth in the Bradley Lake Hydroelectric Project Agreement for the Sale and Purchase of Electric Power (the "Power Sales Agreement") dated as of December 8, 1987, by and among the Chugach Electric Association, Inc., Golden Valley Electric Association, Inc., the Municipality of Anchorage d/b/a Municipal Light and Power, the City of Seward d/b/a Seward Electric System, and Alaska Electric Generation & Transmission Cooperative, Inc., and as Additional Parties Homer Electric Association, Inc. and Matanuska Electric Association, Inc. (collectively, "Power Purchasers") and the Authority; and

WHEREAS, the Master Bond Resolution authorizes the issuance of additional bonds for purposes of financing costs and expenses of planning, designing, acquiring, constructing, installing capital improvements in connection

with the Bradley Lake Hydroelectric Project ("Bradley Project") subject to terms and conditions set forth therein and the Power Sales Agreement; and

WHEREAS, pursuant to the request of the Power Purchasers, the Authority has determined to issue its Power Revenue Bonds, Tenth Series (Transmission Line Projects), in an aggregate principal amount not to exceed \$17,000,000 ("Bonds") to provide funds which will be used to (a) pay all or a portion of the costs of the acquisition, improvement and development of the electric transmission line systems between Sterling Substation and Quartz Creek Substation, including associated rights of ways and permits, the acquisition, improvement and development of a 69kV line between Sterling Substation and Quartz Creek Substation, including associated rights of ways and permits, and transmission capacity rights on the transmission line between Soldotna Substation and Sterling Substation, all of which will become an integral part of the Project; (b) fund a debt service reserve account; and (c) pay costs incurred in connection with the issuance of the Bonds (collectively, the "Project"); and

WHEREAS, the Bonds will be issued under and pursuant to and are being secured by the Master Bond Resolution and a Ninth Supplemental Resolution by and between the Authority and U.S. Bank, National Association, as Trustee ("Supplemental Resolution," and together with the Master Bond Resolution, the "Bond Resolution") which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, provisions shall be made for the sale of the Bonds pursuant to a Loan Agreement entered into among the Authority and the Alaska Industrial Development and Export Authority ("Purchaser") which shall be in substantially the form presented to and made part of the records of this meeting; and

WHEREAS, there has been presented to this meeting forms of the following documents, which the Authority proposes to finalize in connection with the issuance of the Bonds in substantially the form presented at this meeting:

1. Supplemental Resolution; and
2. Loan Agreement; and

WHEREAS, it appears that each of the instruments above referred to, which are now before the members of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended; and

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA ENERGY AUTHORITY, AS FOLLOWS:

That in order to provide funds to finance the Project, the Authority will issue the Bonds in a principal amount not to exceed \$17,000,000 maturing on the date or dates and bearing interest at a fixed rate of interest described in the Supplemental Resolution now before this meeting, subject to appropriate insertions and revisions, be and the same hereby is in all respects authorized, approved and confirmed, and that the Chair, Vice Chair, Executive Director, Chief Financial Officer or Acting Chief Financial Officer of the Authority (each, an "Authorized Officer") be, and each of them hereby is, authorized, empowered, and directed to execute the Bonds, whether by manual or facsimile signature, to seal the Bonds with the official seal of the Authority (manually or by facsimile), and to deliver, for and on behalf of the Authority, the Bonds to the Purchaser; and that the provisions of the Supplemental Resolution with respect to the Bonds be and the same hereby are authorized, approved and confirmed and are incorporated herein by reference.

The Bonds do not constitute an indebtedness or other liability of the State of Alaska, or any political subdivision thereof, except the Authority. The Authority does not pledge the faith and credit of the State of Alaska, or any political subdivision thereof (except the Authority) to the payment of the Bonds, and the issuance of the Bonds does not obligate the State of Alaska or any political subdivision thereof (except the Authority) to apply money, or levy or pledge any form of taxation whatsoever to, payment of the Bonds. The Authority has no taxing power.

That the form and content of the Supplemental Resolution be and the same hereby are in all respects authorized, approved, confirmed and adopted, and each Authorized Officer be and they hereby are in all respects severally authorized,

empowered, and directed to execute and deliver the final Supplemental Resolution for and on behalf of the Authority to the Trustee named therein for the security of the Bonds, including necessary counterparts, in substantially the form now before this meeting, but with such changes, modifications, additions, and deletions therein as shall to them seem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of their approval of any and all changes, modifications, additions, or deletions thereto from such form, and that the final Supplemental Resolution is hereby authorized, approved, confirmed and adopted in accordance with the Master Bond Resolution and is incorporated herein by reference. Following execution and delivery of the Supplemental Resolution, each Authorized Officer be and they hereby are authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the provisions of the Supplemental Resolution as executed.

That the form and content of the Loan Agreement be and the same hereby are in all respects authorized, approved and confirmed and each Authorized Officer be and they hereby are authorized, empowered and directed to execute and deliver the final Loan Agreement for and on behalf of the Authority, in substantially the form and content now before this meeting but with such changes, modifications, additions, and deletions therein as shall to them seem necessary, desirable or appropriate, their execution of the Loan Agreement, to constitute conclusive evidence of their approval of any and all changes, modifications, additions or deletions therein from the form and content of the Loan Agreement now before this meeting, and that, from and after the execution and delivery of the Loan Agreement, each Authorized Officer be and they hereby are authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

That the sale of the Bonds to the Purchaser is hereby authorized and approved.

That the Authorized Officers be, and each of them hereby is, authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents, opinions or other papers and perform all such other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

That this Resolution does hereby incorporate by reference, as though fully set out herein, the provisions of the Act, the Master Bond Resolution, the final Supplemental Resolution, and the documents presented to this meeting.

That the recitals to this Resolution, including definition of terms, are incorporated into this Resolution as if fully set forth herein.

That this Resolution shall become effectively immediately upon its passage and approval.

DATED at Anchorage, Alaska, this ___ day of December 2020.



Chair

ATTEST:



Secretary

