

**RESOLUTION NO. 20-\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF LCRA TRANSMISSION SERVICES CORPORATION PERTAINING TO A PROPOSED REVOLVING NOTE PROGRAM TO BE ENTERED INTO BY AND BETWEEN THE CORPORATION AND THE LOWER COLORADO RIVER AUTHORITY AND AUTHORIZING AND CONFIRMING CERTAIN AGREEMENTS OF THE CORPORATION WITH THE LOWER COLORADO RIVER AUTHORITY**

---

Directing the President of the Board of Directors and other corporate officers of the Corporation to proceed with the execution and delivery of an installment payment agreement supplement, a note purchase agreement and other undertakings and certifications as may be required to establish a revolving note program to finance electric transmission and transformation facilities of the Corporation

**WHEREAS**, at the request of the LCRA Transmission Services Corporation (the "Corporation"), on February 19, 2003, the Board of Directors of the Lower Colorado River Authority ("LCRA") adopted an amended and restated resolution (the "Controlling Resolution"), as amended, establishing a contract revenue financing program pursuant to which LCRA can issue and enter into obligations, including bonds and other types of obligations, on behalf of the Corporation secured by and payable from a lien on and pledge of the certain revenues received by LCRA from the Corporation; and

**WHEREAS**, the Board of Directors of the Corporation (the "Corporation Board") deems it advisable and in the best interests of the Corporation to request LCRA to establish a revolving note program as additional Transmission Contract Debt CP pursuant to the Controlling Resolution to facilitate the Corporation's short-term financing needs; and

**WHEREAS**, by this resolution the Corporation hereby requests that LCRA establish a revolving note program to allow LCRA to issue its Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project), Series F ("Notes") on behalf of the Corporation; and

**WHEREAS**, the Notes shall be secured by a commitment of the Corporation to make payments to LCRA under an amended and restated Transmission Contract Revenue Debt Installment Payment Agreement, dated as of March 1, 2003 and the supplement thereto pertaining to the Notes (the "Installment Payment Agreement Supplement"); and

**WHEREAS**, capitalized terms used in this resolution and not otherwise defined shall have the meanings given in the Controlling Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LCRA TRANSMISSION SERVICES CORPORATION:**

SECTION 1. That the Corporation be and is hereby authorized to borrow and incur indebtedness related to the Notes in an aggregate principal amount not to exceed \$50,000,000.

SECTION 2. The authorization, execution and delivery of the Installment Payment Agreement Supplement and other undertakings and certifications that may be required to effect the issuance of the Notes by LCRA based upon such financing documents are hereby approved.

SECTION 3. The authorization, execution and delivery of the note purchase agreement related to the Notes and other undertakings and certifications that may be required to effect the issuance of the Notes by LCRA based upon such financing documents are hereby approved.

SECTION 4. The Corporation Board hereby finds that the Corporation has a reasonable expectation that (A) the Notes will be issued only for those purposes for which Transmission Contract Debt may be issued, (B) any facilities financed with proceeds from the Notes will be covered by, or will receive a certificate of convenience and necessity (CCN) or are otherwise not required to have a CCN, and (C) either (I) the Annual Debt Service Requirements plus any required debt service coverage pursuant to the policies of the Corporation on the Notes (and/or the Additional Transmission Contract Debt issued to refund any portion of such Notes) will be approved by the Public Utility Commission of Texas (PUC) as an allowable cost of service in the transmission cost of service proceedings within which the Corporation plans to request such recovery or (II) the Project Costs for the facilities financed with the proceeds of the Notes will be approved by the PUC for inclusion in the Corporation's rate base in the transmission cost of service proceedings within which the Corporation plans to request such recovery.

SECTION 5. The Chair and/or the Vice-Chair of the Corporation Board, the President, Vice Presidents and/or Treasurer of the Corporation are hereby authorized, empowered and directed to exercise all powers and authority necessary in connection with the authorization and issuance of the Notes, including (i) proceeding with the authorization, execution and delivery of the Installment Payment Agreement Supplement and other undertakings and certifications that may be required to effect the issuance of the Notes; (ii) requesting the board of directors of LCRA to approve the issuance of the Notes, the noteholder agreement and the note purchase agreement related thereto and (iii) and taking such further actions with respect to the authorization and the issuance of the Notes as may be deemed appropriate by such officers.

At such time as such individuals have approved the form of the financing, security and operating documents, they are hereby authorized and directed to execute such instruments as are required in the opinion of bond counsel and counsel to the Corporation, to affect the authorization and issuance of the Notes for and on behalf of, and as the act and deed of, this Corporation Board. The Corporation Board specifically authorizes the Corporation to become a party to the note purchase agreement, noteholder agreement, paying agent/registrars agreement or other agreement related to the Notes in accordance with this resolution.

SECTION 6. The purpose and intent of this resolution is to vest in the Chair and the Vice-Chair of the Corporation Board, and any corporate officers of the Corporation all power and authority to complete the authorization and issuance of the Notes and all related documents and undertakings as described in this resolution without further action by this Corporation Board, including specifically the power to pledge and encumber funds in the amount required to provide payment of the obligations herein authorized to be incurred.

PASSED AND APPROVED this 20th day of May, 2020.