

Motion**Reimbursement Resolutions**

**RESOLUTION DECLARING OFFICIAL INTENT OF
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION
TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS
AND TO USE JUNE 2008 BORROWINGS ON AN INTERIM BASIS PRIOR TO THE AVAILABILITY
OF PROCEEDS FROM SUBSEQUENT FINANCING
ADOPTED MAY 18, 2009**

WHEREAS, the California Independent System Operator Corporation (the "Corporation") expects to pay certain expenditures (the "Expenditures") in connection with its new facility program and other capital expenditures, such as software, computer equipment, construction costs and other capital costs (collectively, the "Project") prior to and in anticipation of the issuance of indebtedness for the purpose of financing the Project on a long-term basis;

WHEREAS, the Corporation intends to fund such Expenditures on an interim basis with general corporate funds;

WHEREAS, the Corporation will issue debt obligations during 2009 and a portion of the proceeds from that debt obligation will be used to pay or reimburse general corporate funds in an amount not to exceed \$40,000,000;

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Corporation to declare its official intent to reimburse itself for prior expenditures for the Project with proceeds of debt obligations;

WHEREAS, this is an update to the previously approved reimbursement resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE CORPORATION:

Section 1. The Corporation hereby declares the foregoing Recitals to be true and correct;

Section 2. The Corporation here declares that this Resolution shall constitute its declaration of official intent pursuant to Regulation § 1.150-2 to use proceeds of the debt incurred in 2009 to pay or reimburse its general corporate funds for the Project in an amount not to exceed \$40,000,000.

Section 3. This Resolution shall be in full force and effect from and after its adoption as provided by law.

Moved: Page Second: Capuano

Board Action: Passed		Vote Count: 4-0-0
Capuano	Y	
Doll	Y	
Page	Y	
Willrich	Y	

Motion Number: 2009-05-G5