

RESOLUTION NO. 1578

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Okanogan County, Washington, authorizing Energy Northwest to refund a portion of the Energy Northwest Wind Project Revenue Refunding Bonds, Series 2005.

WHEREAS, Public Utility District No. 1 of Okanogan County, Washington (the "District"), is a Washington municipal corporation; and

WHEREAS, the District purchases output of Phase I of the Nine Canyon Wind Project (the "Project") financed by Energy Northwest pursuant to the Nine Canyon Wind Project Power Purchase Agreement; and

WHEREAS, Energy Northwest issued its Wind Project Revenue Refunding Bonds, Series 2005 (the "2005 Bonds") in the aggregate principal amount of \$62,325,000 to refund certain bonds used to pay costs of Phase I of the Project;

WHEREAS, the District purchases output of Phase II of the Project financed by Energy Northwest pursuant to the First Amended and Restated Nine Canyon Wind Project Power Purchase Agreement; and

WHEREAS, the District does not purchase output of Phase III of the Project financed by Energy Northwest pursuant to the Second Amended and Restated Nine Canyon Wind Project Power Purchase Agreement; and

WHEREAS, if interest rates remain low, Energy Northwest may refund all or a portion of the outstanding 2005 Bonds to reduce the debt service payments on such bonds; and

WHEREAS, it is in the best interests of the District and its customer-owners to reduce the debt service for the 2005 Bonds;

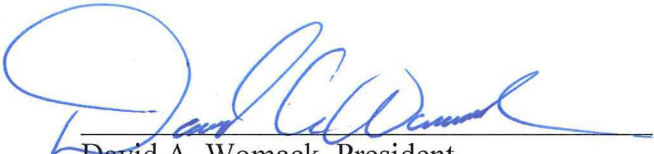
NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Energy Northwest is authorized to issue its Wind Project Revenue Refunding Bonds, Series 2014 (the "2014 Bonds") to refund all or a portion of the 2005 Bonds maturing on and after July 1, 2015, if the issuance of such Refunding Bonds results in not less than 5.00% in net present value debt service savings. This authorization shall expire on December 1, 2014.

2. The District approves the use of financial and operating information with respect to the District in connection with the public offering of the 2014 Bonds.

3. The General Manager of the District or his or her designee is hereby authorized to take any and all actions necessary or appropriate to assist Energy Northwest in the issuance and sale of the 2014 Bonds.

ADOPTED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY, WASHINGTON, at an open public meeting this 3RD day of December, 2013.



David A. Womack, President



Steve Houston, Vice President

ATTEST:



Ernest J. Bolz, Secretary

Approved as to Form:



Michael D. Howe, Legal Counsel