



IDAHO ENERGY RESOURCE AUTHORITY

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MINUTES OF THE IDAHO ENERGY RESOURCES AUTHORITY DIRECTORS' MEETING – December 13, 2005

The telephone conference call meeting of the Idaho Energy Resources Authority (“IERA” or “Authority”) board of directors was called to order by Chairman Robert Mooney at 10:00 a.m. December 13, 2005.

Directors joining the conference call were as follows: Robert Mooney, Ralph Williams, Gov. John Evans, Charles Hedemark, Randy Hill, Larry Crowley and Mayor Darrell Kerby. Also joining the call were Jim Burr of Chapman and Cutler, Ron Williams of Williams Bradbury, and Curtiss Peterson of United Electric Cooperative.

The board first reviewed draft minutes from the prior IERA board meeting. Upon motion by Ralph Williams, second by Charles Hedemark, the minutes of October 26, 2005 were unanimously approved.

Randy Hill and Jim Burr then led a discussion concerning the Authority’s desire to issue a Request for Proposals (RFP) for a financial advisor. Jim Burr explained the draft RFP he prepared. The target date for issuing the RFP will be January 15, 2006, following a final RFP review by the board at the next board meeting on January 9, 2006. With board concurrence the Chairman appointed himself and Randy Hill to a sub-committee to sift through the initial responses following issuance of the RFP. All board members are invited to also participate in the initial evaluation process however. Jim Burr and Ron Williams will also provide assistance and input.

The Chairman next reported that he and Ron Williams had informally surveyed the state for potential transmission or generation funding opportunities; including both new projects or refinancing of existing facilities or debt. Three potential transmission line projects appear promising for 2006–07 IERA financing: (i) refinancing of the Idaho Power transmission line to Bogus Basin, (i) new financing of the proposed Caribou Transmission Project involving BPA and Lower Valley Energy, and (iii) new financing of Raft River’s transmission line to the Duck Valley Indian Reservation. Possible IERA funding of several potential generation projects – such as the Intermountain Power Project Coal Unit #3 in southern Utah. Governor Evans mentioned the Ida-Therm geothermal project at Willow Springs as a possibility.

Mayor Kerby next reported that his investigation concerning bonding and insurance for the Authority is progressing. Larry Crowley also reported he is continuing his work revising the Authority's Vision Statement and development of a Statement of Purpose.

Curtiss Peterson was thanked for his work in initially designing a web site for the Authority. The board would like to see the Authority's web site include the following sub-pages or information: (i) either the IERA Act or a link to the Act as found in Idaho Code, (ii) minutes of all board meetings, (iii) notices of upcoming board meetings, (iv) short biographical sketches and pictures of IERA directors, (v) IERA bylaws, (vi) IERA Vision Statement/Statement of Purpose, and (vii) links to other web sites, such as the Idaho Consumer-Owned Utilities Association (ICUA), the Wyoming Infrastructure Authority, the Association of Idaho Cities and the State of Idaho.

The Chairman reported that he had signed a \$25,000 demand note payable to ICUA and was prepared to deposit the ICUA check to the Authority. The board had previously determined that the Authority would bank with D.L. Evans Bank. A question was raised concerning possible conflicts of interest in the Authority's choice of banks and in securing other services. The Chairman asked Ron Williams to investigate this matter and report back to the full board; prior to selecting a bank and opening a bank account. Mayor Kerby sent to each board member ethics and conflicts of interest information prepared by the Idaho Attorney General for cities and other instrumentalities of the state.

The Board confirmed its ability to meet in person in Boise on January 9, 2006 at 1:30 p.m. MST. This date was selected as coinciding with the annual members meeting of the ICUA on January 10, 2006.

There being no further business to come before the Board, the meeting was declared adjourned.

Secretary