

RESOLUTION

WHEREAS, the Board of Public Utilities of Springfield, Missouri (Board), has the charter authority necessary to manage, control and operate City Utilities of Springfield, Missouri (City Utilities), including the authority to enter into contracts with other public and private utilities for the purchase of their products or the sale thereto; and

WHEREAS, the Board has previously authorized City Utilities' membership and participation in The Energy Authority (TEA), including the execution of a Restated and Amended Operating Agreement (Operating Agreement); and

WHEREAS, management of City Utilities and TEA now recommends an amendment to the Operating Agreement entitled "Waiver to Restated and Amended Operating Agreement," a copy of which is attached hereto as Attachment A, and specifically, to provisions of Section 5.2 thereof through the period December 31, 2010, to permit periodic adjustments to the equity interests of certain Members by capital contributions in order to maintain Capital Contributions in the same proportion to each Member's interest in TEA, and to therefore accommodate balancing of equity should additional Members of TEA be approved; and

WHEREAS, as City Utilities is currently in a favorable relative position, no imbalance contributions will be required from City Utilities, and City Utilities will be relieved from a proportional capital contribution that would be required absent the waiver.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF SPRINGFIELD, MISSOURI, AS FOLLOWS:

The Waiver to Restated and Amended Operation Agreement attached to this Resolution is hereby adopted and approved, and the General Manager and his designees are authorized to execute said Waiver and to do those acts necessary and appropriate to implement this Resolution; and

The General Manager is authorized to execute and implement future modifications to the Restated and Amended Operating Agreement and to other TEA related documentation and agreements consistent with and as generally approved in Policy 4.06, "General Manager's Authority," as said policy may be from time to time amended by the Board of Public Utilities.

CERTIFICATE

The undersigned, Tom Rankin, Secretary of the Board of Public Utilities of the City of Springfield, Missouri, does hereby certify under his hand and seal of said Board of Public Utilities, that the above and foregoing is a true and correct copy of a Resolution adopted by the Board of Public Utilities of the City of Springfield, Missouri, at its regular meeting held on the 22nd day of February, 2010, pursuant to notice of time and place duly given to all members of said Board, at which meeting a quorum was present and voted throughout.

Dated this 22nd day of February, 2010.

Tom Rankin, Secretary

**WAIVER TO
RESTATED AND AMENDED OPERATING AGREEMENT**

This Waiver to Restated and Amended Operating Agreement is dated as of November 1, 2009, by and among JEA, Municipal Electric Authority of Georgia, Nebraska Public Power District, South Carolina Public Service Authority, City of Gainesville, Florida, doing business as Gainesville Regional Utilities and City Utilities of Springfield, Missouri and The Energy Authority, Inc. (this "Waiver"). This instrument waives a provision of that certain Restated and Amended Operating Agreement dated as of September 1, 2002 by and among the foregoing parties (the "Operating Agreement"). Capitalized terms used herein and not defined are used as defined in the Operating Agreement.

WHEREAS, the Operating Agreement is in full force and effect; and

WHEREAS, as more particularly explained in the document entitled "Equity Equalization Options Update October 27, 2009" attached hereto as Exhibit A, equity balances in TEA for the Members have become imbalanced over the past 12 months and such imbalances result in some Members contributing more working capital to TEA's operations than their respective intended equity interests in TEA;

WHEREAS, TEA and the Members agree that such equity imbalances should be equalized over time;

WHEREAS, Section 5.2 of the Operating Agreement requires Capital Contributions by Members that are requested by TEA's board of directors be in the same proportion as each Member's percentage interest in TEA; and

WHEREAS, the requirements of Section 5.2 of the Operating Agreement need to be waived by the Members in order to effect the commencement of the equalization of equity interests in TEA of the Members.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained in the Operating Agreement and in this Waiver, the undersigned hereby agree to waive through the period ending December 31, 2010 the provisions of Section 5.2 of the Operating Agreement in order to implement periodic adjustments to the equity interests in TEA of the Members by requiring Capital Contributions of certain Members during periods in which sufficient distributions from TEA to the Members are not expected.

Except as provided herein, the Operating Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this Waiver as of the date first written above.

JEA

By: _____

Name: James A. Dickenson
Title: Managing Director and
Chief Executive Officer

Approved as to Form

Assistant General Counsel

Municipal Electric Authority of Georgia

By: _____

Name: Robert P. Johnston
Title: President & Chief
Executive Officer

South Carolina Public Service Authority

By: _____

Name: Lonnie N. Carter
Title: President & Chief
Executive Officer

Nebraska Public Power District

By: _____

Name: Ronald D. Asche
Title: President & Chief
Executive Officer

City of Gainesville, Florida

By: _____
Name: Robert E. Hunzinger
Title: General Manager for Utilities

Approved as to Form and Legality:

By: _____
Raymond O. Manasco, Jr.
Utilities Attorney

City Utilities of Springfield, Missouri

By: _____
Name: John Twitty
Title: General Manager

The Energy Authority, Inc.

By: _____
Name: Robert T. Dyer
Title: President & Chief
Executive Officer

The Energy Authority, Inc.
Equity Equalization Options Update
October 27, 2009

Issue

Equity balances for the members have become imbalanced over the past twelve months, and will continue to become more imbalanced since no discretionary distributions are expected until 2012.

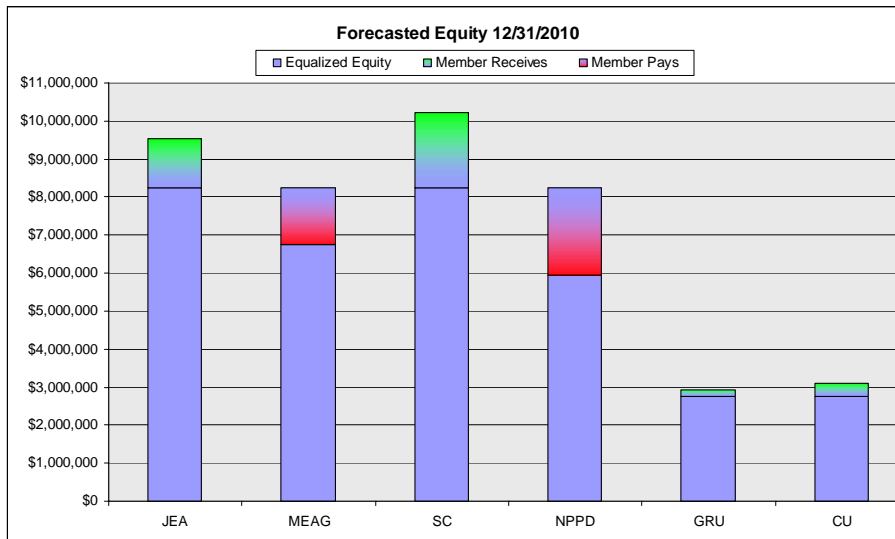
Background

At the October 13, 2009 FAC meeting discussion was held regarding a staff recommendation to equalize balances as of September 30, 2009, and perform quarterly equalizations thereafter. Such equalizations would not be required once adequate discretionary distributions were resumed. Following were the points discussed at that meeting:

1. Need for the Equalization – while the committee agreed with the philosophy that imbalanced equity accounts meant that some members were contributing more working capital to TEA operations, it was further agreed that the equalization did not have to be performed until a new member joined TEA.
2. Period for Equalization – while staff recommended a three month period for the initial equalization, it was noted that the equalization could occur over a much longer period of time.
3. Funds from a New Member – it was offered that the funds from a new member joining TEA would certainly mitigate, if not entirely cover, the cash required to implement an equalization among the existing members.

Current Status

Staff has evaluated item 3 noted above re: funds from a new member. Both AMP and Cowlitz are anticipated to be new members on January 1, 2011 in the five year plan. Total equity as of September 30, 2009 is \$36 million. An equalization as of that date would require cash contributions from MEAG and NPPD of \$.8 million and \$1.2 million, respectively. Following is a forecast of equity balances through December 2010 if no equalization is performed. Payments required from MEAG and NPPD on those dates would equal \$1.5 million and \$2.3 million, respectively.



An equalization must be performed in connection with a new equity owner joining TEA. The potential scenario's are that AMP joins first, Cowlitz joins first, or both AMP and Cowlitz join at the same time (unlikely). Since AMP will be an LPPS member, they bring more cash into TEA to help fund an equalization. The imbalances (i.e. cash required to be (paid)/received by each member to equalize) under these scenarios are as follows.

	AMP Only	Cowlitz Only	Both
JEA	\$ 2,466,013	\$ 1,524,837	\$ 2,858,170
MEAG	(323,796)	(1,264,972)	68,361
SC	3,168,514	2,227,338	3,560,671
NPPD	(1,100,055)	(2,041,232)	(707,899)
GRU	566,138	252,412	696,857
CU	755,702	441,977	886,421
AMP	(7,058,824)		(6,666,667)
Cowlitz		(2,666,667)	(2,222,222)
Net Addition to Working Capital	\$ (1,526,308)	\$ (1,526,308)	\$ (1,526,308)

Recommendation

Given the size of the current imbalance, the projected growth of the imbalance over the next year, and the fact that the addition of AMP will not fully cure the imbalance, staff recommends that some level of equalization be implemented over the 2010 calendar year. A number that is now known is the total imbalance as of September 30, 2009. Following are the amounts that would be (paid)/received monthly through the member sub-accounts if the committee elects to implement this method.

	Monthly	Annual
JEA	\$ 37,023	\$ 444,270
MEAG	\$ (66,001)	\$ (792,014)
SC	\$ 107,715	\$ 1,292,580
NPPD	\$ (99,356)	\$ (1,192,277)
GRU	\$ 3,129	\$ 37,551
CU	\$ 17,491	\$ 209,890

**BOARD RESOLUTION
OF
THE ENERGY AUTHORITY**

November 18, 2009

**RE: AUTHORIZATION OF THE PRESIDENT TO EXECUTE THE WAIVER
TO RESTATED AND AMENDED OPERATING AGREEMENT AND
APPROVAL OF EQUITY EQUALIZATION PROCESS FOR 2010**

WHEREAS, imbalances in the members equity accounts have historically been corrected through a discretionary distribution in accordance with Section 10.4 of the Bylaws of the corporation which requires such distributions of available cash to be made to the members to the extent such funds are available, and

WHEREAS, given that no discretionary distribution is anticipated over the next two years, and to avoid a large cash call on a member upon entry of a new member, an alternative balancing mechanism has been proposed by staff and approved by the Finance and Audit Committee as described in the attached memo, and

WHEREAS, this reallocation of funds among the members as described in the memo requires a waiver of section 5.2 of the Restated and Amended Operating Agreement which requires a pro-rata contribution among all members, therefore

BE IT RESOLVED, that the board hereby authorizes the president to execute the Waiver to Restated and Amended Operating Agreement in the form attached hereto,

BE IT FURTHER RESOLVED, that the board hereby approves the equity equalization process as described in the memo attached hereto, through which the monthly distribution for MEAG and NPPD will be reduced by \$66,001 and \$99,356, respectively, with such funds to be added to the monthly distribution of JEA, Santee Cooper, GRU and City Utilities as described in the memo for the twelve calendar months during 2010

The foregoing resolution was adopted by the affirmative vote of all the directors of the corporation.

Filed with Minutes

Secretary

Date