

RESOLUTION NO. 12-03

RESOLUTION OF CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING, AMONG OTHER THINGS, THE EXECUTION AND DELIVERY OF CERTAIN POST-ISSUANCE DOCUMENTS AND ACTIONS TO FACILITATE POST-ISSUANCE TRANSACTIONS RELATING TO BONDS ISSUED FOR THE BENEFIT OF PACIFIC GAS AND ELECTRIC COMPANY

WHEREAS, on March 23, 2010, California Infrastructure and Economic Development Bank (the “Issuer”) adopted Resolution No. 10-13 (the “2010 Resolution”) authorizing, for the benefit of Pacific Gas and Electric Company (the “Borrower”), among other things, the issuance of the Issuer’s Revenue Refunding Bonds (Pacific Gas and Electric Company) Series 2010E (the “2010E Bonds”) for the purposes stated in the 2010 Resolution; and

WHEREAS, the 2010E Bonds were issued on April 8, 2010 bearing interest at the Term Rate through April 1, 2012 (such term and all other terms not otherwise defined in this resolution (this “2012 Resolution”) shall have the respective meanings given to such terms in the Indenture hereinafter mentioned) and are secured by an indenture of trust, dated as of April 1, 2010 (said indenture and appendices thereto, including the Multi-Mode Annex as Appendix B thereto, the “Indenture”) by and between the Issuer and Deutsche Bank National Trust Company, trustee (the “Trustee”); and

WHEREAS, the proceeds of the 2010E Bonds were loaned to the Borrower pursuant to a loan agreement, dated as of April 1, 2010 (the “Loan Agreement”), by and between the Issuer and the Borrower; and

WHEREAS, in connection with the conversion of the interest rate mode on April 2, 2012, the 2010E Bonds are subject to mandatory tender for purchase (without the ability of the current holders of the 2010E Bonds to retain them) on such date (the “Purchase Date”); and

WHEREAS, the Borrower has informed the Issuer that it intends to purchase all of the 2010E Bonds on the Purchase Date at their Purchase Price as is authorized under the express terms of the Indenture; and

WHEREAS, in connection with such tender and purchase, the Borrower has requested the Issuer to execute and deliver certain documents, including new 2010E Bonds, that will facilitate such tender and purchase, the registration of the 2010E Bonds in the name of the Borrower, as the post-tender purchaser and beneficial owner of the 2010E Bonds, and continued eligibility of the 2010E Bonds under the procedures of The Depository Trust Company (“DTC”) for bonds held in book-entry form, and to take any actions intended to facilitate such tender and purchase (collectively, the “2010E Transaction”); and

WHEREAS, in accordance with the Indenture, the Issuer wishes to authorize the execution and delivery of certain post-issuance documents and new 2010E Bonds and any other actions, as may be necessary or desirable in order to consummate the 2010E Transaction and effect the purposes of this 2012 Resolution; and

WHEREAS, in addition to the 2010E Bonds, the Issuer has issued the following outstanding bonds for the benefit of the Borrower: (i) Refunding Revenue Bonds (Pacific Gas and Electric Company) Series 2008F; (ii) Refunding Revenue Bonds (Pacific Gas and Electric Company) Series 2008G; (iii) Refunding Revenue Bonds (Pacific Gas and Electric Company)

Series 2009A; (iv) Refunding Revenue Bonds (Pacific Gas and Electric Company) Series 2009B; (v) Refunding Revenue Bonds (Pacific Gas and Electric Company) Series 2009C; and (vi) Refunding Revenue Bonds (Pacific Gas and Electric Company) Series 2009D (collectively, the “Other Bonds”); and

WHEREAS, each series of Other Bonds was issued under and secured by a separate indenture of trust, by and between the Issuer and the Trustee (such indentures and appendices thereto, including the Multi-Mode Annex as Appendix B of each such indenture, collectively, the “Other Indentures”) and in connection therewith, the Borrower and the Issuer executed as to each such series a separate loan agreement (such loan agreements, collectively, the “Other Loan Agreements”); and

WHEREAS, in connection with interest rate mode conversions or other transactions contemplated by the Indenture, the Loan Agreement, the Other Indentures, the Other Loan Agreements and all other documents approved by the Issuer in connection with its issuance of the 2010E Bonds and each series of the Other Bonds, the Issuer may need to take certain actions and to execute certain documents in order to effect such transactions (“Post-Issuance Transactions”); and

WHEREAS, in order to facilitate such Post-Issuance Transactions, the Board of Directors of the Issuer (the “Board”) desires to delegate to the Issuer’s executive director (the “Executive Director”) and the Chair of the Board (the “Chair”) and their respective assignees (collectively, the “Authorized Officers”), the authority to take actions and execute documents intended to facilitate such Post-Issuance Transactions;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Authorized Officers are hereby authorized and directed to execute new 2010E Bonds, a written order to the Trustee, a letter of representations to DTC and any documents and to take other actions that they, upon advice of counsel to the Issuer, may deem necessary or desirable in order to consummate the 2010E Transaction and otherwise to effectuate the purposes of the Indenture, the Loan Agreement and this 2012 Resolution.

Section 2. The Authorized Officers are hereby authorized and directed to execute any documents and take such other post-issuance actions that they, upon advice of counsel to the Issuer, may deem necessary or desirable in order to consummate Post-Issuance Transactions and otherwise to effectuate the purposes and provisions of this 2012 Resolution, the Other Indentures, the Other Loan Agreements and any other document associated with the issuance of the 2010E Bonds and the Other Bonds which, by its terms, imposes obligations upon the Issuer.

Section 3. It is the intent of the Board that the authorizations set forth in Sections 1 and 2 of this 2012 Resolution shall not be construed as the exclusive authorizations pursuant to which the Authorized Officers may act in order to consummate the 2010E Transaction and Post-Issuance Transactions, but should rather be deemed as additional or supplementary to authority granted by law and by other actions of the Board.

Section 4. This 2012 Resolution shall take effect from and after its adoption by the Board.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on March 27, 2012, by the following vote:

AYES: LUJANO, REYES, JIMENEZ, BROWN, RICE

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

By Roma Cristia-Plant

Roma Cristia-Plant,
Assistant Executive Director

Attest:

By Diane Cummings

Diane Cummings,
Secretary of the Board of Directors