

## Recommendation Stonepeak Infrastructure Master Co-Investment Fund

To: RISIC  
Prepared: April 7, 2020  
From: Thomas Lynch, CFA, Senior Managing Director

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The purpose of this memo is to provide RISIC with a summary of Cliffwater's recommendation to amend and increase its commitment to Stonepeak Master Co-Investment Partners L.P. ("SMCP" or the "Fund"). SMCP was originally structured to co-invest in parallel with Stonepeak Infrastructure Fund II ("SIF II") for larger investments that require more capital than is available for SIF II. In 2019, ERSRI increased its commitment to SMCP from \$7 million to \$20 million to allow co-investing with Stonepeak Infrastructure Fund III ("SIF III"). Investors in SMCP invest with no management fee or carried interest. This memo provides a recommendation to amend SMCP to allow for co-investing with Stonepeak Infrastructure Fund IV ("SIF IV") and for ERSRI to increase its commitment to SMCP from \$20 million to \$30 million. (A recommendation on SIF IV is provided in a separate memo.)

Through December 31, 2019, SMCP has invested \$11.2 million of ERSRI's \$20 million commitment. The Fund has invested in four infrastructure investments including two investments in the communications sector and two investments in the mid-stream energy sector. All investments are performing at or above expectations. Since inception, SMCP has generated a net annualized IRR of 13.6% and a net TVPI of 1.24 times.

### Cliffwater Recommendation

Cliffwater recommends ERSRI amend the SMCP to allow for co-investing with Stonepeak Infrastructure Fund IV ("SIF IV") and for ERSRI to increase its commitment to SMCP from \$20 million to \$30 million.

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