

RESOLUTION NO. 2017-016

RESOLUTION OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
APPROVING THE BUDGETS FOR
MAGNOLIA PROJECT
FOR THE FISCAL YEAR JULY 1, 2017 THROUGH JUNE 30, 2018

BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority (the "Authority") that:

1. The three budgets for the Magnolia Power Project (Project A, Project B, and Combined) for the Fiscal Year July 1, 2017 through June 30, 2018, submitted to this Board of Directors, are hereby approved. The Executive Director is hereby authorized and directed to place the budgets so approved in final form, with such changes as shall be necessary or advisable to comply with the Magnolia Power Project Bond Indentures and Power Sales Contracts; and the budgets hereby approved, in such final form, shall constitute the Authority's Annual Budgets for Fiscal Year July 1, 2017 through June 30, 2018.


2. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority, this 18th day of May 2017.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

**MAGNOLIA POWER PROJECT
(COMBINED)**

ANNUAL BUDGET

FOR THE FISCAL YEAR

JULY 1, 2017 THROUGH JUNE 30, 2018

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

MAGNOLIA POWER PROJECT

COMPARISON OF BUDGET - FISCAL 2016-17 TO 2017-18
(\$000's)

	<u>2016-17</u>	<u>2017-18</u>	Variance	
			\$	%
Net Debt Service Project A	\$ 17,532	\$ 17,208	\$ (324)	-1.85%
Net Debt Service Project B	\$ 864	\$ 852	\$ (12)	-1.39%
Combined Net Debt Service	\$ 18,396	\$ 18,060	\$ (336)	-1.83%
Operation and Maintenance	\$ 18,656	\$ 18,912	\$ 256	1.37%
Major Maintenance	\$ 7,728	\$ 7,860	\$ 132	1.71%
Capital Improvements	\$ 324	\$ 276	\$ (48)	-14.81%
Fuel Transportation/common costs	\$ 2,100	\$ 2,100	\$ -	0.00%
Direct A&G	\$ 288	\$ 312	\$ 24	8.33%
Contingency for GHG credits	\$ -	\$ -	\$ -	N/A
PROJECT TOTAL	\$ 47,492	\$ 47,520	\$ 28	0.06%
Indirect A&G	\$ 516	\$ 514	\$ (2)	-0.37%
GRAND TOTAL FOR BILLING	\$ 48,008	\$ 48,034	\$ 26	0.05%
Interest Earnings Project A	\$ 384	\$ 672	\$ 288	75.00%
Interest Earnings Project B	\$ -	\$ 12	\$ 12	#DIV/0!
Combined Interest Earnings	\$ 384	\$ 684	\$ 300	78.13%
Estimated Scheduled Energy (MWH)	1,728,000	1,728,000	-	0.00%
Total Average Unit Cost (\$/kWh) (2) (Without fuel or indirect A&G)	\$ 0.027	\$ 0.028	0.0	0.06%

EXPLANATION OF VARIANCES

- 1 Project A Net Debt Service reflects lower principle payments next 5 years
- 2 Fuel commodity not included in budget.
Participants will be billed only for actual fuel used under a separate agreement.
- 3 Major Maintenance and Capital reflect long-term funding of major overhauls
- 4 Direct A&G is costs directly related to the project. Indirect A&G is other SCPPA administrative costs allocated per new methodology
- 5 O&M and Capital from Project Operator (Burbank)

Magnolia Power Project Combined
(\$000s)

<u>Month</u>	Project A	Project B	<u>Fuel Cost</u>	<u>Fuel Contingency</u>	<u>Fuel Transportation & Common Costs</u>	<u>Operation and Maintenance</u>	<u>Major Maintenance</u>	<u>Capital Improvements</u>	<u>GHG Allowance Contingency *</u>	<u>Direct A&G Expenses</u>	<u>Indirect A&G Expenses</u>	Total	<u>Estimated Energy (MWh) to be Scheduled</u>
	<u>Net Debt Service</u>	<u>Net Debt Service</u>										Cost To Authority	
July	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Aug	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Sep	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
3-Month	4,302	213	0	0	525	4,728	1,965	69	0	78	128.519	12,009	432,000
Oct	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Nov	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Dec	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
6-Month	8,604	426	0	0	1,050	9,456	3,930	138	0	156	257.039	24,017	864,000
Jan	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Feb	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Mar	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
9-Month	12,906	639	0	0	1,575	14,184	5,895	207	0	234	385.558	36,026	1,296,000
Apr	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
May	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Jun	1,434	71	0	0	175	1,576	655	23	0	26	42.840	4,003	144,000
Full Year	17,208	852	0	0	2,100	18,912	7,860	276	0	312	514.077	48,034	1,728,000

* Not to be billed unless a Participant fails to provide sufficient GHG credits

In such a case, only the deficient Participant will be billed

Upon request of any Participant, the budget shall be amended to delete this item

once all Participants have approved, executed and delivered the Greenhouse Gas Compliance Instrument Agreement approved by the SCPPA Board of Directors on May 15, 2014

ANNUAL BUDGET
 July 1, 2017 through June 30, 2018
 Magnolia Power Project Combined
 (\$000s)

	Revenues				Revenue Fund Disbursements					Total Revenue Fund Disburse- ments
	Monthly Power Costs	Project A Interest Earnings	Project B Interest Earnings	Total Revenues	Operating Account	Operating Reserve Subaccount	Project A Debt Service Account	Project B Debt Service Account	Reserve & Contin- gency Account	
July	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Aug	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Sep	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
3-Month	12,009	168	3.00	12,177	7,494	0	4,470	216	0	12,180
Oct	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Nov	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Dec	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
6-Month	24,017	336	6.00	24,353	14,987	0	8,940	432	0	24,359
Jan	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Feb	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Mar	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
9-Month	36,026	504	9.00	36,530	22,481	0	13,410	648	0	36,539
Apr	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
May	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Jun	4,003	56	1.00	4,060	2,498	0	1,490	72	0	4,060
Total	48,034	672	12	48,718	29,974	0	17,880	864	0	48,718

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

**MAGNOLIA POWER PROJECT
(PROJECT A)**

ANNUAL BUDGET

FOR THE FISCAL YEAR

JULY 1, 2017 THROUGH JUNE 30, 2018

ANNUAL BUDGET
July 1, 2017 through June 30, 2018

Magnolia Power Project A
(\$000s)

<u>Month</u>	<u>Project A Net Debt Service</u>	<u>Fuel Cost</u>	<u>Fuel Contingency</u>	<u>Fuel Transportation & Common Costs</u>	<u>Operation and Maintenance</u>	<u>Major Maintenance/ Capital Improvements</u>	<u>Capital Improvements</u>	<u>GHG Allowance Reserve *</u>	<u>Direct A&G Expenses</u>	<u>Indirect A&G Expenses</u>	<u>Total Cost of Power to Authority</u>	<u>Estimated Energy (MWh) to be Scheduled</u>
July	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Aug	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Sep	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
3-Month	4,302	0	0	503	4,529	1,882	66	0	75	93	11,451	413,856
Oct	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Nov	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Dec	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
6-Month	8,604	0	0	1,006	9,059	3,765	132	0	149	186	22,901	827,712
Jan	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Feb	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Mar	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
9-Month	12,906	0	0	1,509	13,588	5,647	198	0	224	279	34,352	1,241,568
Apr	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
May	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Jun	1,434	0	0	168	1,510	627	22	0	25	31	3,817	137,952
Full Year	17,208	0	0	2,012	18,118	7,530	264	0	299	372	45,803	1,655,424

ANNUAL BUDGET
July 1, 2017 through June 30, 2018
Magnolia Power Project A
(\$000s)

Month	Revenues			Revenue Fund Disbursements				Total Revenue Fund Disburse- ments
	Monthly Power Costs	Interest Earnings	Total Revenues	Operating Account	Operating Reserve Subaccount	Project A Debt Service Account	Reserve & Conti- gency Account	
July	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Aug	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Sep	3,817	56	3,873	2,383	0	1,490	0	\$3,873
3-Month	11,451	168	11,619	7,149	0	4,470	0	\$11,619
Oct	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Nov	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Dec	3,817	56	3,873	2,383	0	1,490	0	\$3,873
6-Month	22,901	336	23,237	14,297	0	8,940	0	\$23,237
Jan	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Feb	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Mar	3,817	56	3,873	2,383	0	1,490	0	\$3,873
9-Month	34,352	504	34,856	21,446	0	13,410	0	\$34,856
Apr	3,817	56	3,873	2,383	0	1,490	0	\$3,873
May	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Jun	3,817	56	3,873	2,383	0	1,490	0	\$3,873
Total	45,803	672	46,475	28,595	0	17,880		\$46,475

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

**MAGNOLIA POWER PROJECT
(PROJECT B)**

ANNUAL BUDGET

FOR THE FISCAL YEAR

JULY 1, 2017 THROUGH JUNE 30, 2018

Magnolia Power Project B
(\$000s)

<u>Month</u>	<u>Project B Net Debt Service</u>	<u>Fuel Cost</u>	<u>Fuel Contingency</u>	<u>Fuel Transportation & Common Costs</u>	<u>Operation and Maintenance</u>	<u>Major Maintenance</u>	<u>Capital Improvements</u>	<u>GHG Allowance Reserve *</u>	<u>Direct A&G Expenses</u>	<u>Indirect A&G Expenses</u>	<u>Total Cost of Power to Authority</u>	<u>Estimated Energy (MWh) to be Scheduled</u>
July	71	0	0	7	66	28	1	0	1	12	186	6,048
Aug	71	0	0	7	66	28	1	0	1	12	186	6,048
Sep	71	0	0	7	66	28	1	0	1	12	186	6,048
3-Month	213	0	0	22	199	83	3	0	3	36	558	18,144
Oct	71	0	0	7	66	28	1	0	1	12	186	6,048
Nov	71	0	0	7	66	28	1	0	1	12	186	6,048
Dec	71	0	0	7	66	28	1	0	1	12	186	6,048
6-Month	426	0	0	44	397	165	6	0	7	72	1,117	36,288
Jan	71	0	0	7	66	28	1	0	1	12	186	6,048
Feb	71	0	0	7	66	28	1	0	1	12	186	6,048
Mar	71	0	0	7	66	28	1	0	1	12	186	6,048
9-Month	639	0	0	66	596	248	9	0	10	108	1,675	54,432
Apr	71	0	0	7	66	28	1	0	1	12	186	6,048
May	71	0	0	7	66	28	1	0	1	12	186	6,048
Jun	71	0	0	7	66	28	1	0	1	12	186	6,048
Full Year	852	0	0	88	794	330	12	0	13	144	2,233	72,576

ANNUAL BUDGET
July 1, 2017 through June 30, 2018
Magnolia Power Project B
(\$000s)

Month	Revenues			Revenue Fund Disbursements				Total Revenue Fund Disburse- ments
	Monthly Power Costs	Interest Earnings	Total Revenues	Operating Account	Operating Reserve Subaccount	Project B Debt Service Account	Reserve & Contin- gency Account	
July	186	1	187	115	0	72	0	\$187
Aug	186	1	187	115	0	72	0	\$187
Sep	186	1	187	115	0	72	0	\$187
3-Month	558	3	561	345	0	216	0	\$561
Oct	186	1	187	115	0	72	0	\$187
Nov	186	1	187	115	0	72	0	\$187
Dec	186	1	187	115	0	72	0	\$187
6-Month	1,117	6	1,123	691	0	432	0	\$1,123
Jan	186	1	187	115	0	72	0	\$187
Feb	186	1	187	115	0	72	0	\$187
Mar	186	1	187	115	0	72	0	\$187
9-Month	1,675	9	1,684	1,036	0	648	0	\$1,684
Apr	186	1	187	115	0	72	0	\$187
May	186	1	187	115	0	72	0	\$187
Jun	186	1	187	115	0	72	0	\$187
Total	2,233	12	2,245	1,381	0	864	0	\$2,245