

[ROLL CALL VOTE]

RESOLUTION NO. 1996-16


RESOLUTION OF THE SOUTHERN CALIFORNIA
PUBLIC POWER AUTHORITY APPROVING ANNUAL BUDGET
FOR SOUTHERN TRANSMISSION PROJECT TRANSMISSION SERVICE YEAR
BEGINNING JULY 1, 1996

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

1. The budget for the Southern Transmission Project for the Transmission Service Year beginning July 1, 1996, submitted to this Board of Directors, is hereby approved. The Executive Director is hereby authorized and directed to place the budget so approved in final form, with such changes as shall be necessary or advisable to comply with the Southern Transmission Project bond Indenture and Transmission Service Contracts; and, the budget hereby approved, in such final form, shall constitute the Authority's Annual Budget for the Southern Transmission Project for the Transmission Service Year beginning July 1, 1996.

2. This resolution shall become effective immediately.

The foregoing resolution is approved and adopted by the Authority this 16th day of May 1996.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority

**SOUTHERN
TRANSMISSION PROJECT**

ANNUAL BUDGET

FOR THE FISCAL YEAR

JULY 1, 1996 THROUGH JUNE 30, 1997

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
SOUTHERN TRANSMISSION PROJECT
COMPARISON OF BUDGET - FISCAL YEAR 1995-96 TO 1996-97
(\$000's)

	<u>1995-96</u>	<u>1996-97</u>	Variance	
			<u>\$</u>	<u>%</u>
Net Debt Service	\$67,680	\$76,026	\$8,346	12.33%
Operation and Maintenance	\$14,425	\$13,924	(\$501)	-3.47%
Authority A&G	\$505	\$492	(\$13)	-2.57%
Total	\$82,610	\$90,442	\$7,832	9.48%
Interest Earnings	\$12,068	\$9,300	(\$2,768)	-22.94%

EXPLANATION OF VARIANCES

- 1 Net Debt Service increase reflects higher principal and interest payments and lower forecast earnings.
- 2 Operation and Maintenance decrease reflects continuing cost containment efforts.
- 3 Authority A&G stable.
- 4 Interest Earnings decrease reflects a more conservative estimate of yield.

ANNUAL BUDGET

July 1, 1996 through June 30, 1997
 Southern Transmission Project (1)
 (\$000)

Month	Net Debt Service (2)	Operation and Maintenance (3)	SCPPA Admin. & General (4)	Total Transmission Costs
Jul	\$6,337	\$1,161	\$41	\$7,539
Aug	6,335	1,160	41	7,536
Sep	6,335	1,160	41	7,536
Subtotal	\$19,007	\$3,481	\$123	\$22,611
Oct	\$6,337	\$1,161	\$41	\$7,539
Nov	6,335	1,160	41	7,536
Dec	6,335	1,160	41	7,536
Subtotal	\$19,007	\$3,481	\$123	\$22,611
Jan	\$6,336	\$1,161	\$41	\$7,538
Feb	6,335	1,160	41	7,536
Mar	6,335	1,160	41	7,536
Subtotal	\$19,006	\$3,481	\$123	\$22,610
Apr	\$6,336	\$1,161	\$41	\$7,538
May	6,335	1,160	41	7,536
Jun	6,335	1,160	41	7,536
Subtotal	\$19,006	\$3,481	\$123	\$22,610
Total FY95/96	\$76,026	\$13,924	\$492	\$90,443

Footnotes:

- (1) Based on IPA's unapproved "Final Operating Budget Fiscal Year 1996-97" dated May 1996
- (2) Net of reinvestment interest earnings. Includes accruals of amounts payable by the Authority at 6.38% under the swap agreement, and amounts payable by the Authority to the standby purchaser, remarketing agent, trustee, tender agent and paying agent, with respect to the Transmission Project Revenue Bonds, 1991 Subordinate Refunding Series. Includes accruals of amounts payable with respect to the 1992 and 1993 Subordinate Refunding Series.
- (3) Includes the following Southern Transmission Project costs as billed by IPA:
 Net Debt Service (credit for income earned by IPA on funds contributed by the Authority), Operations, Maintenance, Renewals and Replacements, Indirect Labor (IPSC), Taxes, Insurance, IPA Administrative and General.
- (4) Estimated by the Authority.

Annual Budget

July 1, 1996 through June 30, 1997
Southern Transmission Project (1)
(\$000)

07-May-96

Revenues (2)		Revenue Fund Disbursements											
Month	Monthly Trans- mission Costs (3)	Interest Earnings (4)	Total Revenues	Operating Fund	Reserve for Authority Operating Expenses	Debt Service Account	Debt Service Account	Reserve Service Account	Bond Anticipation Note Fund	Renewals and Replace- ments	Reserve Account	General Reserve Fund(5)	Total Revenue Fund Dis- bursements
Jul	\$7,539	\$775	\$8,314	\$1,202	\$0	\$1,796	\$0	\$0	\$0	\$0	\$0	\$5,316	\$8,314
Aug	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Sep	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Subtotal	\$22,611	\$2,325	\$24,936	\$3,604	\$0	\$5,386	\$0	\$0	\$0	\$0	\$0	\$15,946	\$24,936
Oct	\$7,539	\$775	\$8,314	\$1,202	\$0	\$1,796	\$0	\$0	\$0	\$0	\$0	\$5,316	\$8,314
Nov	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Dec	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Subtotal	\$22,611	\$2,325	\$24,936	\$3,604	\$0	\$5,386	\$0	\$0	\$0	\$0	\$0	\$15,946	\$24,936
Jan	\$7,538	\$775	\$8,313	\$1,202	\$0	\$1,796	\$0	\$0	\$0	\$0	\$0	\$5,315	\$8,313
Feb	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Mar	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Subtotal	\$22,610	\$2,325	\$24,935	\$3,604	\$0	\$5,386	\$0	\$0	\$0	\$0	\$0	\$15,945	\$24,935
Apr	\$7,538	\$775	\$8,313	\$1,202	\$0	\$1,796	\$0	\$0	\$0	\$0	\$0	\$5,315	\$8,313
May	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Jun	7,536	\$775	8,311	1,201	0	\$1,795	0	0	0	0	0	\$5,315	8,311
Subtotal	\$22,610	\$2,325	\$24,935	\$3,604	\$0	\$5,386	\$0	\$0	\$0	\$0	\$0	\$15,945	\$24,935
Total FY95/96	\$90,443	\$9,300	\$99,743	\$14,417	\$0	\$21,544	\$0	\$0	\$0	\$0	\$0	\$63,790	\$99,743

Footnotes:

- (1) Based on IPA's unapproved Final Operating Budget Fiscal Year 1996-97* dated May 1996
- (2) To be deposited in the Revenue Fund. To the extent the interest rate on the 1991 Subordinate Bonds exceeds 6.38%, additional amounts are to be received from the swap provider and deposited in the Revenue Fund.
- (3) Net of reinvestment earnings.
- (4) Assumes yields on monies deposited in the Debt Service Reserve Account at current coupon rates and 5.0% for working capital, debt service account and revenue account. Earnings attributable to the subordinate bonds reserve account are included.
- (5) To be transferred to the Pledged Revenues Accounts under the 1991 Subordinate Bonds indenture, and the 1992 Subordinate Bonds indenture for amounts accruing for payment under those indentures. To the extent the interest rate on the 1991 Subordinate Bonds exceeds 6.38%, additional amounts (to be received from the Revenue Fund) will also be transferred to the Pledged Revenues Account.

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