

RESOLUTION NO. 1985- 14

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY ("AUTHORITY") AUTHORIZING THE AUTHORITY TO ENTER INTO OR RENEW SUCH INSURANCE POLICIES AS ARE APPROPRIATE TO PROVIDE INSURANCE COVERAGE FOR THE AUTHORITY'S INTERESTS IN THE PALO VERDE NUCLEAR GENERATING STATION UNITS 1, 2 AND 3 AND TO AUTHORIZE THE SECRETARY OF THE AUTHORITY TO EXECUTE A POWER OF ATTORNEY IN CONNECTION THEREWITH

WHEREAS, the Authority has an ownership interest in the Palo Verde Nuclear Generating Station, Units 1, 2 and 3; and

WHEREAS, Arizona Public Service Company, the Operating Agent at said Generating Station, has recommended that the Participants procure or renew certain insurance coverage including coverage from Nuclear Electric Insurance Limited ("NEIL"); and

WHEREAS, policies of insurance placed with NEIL must be executed at locations outside of the United States; and

WHEREAS, the Authority has been requested to execute a Power of Attorney permitting John Campbell and such partners of the law firm of Appleby, Spurling & Kempe as he may designate to enter into an Insurance Policy ("Insurance Agreements") with NEIL on behalf of the Authority; and

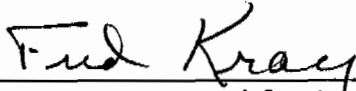
WHEREAS, a form of such Power of Attorney is attached to this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority that John Campbell and such partners in the law firm of Appleby, Spurling & Kempe, designated by him, are authorized to execute the Insurance Agreements and such endorsements thereto as may be necessary or appropriate to provide insurance coverage for the Authority's property at the Palo Verde Nuclear Generating Station Units 1, 2 and 3.

BE IT FURTHER RESOLVED that the Secretary or Assistant Secretary is authorized and directed to execute a Power of Attorney appointing John Campbell and such partners of Appleby, Spurling & Kempe, as designated by him, to execute the


Insurance Agreements and endorsements attached thereto on behalf of the Authority, for the policy year 1985-86.

ADOPTED by the Board of Directors and signed by the President and attested by the Assistant Secretary this 2nd day of October, 1985.



President

ATTEST:



Assistant Secretary

(25.1w)

Refer also to
Ltr of 10-24-85
to Fred Linds
Gen. Pub. Serv. Co.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY, a public entity duly organized and existing under the laws of the State of California (the "Authority"), hereby constitutes and appoints John Campbell and such of the partners of Appleby, Spurling & Kempe designated by him, jointly and severally, as true and lawful agents and attorneys for the Authority, and in the name, place and stead of said Authority,

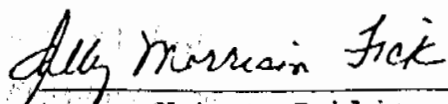
- (1) to make, sign, or otherwise enter into Insurance Agreement, Policy No. X85-064 and the Endorsements, if any, attached thereto by and between the Authority and Nuclear Electric Insurance Limited, a Bermuda mutual company with limited liability ("NEIL") substantially in the form attached hereto providing, among other things, for payment by the Authority of the premium, the reserve premium and, under certain conditions, of the retrospective premium adjustment, all as set forth in the Insurance Agreement;
- (2) to make, sign, or otherwise enter into any and all certificates, agreements, instruments and other documents, take any and all steps and do any and all things which any of them deems necessary or advisable in order to carry out the foregoing transactions;

all as fully as said Authority could do it present and acting, hereby ratifying all that said agents and attorneys shall lawfully do by virtue of any of these presents, the foregoing Power of Attorney to remain in full force and effect until notice or revocation in writing is duly given to Nuclear Electric Insurance Limited, P.O. Box 1262, Hamilton 5, Bermuda.

IN WITNESS WHEREOF, said Authority has caused these presents to be signed, sealed and certified by its Secretary; said Secretary certifying that this Power of Attorney was duly authorized, signed, sealed and attested for and on behalf of said Authority.


Secretary

Sworn to and subscribed before me this 15th day October, 1985.


Notary Public



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SCPPA GLENDALE

EXHIBIT "B"

NOTICE OF EXEMPTION

The Southern California Public Power Authority (the "Authority") has determined that the activity described herein is exempt from the requirements of the California Environmental Quality Act ("CEQA").

The Authority plans to contract with several of its members, to finance those members' participation in upratings to the Hoover Dam electric generating facilities to be carried out by the United States Government.

The Board of Directors of the Authority has found this activity to be exempt from CEQA pursuant to Section 15061 of the guidelines implementing CEQA (14 California Administrative Code Section 15061) since it cannot possibly have a significant effect on the environment. The reasons supporting this finding include:

1. The Authority would be contracting with these members for financing only. The members would be participating in the Hoover upratings regardless of SPCPA's furnishing of the financing.
2. The federal government, in complying with the requirements of the National Environmental Policy Act, has concluded that the upratings will have no significant effect on the environment.
3. Each of the members, for which the Authority plans to finance, is proposing to adopt a Negative Declaration stating that its participation in the Project will have no significant effect on the environment.

Attached hereto is a certified copy of Resolution No. 1985-15 of the Authority Board of Directors finding the Authority's financing activity exempt from CEQA.

11/15/85

This notice with certified production
was delivered to Montoya on 11/8/85
for signature + filing. He had Jim Loschaber
file on that date with County Clerk but
failed to get a copy stamped by Clerk.
However Loschaber returned to City
Clerk's office on 11/15/85 + personally
observed that the notice had been
posted by County Clerk.

All above per telephone from Nellie
today.