

RESOLUTION NO. 2007-15

RESOLUTION OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS FOR PERSONAL AND PROFESSIONAL SERVICES WITH CERTAIN FORMER MAGNOLIA POWER PROJECT PROFESSIONAL PERSONNEL AND SIMILARLY SITUATED PERSONNEL FOR ASSISTANCE WITH MEMBER GENERATION PROJECTS, AND PROVIDING FOR ADDITIONAL CONTRIBUTIONS TO THE AUTHORITY'S REVOLVING GENERAL FUND, AND PROVIDING FOR THE TAKING OF CERTAIN RELATED ACTIONS (RESTRUCTURING)

WHEREAS, the Southern California Public Power Authority (referred to herein as "SCPPA" or "the Authority") owns interests in various generation and transmission projects, the output of which has been sold to Members of the Authority; and

WHEREAS, certain of the Authority Members have had a need in the past to retain consultants with respect to both SCPPA and Member electric generation projects for the purpose of providing expert professional and technical engineering and project management assistance in the design, development and construction of generation systems for Members of SCPPA to carry forth their responsibilities to provide their citizens with electric energy; and

WHEREAS, the Members of the Authority are anticipated to have similar future needs to provide for the implementation and support of project management processes and technical and professional project management, engineering and generation development expertise by which to facilitate the development and completion of projects and programs for the future generation needs of the Members; and

WHEREAS, in order to assist Members with services to address such expert professional and technical engineering and project management requirements and to assist the SCPPA Members in carrying forth these responsibilities the Authority has in the past provided for cooperative programs by which Authority Members may share in the employment of expert professional and technical engineering, project management and electric generation development resources, and whereby Members of the Authority may utilize such resource for their specific Member electric utility requirements, and the Authority has provided these services in the past to the Authority Members through a number of experienced professional engineers and project management experts possessing substantial background and technical expertise in the development of electric generation projects; and

WHEREAS, in the design, planning, development, and completion of the Magnolia Power Project, the Authority employed, separate and apart from the EPC contractor, a substantial number of SCPPA's own individual professional engineers, project management professionals, and other individuals with background and experience in the development and construction of power plants and electric generation systems who, in spite of setbacks by the EPC contractor, were of substantial assistance in bringing about the successful completion of this project; and

WHEREAS, the Magnolia Power Project was completed with the assistance of these highly skilled individual professional personnel, employed a large number of newly developed technologically advanced systems, was heralded as a major generation accomplishment and was awarded the designation of Power Plant of the Year by Platt's Energy Services; and

WHEREAS, the Members of the Authority anticipate a need from time to time, in the planning, design and development of Member generation projects, to employ these expert individual technical and professional resources which were employed in bringing the Magnolia Power Project to fruition; and

WHEREAS, certain of the Authority Members currently have need to retain such individual expert technical professional resources and consultants for further generation planning, design, and development and for the ongoing support and implementation of engineering, project management and other services and processes needed for the development of Member electric generation projects; and

WHEREAS, in the past the Authority has billed all expenses and costs of retaining all such consultant services to the Members receiving these services; and

WHEREAS, the Authority is willing and able to retain the expert individual technical professional human resources which were so employed in the planning, design, development and completion of the Magnolia Power Project so that they may be utilized by those Members that require the same for the development of their own electric generation projects, and to bill all expenses and costs of retaining such consultant to the Members receiving such services; and

WHEREAS, the Board of Directors of Authority, in its Resolution No. 1990-15, established a revolving general fund (the General Fund) for the payment of costs and expenses incurred by the Authority from time to time in carrying out its purposes; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1992-1, provided for the continuation of the General Fund and established a procedure to be followed with respect to additional contributions to the General Fund; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-2, provided for a separate bank account (the Joint Planning Account) to hold and disburse the additional contributions to the General Fund with respect to joint planning matters; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-13, changed the name of the Joint Planning Account to the Restructuring Account; and

WHEREAS, the Board of Directors of the Authority wishes to provide for additional contributions to the General Fund, and the applicable Members of the Authority are willing to make such additional contributions.

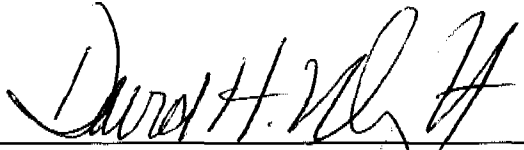
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

1. At the request of any Member(s) requiring the services of such a consultant, the Executive Director is authorized and directed to contract with consultants employed by SCPPA in the planning, design, development, engineering, management, construction, and completion of the Magnolia Power Project and with similarly situated technical or professional engineers or project management personnel, provided that such Member(s) agrees, in writing, to bear all costs and expenses of such consultant.
2. The Board of Directors hereby provides for additional contributions to the General Fund. Notwithstanding anything to the contrary in Resolution No. 1992-1, such additional contributions,
 - a) shall be solely for the purpose of paying costs and expenses incurred by the Authority with respect to consultants identified in this resolution, and pending application for such purpose the contributions shall not be expended to pay costs or expenses properly allocable to one or more projects as provided in Section 3 of Resolution No. 1992-1;
 - b) with respect to each bill SCPPA receives from such a consultant retained at the request of a Member or Members, the respective amount of each such bill shall be billed to the Member(s) that have received services from such consultant with respect to such bill, with the amount of each such Member's bill to be based upon the services performed by the consultant for the benefit of such Member; and
 - c) shall be billed and collected by adding the amounts provided above to the Authority's Hoover Uprating Project billings to Anaheim (if applicable), to the Authority's Magnolia Power Project billings to Cerritos (if applicable) and to the Authority's Palo Verde Project billings to the other applicable Members, with such amounts designated as "Resolution No. 2007-15 Charge."
3. Although the amounts to be contributed under this Resolution and related income shall constitute part of the General Fund, they shall be held and accounted for in a separate subaccount within the existing Restructuring Account. The Executive Director of the Authority is hereby directed to establish a subaccount (the Member Electric Generation Resource Subaccount) within the Restructuring Account for the purpose of holding contributions and related income, and making disbursements, under this Resolution. The President, Vice President, Secretary, any Assistant

Secretary and the Executive Director of the Authority are each authorized to execute checks drawn on the Restructuring Account from time to time.

4. Amounts contributed to and held in the General Fund and the Member Electric Generation Resource Subaccount pursuant to this Resolution will not be contributed or held for the purposes of any project for which the Authority has obtained any form of external financing. Such amounts shall not constitute (a) Revenues, or (b) revenues, income, rents or receipts derived by the Authority from or attributable to Authority Capacity (or to the payment of the costs thereof) or the ownership or operation of any Project. As used herein, "Revenues", "Authority Capacity" and "Project" shall have the respective meanings set forth in the indentures of trust and other instruments governing the external financing arrangements entered into from time to time by the Authority.
5. The President, Vice President, Secretary, any Assistant Secretary, Executive Director and any other officer of the Authority are each hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.
6. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 17th day of May, 2007.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



SECRETARY
Southern California Public
Power Authority