

RESOLUTION 1988-3

RESOLUTION AUTHORIZING AND DIRECTING THE
TRANSFER OF MONEYS TO THE DECOMMISSIONING
ACCOUNT ESTABLISHED WITH RESPECT TO THE PALO
VERDE PROJECT

WHEREAS, the Southern California Public Power Authority (the "Authority") has heretofore entered into an Indenture of Trust, dated as of July 1, 1981, with First Interstate Bank of California, as Trustee, to provide for the issuance of and security for Power Project Revenue Bonds issued by the Authority to finance costs of its interest in the Palo Verde Project (such Indenture of Trust, as amended and supplemented to date, being hereinafter referred to as the "Indenture"); and

WHEREAS, among the funds and accounts created by the Indenture are the Initial Facilities Account, the Revenue Fund, the General Reserve Fund and the Decommissioning Account; and

WHEREAS, the purpose of the Decommissioning Account is to accumulate a reserve for the retirement from service, decommissioning or disposal of the generation facilities of the Palo Verde Project (the "Reserve"); and

WHEREAS, the Authority has heretofore deposited, and expects in the future to deposit, moneys into the Decommissioning Account to fund the Reserve; and

WHEREAS, the Indenture requires investment income from various funds and accounts (including the Decommissioning Account) to be transferred periodically to either the Initial Facilities Account or the Revenue Fund (with moneys so transferred to the Revenue Fund, to the extent in excess of the Authority's budgeted requirements, being deposited in the General Reserve Fund); and

WHEREAS, the Authority desires for the amount of all investment income earned with respect to all moneys deposited in the Decommissioning Account to be on deposit in the Decommissioning Account to assist in accumulating the Reserve; and

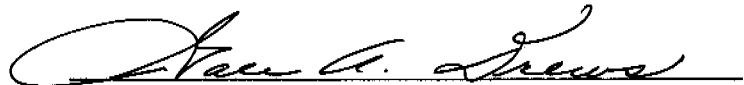
WHEREAS, the effectuation of the Authority's desire requires that arrangements be made (a) to transfer back to the Decommissioning Account all amounts of investment income heretofore or hereafter transferred from the Decommissioning Account to the Initial Facilities Account or the Revenue Fund, and (b) to transfer to the Decommissioning Account any investment income earned on the moneys so transferred from the Decommissioning Account while held outside the Decommissioning Account; and the Authority wishes to authorize the making of such arrangements.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY as follows:

1. The President, Vice President, Executive Director, Secretary and Assistant Secretary of the Authority be, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all actions and things necessary or proper under the Indenture (including transfers of moneys held in the General Reserve Fund): (a) to transfer back to the Decommissioning Account all amounts of investment income heretofore or hereafter transferred from the Decommissioning Account to the Initial Facilities Account or the Revenue Fund, and (b) to transfer to the Decommissioning Account any investment income earned on the moneys so transferred from the Decommissioning Account while held outside the Decommissioning Account.

2. This resolution shall be effective immediately.

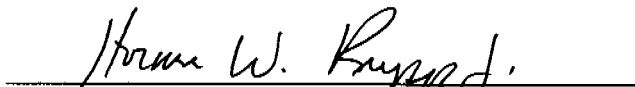
THE FOREGOING RESOLUTION is approved and adopted by the Authority, this 6th day of January 1988.



PRESIDENT

Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority