

RESOLUTION NO. 2004-19

RESOLUTION OF THE BOARD OF DIRECTORS OF SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY (I) AUTHORIZING THE PREPARATION OF ALL DOCUMENTS NECESSARY OR APPROPRIATE TO FINANCE THE ACQUISITION OF NATURAL GAS RESERVES IN CONNECTION WITH, AMONG OTHER GENERATING FACILITIES, THE MAGNOLIA POWER PROJECT; (II) APPOINTING THE UNDERWRITER, COMMERCIAL PAPER DEALER AND/OR LENDER WITH RESPECT TO SUCH FINANCING; AND (III) AUTHORIZING OFFICERS OF THE AUTHORITY TO DO ALL THINGS DEEMED NECESSARY OR APPROPRIATE

WHEREAS, the Magnolia Finance Committee of the Southern California Public Power Authority (the "Authority") at a meeting held on May 4, 2004 has determined that it is in the best interest of the Authority (i) to proceed with preparing all documents necessary or appropriate to finance the acquisition of natural gas reserves for, among other generating facilities, the Magnolia Power Project (the "Gas Reserves") and (ii) to select the underwriter, commercial paper dealer and/or lender in connection with the financing of the Gas Reserves; and

WHEREAS, once prepared, drafts of the contracts proposed to be entered into by the Authority in connection with the financing of the Gas Reserves will be presented for the Board's consideration.

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

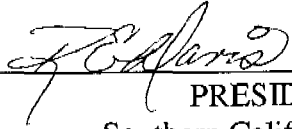
1. The Authority's staff and the Authority's team of financing professionals (including the personnel at the Los Angeles Department of Water and Power who work on Authority matters, the Authority's Finance and Accounting Manager, the Authority's Co-Bond Counsel and the Authority's Financial Advisor), working with the financial staffs of the applicable Magnolia Power Project participants, are hereby authorized to prepare all documents necessary or appropriate for the financing of the Gas Reserves.

2. Merrill Lynch & Co. is hereby appointed the underwriter, commercial paper dealer and/or lender (in one or more of such capacities as determined by the Natural Gas Steering Committee), for the financing of the Gas Reserves, with such appointment being subject to the negotiation of fees or other compensation acceptable to the Coordinating Committee.

3. Each of the President, Vice President, Executive Director, Secretary and any Assistant Secretary of the Authority, and any other officer of the Authority, is hereby authorized and directed to do and cause to be done any and all acts and things necessary or appropriate for carrying out the transactions contemplated by this Resolution.


4. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 20th day of May, 2004.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



SECRETARY
Southern California Public
Power Authority