

(Roll Call Vote)

RESOLUTION NO. 2004-24

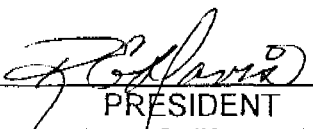
RESOLUTION OF THE SOUTHERN CALIFORNIA PUBLIC POWER  
AUTHORITY APPROVING THE BUDGET FOR  
SAN JUAN UNIT 3 PROJECT FOR THE FISCAL YEAR  
JULY 1, 2004 THROUGH JUNE 30, 2005

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

1. The budget for the San Juan Unit 3 Project for the Fiscal Year July 1, 2004 through June 30, 2005, 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 San Juan Unit 3 Project Bond Indenture and Power Sales Contracts; and the budget hereby approved, in such final form, shall constitute the Authority's Annual Budget for the San Juan Unit 3 Project for the Fiscal Year July 1, 2004 through June 30, 2005.

2. 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

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

**SAN JUAN UNIT 3**

ANNUAL BUDGET

FOR THE FISCAL YEAR

JULY 1, 2004 THROUGH JUNE 30, 2005

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

SAN JUAN UNIT 3 PROJECT

COMPARISON OF BUDGET - FISCAL 2003-2004 TO 2004-2005  
(\$000's)

	<u>2003-04</u>	<u>2004-05</u>	Variance	
			\$	%
Net Debt Service	\$ 17,796	\$ 17,748	\$ (48)	-0.27%
Minimum Fuel Cost	\$ 28,140	\$ 30,372	\$ 2,232	7.93%
Operation and Maintenance	\$ 10,080	\$ 9,996	\$ (84)	-0.83%
Capital Improvements	\$ 1,704	\$ 4,404	\$ 2,700	158.45%
Property Taxes	\$ 800	\$ 732	\$ (68)	-8.50%
Authority A&G	\$ 348	\$ 408	\$ 60	17.24%
Variable Fuel Cost	\$ 1,344	\$ 1,896	\$ 552	41.07%
<b>TOTAL</b>	<b>\$ 60,212</b>	<b>\$ 65,556</b>	<b>\$ 5,344</b>	<b>8.88%</b>
Interest Earnings	\$ 1,200	\$ 1,248	\$ 48	4.00%

EXPLANATION OF VARIANCES

- 1 Debt Service flat for next few years.
- 2 Reflects increased startup costs for underground mine. Future years trend down. New interim invoicing agreement, with higher minimum and lower incremental rates. Increased production (planned outage in 03-04)
- 3 Operation and Maintenance flat.
- 4 Capital Improvements reflects additional \$3 million to build up reserves for major work planned for 2008.
- 5 Property Taxes based on actual bills.
- 6 Authority A&G reflects increased Agent Billable overheads.
- 7 Variable Fuel Cost reflects increased kWhs (no planned outage).

ANNUAL BUDGET  
July 1, 2003 through June 30, 2005  
Authority Interest in San Juan Unit 3 Project  
(\$000s)

Month	Minimum Cost Component					Variable Cost Component				Estimated Energy (MWh) to be Scheduled	
	Net Debt Service	Minimum Fuel Cost*	Operation and Maintenance	Capital Improvements	Property Taxes	Authority A&G Expenses	Subtotal Minimum Cost Component	Variable Fuel Cost	Subtotal Variable Cost Component		Total Cost of Power to Authority
July	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
Aug	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
Sep	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	134,784
3-Month	\$4,437	\$7,593	\$2,499	\$1,101	\$183	\$102	\$16,915	\$474	\$474	\$16,389	413,338
Oct	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
Nov	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	134,784
Dec	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
6-Month	\$8,874	\$15,186	\$4,998	\$2,202	\$366	\$204	\$31,830	\$948	\$948	\$32,778	826,876
Jan	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
Feb	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	125,798
Mar	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
9-Month	\$13,311	\$22,779	\$7,497	\$3,303	\$549	\$306	\$47,745	\$1,422	\$1,422	\$49,167	1,231,028
Apr	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	134,784
May	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	139,277
Jun	\$1,479	\$2,531	\$833	\$367	\$61	\$34	\$5,305	\$158	\$158	\$5,463	134,784
Full Year	\$17,748	\$30,372	\$9,996	\$4,404	\$732	\$408	\$63,550	\$1,896	\$1,896	\$65,556	1,639,873
TOTAL FY	\$17,748	\$30,372	\$9,996	\$4,404	\$732	\$408	\$63,556	\$1,896	\$1,896	\$65,556	1,639,873

ANNUAL BUDGET  
 July 1, 2003 through June 30, 2005  
 Authority Interest in San Juan Unit 3 Project  
 (\$000s)

7-May-04

Revenues		Revenue Fund Disbursements									
Month	Minimum Cost Component	Variable Cost Component	Interest Earnings	Operating Account	Operating Reserve Subaccount	Debt Service Account	Debt Service Reserve Account	Reserve & Contingency Account(*)	De-commissioning Account	Total Revenue Fund Disbursements	
July	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Aug	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Sep	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
3-Month	\$15,915	\$474	\$312	\$10,851	\$0	\$4,749	\$0	\$1,101	\$0	\$16,701	
Oct	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Nov	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Dec	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
6-Month	\$31,830	\$948	\$624	\$21,702	\$0	\$9,498	\$0	\$2,202	\$0	\$33,402	
Jan	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Feb	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Mar	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
9-Month	\$47,745	\$1,422	\$936	\$32,553	\$0	\$14,247	\$0	\$3,303	\$0	\$50,103	
Apr	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
May	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Jun	\$5,305	\$158	\$104	\$3,617	\$0	\$1,583	\$0	\$367	\$0	\$5,567	
Full Year	\$63,660	\$1,896	\$1,248	\$43,404	\$0	\$18,996	\$0	\$4,404	\$0	\$66,804	
TOTAL FY	\$63,660	\$1,896	\$1,248	\$43,404	\$0	\$18,996	\$0	\$4,404	\$0	\$66,804	

(\*) To be used for Capital Improvements.

7-May-04

**COST OF POWER**  
 July 1, 2003 through June 30, 2005  
 Authority Interest in San Juan Unit 3 Project  
 (\$000s)

<u>Month</u>	<u>Subtotal Minimum Cost</u>	<u>Variable Fuel Cost</u>	<u>Subtotal Variable Cost</u>	<u>Total Cost of Power to Authority</u>	<u>Estimated Energy (MWh) to be Scheduled</u>	<u>Total Mills per kWh</u>	<u>Minimum Mills per kWh</u>	<u>Variable Mills per kWh</u>
July	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
Aug	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
Sep	\$5,305	\$158	\$158	\$5,463	134,784	40.53	39.36	1.17
3-Month	\$15,915	\$474	\$474	\$16,389	413,336	39.65	38.50	1.15
Oct	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
Nov	\$5,305	\$158	\$158	\$5,463	134,784	40.53	39.36	1.17
Dec	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
6-Month	\$31,830	\$948	\$948	\$32,778	826,676	39.65	38.50	1.15
Jan	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
Feb	\$5,305	\$158	\$158	\$5,463	125,798	43.43	42.17	1.26
Mar	\$5,305	\$158	\$158	\$5,463	139,277	39.22	38.09	1.13
9-Month	\$47,745	\$1,422	\$1,422	\$49,167	1,231,028	39.94	38.78	1.16
Apr	\$5,305	\$158	\$158	\$5,463	134,784	40.53	39.36	1.17
May	\$5,305	\$158	\$158	\$5,463	139,277	38.22	38.09	1.13
Jun	\$5,305	\$158	\$158	\$5,463	134,784	40.53	39.36	1.17
<b>Full Year</b>	<b>\$63,660</b>	<b>\$1,896</b>	<b>\$1,896</b>	<b>\$65,556</b>	<b>1,639,873</b>	<b>39.98</b>	<b>38.82</b>	<b>1.16</b>
TOTAL FY 95-96	\$63,660	\$1,895	\$1,896	\$65,556	1,639,873	39.98	38.82	1.16