

RESOLUTION NO. 2001-1

RESOLUTION RELATING TO THE SOUTHERN TRANSMISSION PROJECT AUTHORIZING: (I) THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED INDENTURE OF TRUST RELATING TO THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY TRANSMISSION PROJECT REVENUE BONDS, 2000 SUBORDINATE REFUNDING SERIES A (SOUTHERN TRANSMISSION PROJECT); (II) THE EXECUTION AND DELIVERY OF AN INTEREST RATE SWAP AGREEMENT AND RELATED DOCUMENTS; (III) THE EXECUTION AND DELIVERY OF AN INSURANCE AGREEMENT; (IV) CERTAIN RELATED ACTIONS; AND (V) THE OFFICERS OF THE AUTHORITY TO DO ALL OTHER THINGS DEEMED NECESSARY OR PROPER

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AS FOLLOWS:

1. To facilitate entering into the Swap Agreement (as defined in Paragraph 2 hereof), each of the President and Vice President and each of the Secretary and any Assistant Secretary of the Southern California Public Power Authority (the "Authority") are hereby authorized and directed to execute and deliver an Amended and Restated Indenture of Trust, amending and restating the Indenture of Trust, dated as of April 1, 2000, relating to the Authority's Transmission Project Revenue Bonds, 2000 Subordinate Refunding Series A (Southern Transmission Project), by and between the Authority and U.S. Bank Trust National Association, as trustee (the "Trustee"), in the form on file with the Authority, with such changes, insertions and omissions as shall be approved by said President or Vice President (such approval to be conclusively evidenced by his execution and delivery thereof), and each of the Secretary and any Assistant Secretary is hereby authorized to affix the seal of the Authority thereto. Said Amended and Restated Indenture of Trust, in the form in which executed and delivered, is hereinafter referred to as the "Restated Indenture." The Restated Indenture is hereby made a part of this Resolution as though set forth in full herein and the same hereby is approved.

2. Each of the President and Vice President of the Authority is hereby authorized and directed to execute and deliver an International Swaps and Derivatives Association, Inc. Master Agreement, a related Schedule, a related Credit Support Annex and a related Confirmation, between the Authority and Salomon Brothers Holding Company Inc, in the form on file with the Authority, with such changes, insertions and omissions (subject to Paragraph 7 hereof) as shall be approved by said President or Vice President (such approval to be conclusively evidence by his execution and delivery thereof). Said Master Agreement, Schedule, Credit Support Annex and Confirmation, in the forms in which executed and delivered, are hereinafter referred to collectively as the "Swap Agreement." The Swap Agreement is hereby made a part of this Resolution as though set forth in full herein and the same is hereby approved.

3. Pursuant to Section 5922(a) of the Government Code of the State of California, the Board of Directors hereby finds and determines that the Swap Agreement and related financing arrangements (including terms, conditions and covenants relating to the Swap Agreement and the financing arrangements in the Restated Indenture) are designed to enhance the relationship between risk and return with respect to a program of investment in connection with the Swap Agreement. The Board of Directors also finds and determines that the Swap Agreement is being entered into in connection with the acquisition or carrying of a program of investment relating to the Restated Indenture and that it is necessary or appropriate as provided in Section 5922(a) of the Government Code of the State of California notwithstanding any other action heretofore taken by the Board of Directors.

4. Each of the President and Vice President of the Authority is hereby authorized and directed to obtain, or assist in obtaining, from MBIA Insurance Corporation or other insurer (the "Insurer") insurance for the payment obligations of the Authority under the Swap Agreement, provided that the premium for such insurance is paid for by Salomon Brothers Holding Company or one of its affiliates.

5. Each of the President and Vice President of the Authority is hereby authorized and directed to execute and deliver an Insurance Agreement between the Authority and the Insurer, in the form on file with the Authority, with such changes, insertions and omissions as shall be approved by said President or Vice President (such approval to be conclusively evidenced by his execution and delivery thereof). Said Insurance Agreement, in the form in which executed and delivered, is hereinafter referred to as the "Insurance Agreement." The Insurance Agreement is hereby made a part of this Resolution as though set forth in full herein and the same is hereby approved.

6. The up-front payment to be made to the Authority under the Swap Agreement shall be deposited into the General Reserve Fund under the Indenture of Trust, dated as of May 1, 1983, by and between the Authority and the Trustee (as amended, the "Senior Indenture") and applied (subject to Paragraph 7 hereof) to pay a portion of the interest due on the Bonds issued pursuant to the Senior Indenture and all subordinate Indentures relating to the Senior Indenture.

7. (a) Each of the President and Vice President of the Authority is hereby authorized to determine, in connection with the execution and delivery of the Swap Agreement, and subject to the approval of the Finance Committee, the following: (i) the interest rate or rates payable under the Swap Agreement; (ii) the amount of the up-front payment (or the acceptable minimum amount of the up-front payment) to be made to the Authority under the Swap Agreement; (iii) when such up-front payment shall be applied for the purpose specified in Paragraph 6 hereof; and (iv) such other matters as may be determined by the Finance Committee. Such approval of the Finance Committee shall be obtained prior to the pricing of the Swap Agreement and shall be the final approval required to be obtained from the Finance Committee with respect to the execution and delivery of the Swap Agreement.

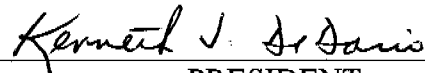
(b) As used herein, the "Finance Committee" refers to that portion of the committee of the Authority designated to consider financial matters, comprised of representatives of the Cities of Anaheim, Burbank, Glendale, Los Angeles, Pasadena and Riverside.

8. The following are hereby designated as Transmission Project Agreements under the Senior Indenture and the Transmission Service Contracts (as defined in the Senior Indenture): (i) the Restated Indenture; (ii) the Swap Agreement; (iii) the insurance policy obtained as provided in Paragraph 4 hereof; and (iv) the Insurance Agreement.

9. Each of the President, Vice President, Secretary, any Assistant Secretary, the Executive Director and any other officer of the Authority is hereby authorized to execute and deliver any and all agreements, 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. All actions heretofore taken by the officers, employees and agents of the Authority in furtherance of this Resolution are hereby approved, ratified and confirmed. Each reference in this Resolution to President, Vice President, Secretary, Assistant Secretary or Executive Director shall refer to the person holding such office or position, as applicable, at the time a given action is taken and shall not be limited to the person holding such office or position at the time of the adoption of this Resolution.

10. This Resolution shall become effective immediately.

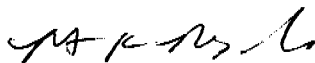
THE FOREGOING RESOLUTION is approved and adopted by the Authority this 18th day of January, 2001.



PRESIDENT

Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY

Southern California Public
Power Authority