

RESOLUTION NO. 1999-17

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY APPROVING THE TERMS AND CONDITIONS OF THE SAN JUAN PROJECT PARTICIPATION AGREEMENT AND A LETTER AGREEMENT RELATING THERETO, AND AUTHORIZING THE PRESIDENT AND SECRETARY TO EXECUTE SAID AGREEMENTS

WHEREAS, the Southern California Public Power Authority (SCPPA) owns a 41.8% interest in Unit 3 of the San Juan Project; and

WHEREAS, representatives of the owners of interests in Units 1, 2, 3, and 4 of the San Juan Project have negotiated a Participation Agreement to replace the Co-Tenancy Agreement and the Operating Agreement; and

WHEREAS, certain changes, deletions and additions have been incorporated into the Participation Agreement; and

WHEREAS, these changes require certain changes to be made in an agreement between Alimito Company (a predecessor owner of SCPPA's interest in Unit 3) and Tucson Electric Power (TEP); and

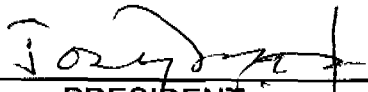
WHEREAS, such changes are incorporated in a Letter Agreement dated June 8, 1999 between TEP and SCPPA; and

WHEREAS, the Board of Directors find that the San Juan Project Participation Agreement and the Letter Agreement are in SCPPA's best interest.

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


1. The terms and conditions of the San Juan Project Participation Agreement and the Letter Agreement are hereby approved.
2. The President, Secretary, and any Assistant Secretary are hereby authorized to execute said agreements on behalf of SCPPA.

THE FOREGOING RESOLUTION is approved and adopted by the Board of Directors on this 15th day of July, 1999.



PRESIDENT
Southern California Public
Power Authority

ATTEST:



ASSISTANT SECRETARY
Southern California Public
Power Authority