

**MINUTES OF THE MARCH 20, 2008**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A meeting of the Board of Directors was held on March 20, 2008, at the offices of Riverside Public Utilities, 3901 Orange Street, Riverside, California.

The meeting was called to order at 10:40 a.m. by President David Wright.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Steve Sciortino, Anaheim (A); Joseph F. Hsu, Azusa, (M); James D. Earhart, Banning; Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Peggy Keigler, Colton (A); Ned Bassin, Glendale (A); Mario Escalera, Imperial (M); Lorraine Paskett, Los Angeles (A); Eric Klinkner, Pasadena (A); David H. Wright, Riverside (M).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis Brown, Richard M. Helgeson, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, Manuel A. Robledo; and Therese Savery, Manager of SCPPA Accounting.

Attorneys and consultants present included: Stephen Cole, of Fulbright & Jaworski; Erika Curls-Bartling, of Curls-Bartling PC; and Daniel Hartman, Public Financial Management.

**1. Notice/Agenda Opportunity for the Public to Address the Board**

President Wright afforded the public an opportunity to address the Board.

**2. Approval of Minutes**

Mr. Hsu moved to approve the minutes of the Regular Meeting held February 21, 2008. The motion was seconded by Mr. Earhart, and unanimously approved.

**3. Executive Director's Report**

Mr. Carnahan referenced his written report and discussed the highlights.

**4. Finance and Accounting Manager's Report**

Mr. Koehler reported on the March meeting of the Finance Committee, and presented the Investment Report for the month of January 2008. The report was received and filed.

Mr. Koehler reported on the March meeting of the Customer Service Committee

Mr. Hartman discussed the ramifications of the sub-prime mortgage crisis and the effect on SCPPA bonds, insurers and credit ratings, and discussed recommended actions by SCPPA.

Mr. Koehler presented Resolution No. 2008-4, authorizing the refunding of certain Southern Transmission System bonds and related actions. Mr. Bassin moved that Resolution No. 2008-4 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Azusa, Banning, Cerritos, Colton, and Imperial present but not voting, and Vernon absent.

Mr. Koehler presented Resolution No. 2008-5, authorizing continuing disclosure related to the new Southern Transmission System bonds and related actions. Mr. Bassin moved that Resolution No. 2008-5 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Azusa, Banning, Cerritos, Colton, and Imperial present but not voting, and Vernon absent.

Mr. Koehler presented Resolution No. 2008-6, authorizing an amendment to the Standby Bond Purchase Agreement for the Magnolia Power Project A Revenue Bonds. Mr. Sciortino moved that Resolution No. 2008-6 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Vernon absent, and Azusa, Banning, Imperial Los Angeles, and Riverside present but not voting.

Resolution No. 2008-7 was pulled from the agenda, and not submitted for a vote.

## **5. Energy Systems Manager's Report**

Mr. Robledo referenced the written report, and discussed efforts relating to renewable energy projects, including wind, solar, geothermal, and small hydroelectric power, and the March meeting of the Public Benefits Committee.

Mr. Robledo presented Resolution No. 2008-8, authorizing the annual renewal of the power and gas market advisory service agreement with Global Energy Decisions on behalf of certain SCPPA members. Mr. Sciortino moved that Resolution No. 2008-8 be approved. The motion was seconded by Mr. Klinkner and unanimously approved.

Mr. Robledo presented Resolution No. 2008-9, authorizing an agreement with Clean Power Research, LLC, to purchase software to estimate the performance of customer solar photovoltaic systems, and to track and report on utility incentive programs. Mr. Davis moved that Resolution No. 2008-9 be approved. The motion was seconded by Mr. Bassin and unanimously approved.

Mr. Robledo presented Resolution No. 2008-10, authorizing a consulting agreement with KEMA Services, for residential energy and water audits. The Board recommended that we investigate partnering with Southern California Gas Company. Mr. Sciortino moved that Resolution No. 2008-10 be approved. The motion was seconded by Mr. Klinkner and unanimously approved.

Mr. Robledo presented Resolution No. 2008-11, authorizing an agreement with RKS Research & Consulting, to conduct customer research for the purpose of increasing energy efficiency and solar photovoltaic program participation, and enhancing customer satisfaction. Mr. Bassin moved that Resolution No. 2008-11 be approved. The motion was seconded by Mr. Earhart and unanimously approved.

**6. Government Affairs Manager's Report**

Ms. Brown presented her written report, referenced the written report from Morgan Meguire, and discussed legislative activities in Sacramento and Washington, D.C.

**7. Project Administrator's Report**

Mr. Homer referenced the written reports, and updated the Board on issues at the projects.

Mr. Helgeson presented Resolution No. 2008-12, authorizing the negotiation and execution of agreements as may be necessary for the development of the Canyon Power Project. Mr. Sciortino moved that Resolution No. 2008-12 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Cerritos, Los Angeles, and Vernon absent, and Azusa, Banning, Burbank, Colton, Glendale, Imperial, Pasadena, and Riverside present but not voting.

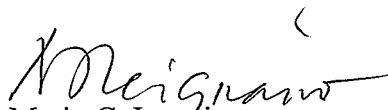
Mr. Homer presented Resolution No. 2008-13, approving the revised Barnett Natural Gas Project Budget for fiscal year 2007/2008. Mr. Sciortino moved that Resolution No. 2008-13 be approved. The motion was seconded by Ms. Kiegler, and approved by Project Roll Call Vote, with Cerritos and Vernon absent, and Azusa, Banning, Glendale, Imperial, Los Angeles, and Riverside present but not voting.

Mr. Homer presented Resolution No. 2008-14, approving the revised Pinedale Natural Gas Project Budget for fiscal year 2007/2008. Mr. Sciortino moved that Resolution No. 2008-14 be approved. The motion was seconded by Ms. Kiegler and approved by Project Roll Call Vote, with Cerritos and Vernon absent, and Azusa, Banning, Imperial, and Riverside present but not voting.

**8. Adjournment**

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

  
Mario C. Ignacio  
Assistant Secretary