

MINUTES OF THE SEPTEMBER 18, 2008, MEETING OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A meeting of the Board of Directors was held on September 18, 2008, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 11:08 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: Marcie L. Edwards, Anaheim (M); James D. Earhart, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Jeanette Olko, Colton (M); Glenn O. Steiger, Glendale (M); Brian J. Brady, Imperial (M); Lelani Johnson Kowal, Los Angeles (M); Phyllis E. Currie, Pasadena (M); David H. Wright, Riverside (M).

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

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski.

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. Davis moved to approve the minutes of the meeting held August 21, 2008. The motion was seconded by Ms. Currie, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including plans for the strategic planning meeting to be held October 23, 2008.

4. Finance and Accounting Manager's Report

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

Mr. Koehler reported on the crisis in the financial sector, including many of the investment banks and bond insurers used by SCPPA.

Mr. Koehler reported on the status of refinancing plans for Mead-Phoenix, Mead-Adelanto, Southern Transmission System and Palo Verde, and plans for interim financing for the STS Upgrade, the Canyon Power Project, and several proposed renewable projects.

Mr. Koehler presented Resolution No. 2008-52, authorizing the refunding of certain outstanding Mead-Adelanto Transmission Project Revenue Bonds, and related documents. Ms. Currie moved that Resolution No. 2008-52 be approved. The motion was seconded by Mr. Earhart and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Cerritos and Imperial present but not voting.

Mr. Koehler presented Resolution No. 2008-53, authorizing the refunding of certain outstanding Mead-Phoenix Transmission Project Revenue Bonds, and related documents. Ms. Currie moved that Resolution No. 2008-53 be approved. The motion was seconded by Mr. Earhart and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Cerritos and Imperial present but not voting.

Mr. Koehler presented Resolution 2008-54, authorizing the Remarketing Agreements and a new Remarketing Agent for the 2000 and 2001 Southern Transmission System Project Bonds, as a result of UBS resigning as Remarketing Agent. Mr. Davis moved that Resolution No. 2008-54 be approved. The motion was seconded by Mr. Steiger and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Banning, Cerritos, Colton, and Imperial present but not voting.

5. Energy Systems Manager's Report

Mr. Walden referenced the written report, which discussed efforts relating to renewables, including wind, solar, geothermal, and small hydro projects; and the meetings of the resource planning group and the Public Benefits Committee.

Mr. Walden presented Resolution No. 2008-55, authorizing an agreement with Apogee for information content software set-up and usage, training and software support services.

Mr. Walden presented Resolution 2008-56, authorizing an agreement with Black & Veatch to perform technical studies, program assessment, and reporting.

Mr. Walden presented Resolution No. 2008-57, authorizing an agreement with Build It Green, for consulting services with regard to energy efficient or "green" buildings.

Mr. Walden presented Resolution No. 2008-58, authorizing an agreement with D-Base Communications for small business energy usage survey and direct energy efficiency implementation services.

Mr. Walden presented Resolution No. 2008-59, authorizing an agreement with energy Federation Incorporated for compact fluorescent light bulbs and related services.

Mr. Walden presented Resolution No. 2008-60, authorizing an agreement with North American Power Partners for demand response programs and related services.

Mr. Walden presented Resolution No. 2008-61, authorizing an agreement with Organizational support Services for pin-based compact fluorescent lamp fixtures and exchange event services.

Mr. Walden presented Resolution No. 2008-62, authorizing an agreement with Resource Action Programs for energy and water efficiency education programs delivered through elementary schools.

Mr. Walden presented Resolution No. 2008-63, authorizing an agreement with Richard Heath and Associates for small business energy usage survey and direct energy efficiency implementation services.

Mr. Walden presented Resolution No. 2008-64, authorizing an agreement with Ryerson, Masters and Associates for California Climate Action Registry analysis and certification reporting.

Mr. Steiger moved approval of Resolution No. 2008-55, Resolution No. 2008-56 as amended, and Resolution Nos. 2008-57 through 2008-64. The motion was seconded by Mr. Brady and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown presented her written report, and discussed legislative activities in Sacramento and Washington, D.C., and discussed plans for the State Legislative Staff Tour in September.

7. Project Administrator's Report

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

Mr. Homer presented Resolution No. 2008-65, approving the Hoover Upgrading Project budget for Fiscal Year 2008/2009. Mr. Earhart moved that Resolution No. 2008-65 be approved. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Azusa and Vernon absent, and Imperial Los Angeles, and Pasadena present but not voting.

Mr. Homer discussed the June 30, 2008, budget comparison reports for all projects except the Southern Transmission System. The Board agreed to hold the overcollection for the Mead-Phoenix Transmission Project for use on the East of the River 9300 Project in fiscal year 2008/2009.

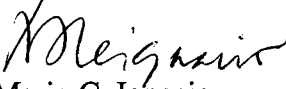
8. Closed Session

At this point, the Board went into closed session to discuss potential and pending litigation. No action was taken.

9. **Adjournment**

There being no further business, the meeting was adjourned at 1:04 p.m.

Respectfully submitted,


Mario C. Ignacio
Assistant Secretary