

MINUTES OF THE NOVEMBER 20, 2008, MEETING OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A meeting of the Board of Directors was held on November 20, 2008, at the Cerritos Library, 18025 Bloomfield Avenue, Cerritos, California.

The meeting was called to order at 10:30 a.m. by Vice President Marcie Edwards.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Marcie Edwards, Anaheim (M); Joseph Hsu, Azusa (M); James Earhart, Banning (M); Fred Fletcher, Burbank (A); Thomas Clarke, Cerritos (A); Jeanette Olko, Colton (M); Glenn O. Steiger, Glendale (M); Brian J. Brady, Imperial (M); Aram Benyamin, Los Angeles (A); Eric Klinkner, Pasadena (A); Gary Nolff, Riverside (A).

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

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

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

Vice President Edwards afforded the public an opportunity to address the Board.

2. Approval of Minutes

Mr. Earhart moved to approve the minutes of the Special Meeting held October 23, 2008. The motion was seconded by Mr. Hsu, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including results of the Strategic Planning session, renewable resource financing, and issues with the Air Resources Board hearing in Sacramento.

Mr. Carnahan presented Resolution No. 2008-79, authorizing SCPPA's participation and billing to members for a contribution to the American Public Power Association Electric Market Reform Initiative related to wholesale markets. Mr. Steiger moved that Resolution No. 2008-79 be approved. The motion was seconded by Mr. Earhart and unanimously approved.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the November meeting of the Finance Committee, and presented the Investment Reports for the month of September and the quarter ending September 30, 2008. The reports were received and filed.

Mr. Koehler presented Resolution No. 2008-80, authorizing the issuance of the Canyon Power Project Revenue Notes and related documents.

Mr. Koehler presented Resolution No. 2008-81, authorizing the continuing disclosure for Canyon Power Project Revenue Notes.

Ms. Edwards moved that Resolution No. 2008-80 and Resolution No. 2008-81 be approved. The motion was seconded by Mr. Brady, and approved by Project Roll Call Vote, with Vernon absent, and Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Imperial, Los Angeles, Pasadena, and Riverside present but not voting.

Mr. Koehler presented Resolution No. 2008-82, authorizing the issuance of the Southern Transmission System Project Revenue Bonds, 2008 Subordinate Series B, and related documents.

Mr. Koehler presented Resolution No. 2008-83, authorizing the continuing disclosure for STS Series B bonds.

Mr. Nolff moved that Resolution No. 2008-82 and Resolution No. 2008-83 be approved. The motion was seconded by Mr. Steiger, and approved by Project Roll Call Vote, with Vernon absent, and Azusa, Banning, Cerritos, Colton, and Imperial present but not voting.

Mr. Koehler reported on the September meeting of the Ad Hoc Customer Service Committee.

5. Energy Systems Manager's Report

Mr. Walden referenced the written report, which discussed efforts relating to renewables, including wind, solar, and geothermal projects, small hydro, and the meetings of the Public Benefits Committee, and the Resource Planning Committee. Mr. Walden also discussed solicitations for additional natural gas reserves.

Mr. Walden presented Resolution No. 2008-84, authorizing the annual renewal of the contract with Appliance Recycling Centers of America for refrigerator recycling services effective January 1, 2009. Ms. Olko moved approval of Resolution No. 2008-84. The motion was seconded by Mr. Steiger and unanimously approved.

Mr. Walden presented Resolution No. 2008-85, authorizing execution of an agreement with EnerNoc for demand response programs and related services. Mr. Earhart moved approval of Resolution No. 2008-85. The motion was seconded by Mr. Brady and unanimously approved.

Mr. Walden presented Resolution No. 2008-86, authorizing an agreement with Louisiana Tech University for a research project related to generation plants, waste product, and other considerations relating to greenhouse gas credits. Mr. Earhart moved that Resolution No. 2008-86 be approved. The motion was seconded by Mr. Hsu and unanimously approved.

Mr. Walden presented Resolution No. 2008-87, authorizing the first Amended and Restated Power Sales Agreements, and the First Amendment to the Power Purchase Agreement with First Wind for the Milford Corridor Phase I wind Project. Mr. Fletcher moved that Resolution No. 2008-87 be approved. The motion was seconded by Mr. Klinkner and approved by Project Roll Call Vote, with Vernon absent, and Anaheim, Azusa, Banning, Cerritos, Colton, Glendale, Imperial, and Riverside present but not voting.

Mr. Walden presented Resolution No. 2008-88 authorizing an agreement with Western Renewable Energy Generation Information System to establish accounting for environmental attributes associated with renewable projects. Ms. Edwards moved approval of Resolution No. 2008-88. The motion was seconded by Mr. Earhart 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 highlights of the recent elections.

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. 2008-89, approving the initial budget for the Pebble Springs Wind Project. Mr. Steiger moved that Resolution No. 2008-89 be approved. The motion was seconded by Ms. Edwards, and approved by Project Roll Call Vote, with Vernon absent, and Anaheim, Azusa, Banning, Cerritos, Colton, Imperial, Pasadena, and Riverside present but not voting.

Mr. Steiger requested a future agenda item for the Resource Planning Committee, and the Renewables Committee, to discuss status and direction. Mr. Carnahan will schedule reports from all the committees at future meetings, one each month beginning in January 2009.


8. Closed Session

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

9. Adjournment

There being no further business, the meeting was adjourned at 1:38 p.m.

Respectfully submitted,


Mario C. Ignacio
Assistant Secretary