

MINUTES OF THE SEPTEMBER 15, 2005
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on September 15, 2005, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:37 a.m. by President Phyllis E. Currie.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Bob Tang, Azusa, (A); James Earhart, Banning (M); Ronald E. Davis, Burbank (M); Jeannette Olko, Colton (M); Ignacio R. Troncoso, Glendale (M); Frank M. Barbera, Imperial Irrigation District (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Jerry Rogers, Riverside (A); Charles W. Montoya, Vernon (A).

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 Manuel A. Robledo; Therese Savery, Manager of SCPPA Accounting.

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski; and Oscar Escobar of Niesar-Curls Bartling.

Also present were Trent Martin and Julie Desimone of Moss Adams.

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

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

Mr. Davis announced that the Magnolia Power Project had been named "Plant of the Year" by Platts Power Magazine because of its unique combination of urban location, environmental attributes, and use of reclaimed water.

Mr. Davis presented thank you gifts to SCPPA staff in appreciation of dedication and hard work during the development and construction of the project.

2. Annual Financial Report and Financial Statements

Mr. Koehler introduced Mr. Martin and Ms. Desimone, of Moss Adams, and thanked them for a smooth transition and for a job well done.

Mr. Trent and Ms. Desimone presented the Audited Financial Statements for the fiscal year ended June 30, 2005.

3. Approval of Minutes

Mr. Noller moved to approve the minutes of the Regular Meeting held August 18, 2005. The motion was seconded by Ms. Olko, and unanimously approved.

4. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including plans for the SPPA Annual Meeting. The Board discussed ideas and format for the Strategic Planning Session.

5. Finance and Accounting Manager's Report

Mr. Koehler reported on the September 12, 2005, meeting of the Finance Committee, and presented the Investment Reports for the month of July, 2005, and the Annual Swap Valuation Report for the year ending June 30, 2005.

Mr. Koehler presented Resolution No. 2005-33, authorizing execution of a First Amendment to the Reimbursement Agreement with Lloyds TSB Bank, related to the Liquidity Facility for the Southern Transmission System Project Revenue Bonds, 1991 Subordinate Refunding Series A.

Mr. Vazquez moved that Resolution No. 2005-33 be approved. The motion was seconded by Mr. Troncoso and approved by Project Roll Call Vote, with Cerritos absent, and Azusa, Banning, Colton, Imperial, and Vernon present but not voting.

6. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Public Benefits Committee, including status of the Landfill Gas-to-Energy Project, and the Ormat Geothermal Project.

Mr. Robledo reported on transition activities for the Natural Gas Reserves Project and the development of a new Request for Proposals (RFP) for Renewable Energy Projects, and a separate RFP for Energy Trading and Risk Management Services. He also discussed the status of the Innovative Electric Technology Project.

7. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C.

8. Hoover Uprating Project Annual Budget

Mr. Homer presented Resolution No. 2005-34, approving the 2005-06 budget for the Hoover Uprating Project.

Mr. Davis moved that Resolution No. 2005-34 be approved. The motion was seconded by Ms. Olko and approved by Project Roll Call Vote, with Cerritos absent, Glendale, Imperial and Vernon present but not voting, and Los Angeles and Pasadena abstaining.

9. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

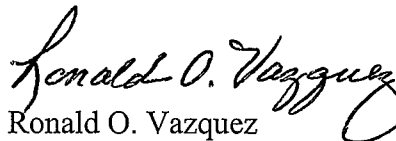
10. Closed Session

The Board went into closed session to discuss matters related to litigation related to the San Juan Unit 3 Power Project.

11. Adjournment

There being no further business, the meeting was adjourned at 12:12 p.m.

Respectfully submitted,



Ronald O. Vazquez
Secretary