

MINUTES OF THE DECEMBER 16, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on December 16, 2004, at the Westin Hotel, located at 191 N. Los Robles Avenue in Pasadena, California.

The meeting was called to order at 10:41 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Mark E. Mazak, Anaheim (A); Bob Tang, Azusa, (A); Paul Toor, Banning (M); Jeannette Olko, Colton (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Ruwen Liu, Glendale (A); Frank M. Barbera, Imperial (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); David H. Wright, 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; Joan Ilagan, SCPPA Accounting; and Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski, LLP; and Erika Curls-Bartling, of Curls Bartling LLP.

Also present was Steve Badgett, Riverside Public Utilities.

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

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

2. Approval of Minutes

Mr. Wright moved to approve the minutes of the Regular Meeting held November 18, 2004, as amended. 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 the new office space in Sacramento for the Government Affairs Office.

Mr. Badgett updated the Board on the work of the Ad Hoc Transmission & Distribution Engineering & Operations Committee on a benchmarking study.

4. Finance and Accounting Manager's Report

Mr. Kochler reported on the December 6, 2004, meeting of the Finance Committee, and presented the unaudited financial statements for the quarter ended September 30, 2004, and the investment reports for the quarter ended September 30, 2004, and for the month of October 2004, for receipt and filing.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Public Benefits Committee and the resource planning group, including status of the landfill gas and gas reserves projects.

Vice President Currie suggested inviting Electric Power Research Institute (EPRI) to come to a Board meeting to discuss their renewables programs.

6. Government Affairs Manager's Report

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

7. Project Administrator's Report

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

The Board agreed that the overcollection for fiscal year 2003/04 for the Palo Verde Project should be credited back to the participants on their January and February 2005 bills, as recommended by the Finance Committee. It was noted that this would be an opportunity to put funds into the Participants' Projects' Stabilization Accounts, if desired.

Mr. Homer presented Resolution No. 2004-38, approving the three budgets for the Magnolia Power Project (Combined, Project A, and Project B). Mr. Homer pointed out that these budgets covered start-up fuel for the testing period, and operation, maintenance, and administrative costs for the operating period beginning in May. Fuel costs for the operating period were not included, and a revised budget will be presented once all the issues are resolved.

Ms. Currie moved that Resolution No. 2004-38 be approved. The motion was seconded by Mr. Mazak and approved by Project Roll Call Vote, with Azusa, Banning, Imperial, Riverside, and Vernon present but not voting, and Los Angeles abstaining.

Mr. Homer presented the First Quarter Budget Comparisons for Mead-Adclanto, Mead-Phoenix, Palo Verde, San Juan Unit 3, STS, and the Annual Budget Comparison for Hoover.

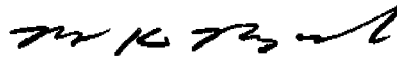
8. **Legislative Briefing**

During lunch, the Board heard an update from Gregg Cook and Deborah Sliz on the recent elections and legislative issues in Sacramento and Washington, D.C.

9. **Adjournment**

There being no further business, the meeting was adjourned at 1:53 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary