

**MINUTES OF THE FEBRUARY 20, 2003**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on February 20, 2003, at the Westin Hotel Pasadena, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:34 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: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Jeannette Olko, Colton (A); Ignacio R. Troncoso, Glendale (M); Frank M. Barbera, IID (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Donna Stevener, Riverside (A); Kenneth J. DeDario, Vernon (M). Present by teleconference was Karl A. Schwarm, San Marcos (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Steven L. Homer, Manuel A. Robledo, Phyllis H. Brown, and Geri L. Mitchell; Consulting Financial Manager, Greg D. Leddy; Paciencia Z. Dungo, Manager of SCPPA Accounting; and Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen T. Cole, of Fulbright & Jaworski; and Alan R. Watts.

**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. Hsu moved to approve the minutes of the Regular Meeting held January 16, 2003. The motion was seconded by Mr. Brar and unanimously approved.

**3. Committee Appointments**

President Davis confirmed the current appointments for the standing committees of the Board, including the Executive Committee, the Finance Committee, the Investment Committee, the Legislative Committee, the Resource Planning Committee, and the Public Benefits Committee. He noted that the President, Vice President, or Executive Director could chair the Finance Committee.

**4. Executive Director's Report**

Mr. Carnahan referenced his written report, and discussed the highlights, including the status of the Accounting Manager interviews.

Mr. Eric Tharp, of the Los Angeles Department of Water and Power, discussed the Intermountain Power Project Unit 3 (IPP3) Steering Committee Report.

**5. Finance Manager's Report**

Mr. Leddy reported on the February 3, 2003, meeting of the Finance Committee, and presented the investment reports for the quarter ended December 31, 2002, for receipt and filing.

Mr. Leddy presented Resolution 2003-3, determining that project matters regarding the Magnolia Power Project be decided by a majority vote of the SCPA Board of Directors. Mr. Troncoso moved that Resolution 2003-3 be approved. The motion was seconded by Ms. Currie and unanimously approved by roll call vote.

Mr. Leddy presented Resolution 2003-4, authorizing all project agreement and financing documents and approving the issuance of the Magnolia Power Project A and Project B Series bonds. Mr. Troncoso moved that Resolution 2003-4 be approved. The motion was seconded by Mr. Toor and approved by roll call vote, with Los Angeles present but not voting, Pasadena absent, and San Marcos abstaining.

Mr. Leddy presented Resolution 2003-5, with respect to continuing disclosure obligations for the Project A Series Bonds, and Resolution 2003-6, with respect to continuing disclosure obligations for the Project B Series Bonds. Mr. Noller moved that Resolution 2003-5 and Resolution 2003-6 be approved. The motion was seconded by Mr. Troncoso and approved by Magnolia Project roll call vote, with Pasadena absent, Azusa, Banning and Imperial present but not voting and Los Angeles, Riverside San Marcos and Vernon abstaining.

Mr. Leddy presented Resolution 2003-7, authorizing restructuring escrow funds for the Palo Verde Power Project. Mr. Vazquez moved that Resolution 2003-7 be approved. The motion was seconded by Mr. Hsu and approved by Palo Verde Project roll call vote, with Pasadena absent, and Anaheim, Cerritos and San Marcos present by not voting.

Mr. Leddy presented Resolution 2003-8, authorizing issuance of Southern Transmission System (STS) refunding bonds and an interest rate swap agreement. Mr. Vazquez moved that Resolution 2003-8 be approved. The motion was seconded by Mr. Toor, and approved by STS Project roll call vote, with Pasadena absent, Azusa, Banning, Cerritos, Colton, Imperial and San Marcos present but not voting, and Vernon abstaining.

**6. Energy Systems Manager's Report**

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the proposed renewable projects, and development of a renewable portfolio standard.

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

Ms. Brown reported on the status of legislative activities in Sacramento and Washington, D.C., and the recent visits with Congressional offices in D.C.

**8. Project Administrator's Report**

Mr. Homer referenced the written report and updated the Board on the status of the projects.

**9. Closed Session**

At this point the Board went into closed session, to discuss the performance review of the Executive Director.

Upon returning to open session, President Davis announced that no action had been taken.

At this point the Board recessed for lunch.

**10. Intermountain Power Project Common Facilities**

Following lunch, the Board discussed the valuation of common facilities at the Intermountain Power Project.

**11. Adjournment**

There being no further business, the meeting was adjourned at 1: 58 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary