

**MINUTES OF THE JULY 17, 2003**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on July 17, 2003, at the Westin Hotel, 191 N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:35 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); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Thomas K. Clarke, Colton (M); Ignacio R. Troncoso, Glendale (M); Frank M. Barbera, IID (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M), Thomas P. Evans, Riverside (M)..

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

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 May 15, 2003, as amended. The motion was seconded by Mr. Troncoso and unanimously approved, with Colton abstaining.

**3. Executive Director's Report**

Mr. Carnahan referenced his written report, and discussed the highlights.

Mr. Carnahan reported that the Ad Hoc Customer Service Committee was working on a benchmarking survey to be issued in the next 30 days.

Mr. Carnahan also discussed a proposed meeting of an Ad Hoc Transmission & Distribution Engineering & Operating Committee to discuss programs offered by the Western Energy Institute. This group could also do benchmarking studies in the transmission and distribution areas.

Mr. Carnahan presented Resolution 2003-26, authorizing an amendment to the agreement between SCPA and California Public Employees Retirement System. Mr. Clarke moved that Resolution 2003-26 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Carnahan presented Resolution 2003-27, authorizing collection of funds to reimburse expenses for legal work performed for members in connection to the Independent System Operator "Off Ramp." Mr. Evans moved that Resolution No. 2003-27 be approved. The motion was seconded by Mr. Mazak and unanimously approved.

Mr. Carnahan presented Resolution 2003-28, authorizing collection of funds from Anaheim for a contribution to APPA's Campaign for Local Control. Burbank asked to be included at the same amount. Mr. Mazak moved that Resolution No. 2003-28 be approved, as amended to include Burbank. The motion was seconded by Mr. Troncoso and unanimously approved.

Mr. Carnahan announced that the August Board Meeting would be held in the new conference room at the SCPA offices.

#### **4. Finance and Accounting Manager's Report**

Mr. Koehler reported on the July 7, 2003, meeting of the Finance Committee, and presented the unaudited financial statements for the quarter ended March 31, 2003, and the Investment Reports for the months ended April 30 and May 31, 2003, for receipt and filing.

Mr. Koehler reported on the status of the Palo Verde Escrow Restructuring Phase II, and discussed unsolicited proposals.

Mr. Koehler reported on the June 11, 2003, meeting of the Ad Hoc Customer Service Benchmarking Subcommittee and referenced the written report.

#### **5. 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 (wind, pumped storage, and landfill gas), gas supply issues, and a proposed RFP for research and development programs.

Mr. Robledo presented Resolution 2003-29, authorizing the execution of a consulting agreement with McGuire & Co. (dba Efficiency Partnership) for services to be provided to Anaheim (Flex Your Power). Mr. Mazak moved that Resolution No. 2003-29 be approved. The motion was seconded by Mr. Vazquez and unanimously approved.

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

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed the Congressional Staff Tour, held May 29 through June 1.

Discussion followed regarding Renewable Portfolio Standards for the members and the status of development of a press release.

**7. Project Administrator's Report**

Mr. Homer referenced the written reports, and presented Resolution 2003-30, authorizing an amendment to the San Juan Unit 3 Project Annual Budget for fiscal year 2003/04. Mr. Hsu moved that Resolution 2003-30 be approved. The motion was seconded by Mr. Toor, and approved by Project Roll Call Vote, with Vernon absent, Burbank and Pasadena present but not voting, and Anaheim, Cerritos, Los Angeles, and Riverside abstaining.

Mr. Homer discussed the recent series of forced outages and derates at San Juan Unit 3 and the derating of Hoover due to the continuing drought.

**8. Closed Session**

At this point the Board went into closed session to discuss litigation related to the Southern Transmission System Project.

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

**9. Adjournment**

There being no further business, the meeting was adjourned at 11:46 a.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary