

MINUTES OF THE FEBRUARY 21, 2002
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on February 21, 2002, at the DoubleTree Hotel Pasadena, 191, N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:40 a.m. by Vice 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 Noller, Anaheim (A); Joseph F. Hsu, Azusa (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Nitin Modi, Colton (A); Ignacio R. Troncoso, Glendale (M); Kristine Fontaine, IID (M); Ronald O. Vazquez, Los Angeles (A); Phyllis E. Currie, Pasadena (M); Karl Schwarm, San Marcos (A); and Jorge Somoano, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Steven L. Homer, Manuel Robledo, Phyllis H. Brown, and Geri L. Mitchell; Consulting Project Administrator, Charles E. Patrick; Consulting Financial Manager, Greg D. Leddy; Pacience Dungo, Manager of SCPPA Accounting; Luan Nguyen, DWP Nuclear Group.

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

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

Vice 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 17, 2002. The motion was seconded by Ms. Currie and unanimously approved.

3. Finance Committee

Mr. Leddy reported on the meeting of February 4, and discussed the status of the proposed refunding for the San Juan Unit 3 Project. He also discussed the proposed refunding of STS bonds and the RFP for underwriters.

Mr. Leddy presented Resolution No. 2002-2, which authorizes preparation of documents and appointing co-senior managers for a refunding of STS bonds.

Mr. Troncoso moved that Resolution No. 2002-2 be approved. The motion was seconded by Mr. Vazquez and approved by Project Roll Call Vote, with Azusa, Banning, Cerritos, Colton Imperial, and San Marcos present but not voting, Riverside absent, and Vernon abstaining.

Mr. Leddy presented Resolution No. 2002-3, which authorizes a refunding of San Juan Unit 3 bonds, and the execution of the necessary documents, and Resolution No. 2002-4, which provides for continuing disclosure regarding the San Juan Unit 3 Project.

Ms. Fontaine moved that Resolution No. 2002-3 and Resolution No. 2002-4 be approved. The motion was seconded by Mr. Hsu and approved by Project Roll Call Vote, with Anaheim, Burbank, Cerritos, Los Angeles, Pasadena, and San Marcos present but not voting, Riverside absent, and Banning and Vernon abstaining.

Mr. Leddy also presented the Financial Statements for December 31, 2001 and the Investment Report for December 2001.

4. Magnolia Power Project Agreements

Mr. Cole presented Resolution No. 2002-5, which approves execution of the Magnolia Power Project Olive Switching Station Interconnection Agreement, and noted that a second agreement covered in the resolution was being withdrawn, and the resolution would be revised accordingly.

Mr. Troncoso moved that Resolution No. 2002-5 be approved as revised. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Azusa, Banning, Imperial and Los Angeles present but not voting, Riverside absent, and Vernon abstaining.

5. Resource Planning Committee

Mr. Robledo referenced the written report, and discussed the Committee's February meeting. The Committee recommends issuing an RFP for renewal energy deliverable to established delivery points, totaling between 70 and 120 MW. Mr. Somoano moved that such an RFP be issued. The motion was seconded by Mr. Hsu and unanimously approved.

6. Energy Systems Manager's Report

Mr. Robledo referenced the written report, and discussed the highlights, including the ISO's latest proposal to the municipals.

7. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights. He reported on the APPA Winter Committee meetings and discussed plans for the Congressional Tour to be held May 30 to June 1.

Mr. Carnahan discussed the activities of the Executive Committee, including proposed revisions to the SCPPA by-laws, and development of a job description and salary range for the proposed new Finance position.

Mr. Carnahan distributed a draft Strategic Plan, which will be discussed after the March Board Meeting in Riverside. Board Members were asked to plan on staying for the strategic planning session after the regular meeting.

8. Legislative Advocacy

Ms. Brown updated the Board on activities in Sacramento, including proposed legislation.

Mr. Carnahan referenced the written federal advocacy report.

9. USEA Energy Partnership Program

This item was tabled to the March Board Meeting.

10. Project Management Reports

Mr. Carnahan referenced the written reports.

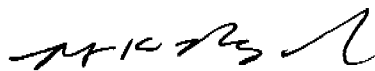
11. Closed Session – Performance Evaluation of Executive Director

This item was tabled to the March Board Meeting.

12. Adjournment

There being no further business, the meeting was adjourned at 11:55 a.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary