

**MINUTES OF THE APRIL 15, 2002**  
**SPECIAL MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A special meeting of the Board of Directors was held on April 15, 2002, in the offices of the Authority, 225 South Lake Avenue, Suite 1410, Pasadena, California.

The meeting was called to order at 10:11 a.m. by President Kenneth J. DeDario.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Joseph F. Hsu, Azusa (M); Thomas K. Clarke, Colton (M); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); and Kenneth J. DeDario, Vernon (M).

Participating by telephone were: Donald Shackelford, Anaheim, (A); and Kristine Fontaine, Imperial Irrigation District (M).

Staff present were: SCPPA Executive Director, Bill D. Carnahan; SCPPA staff member Steven L. Homer; Luan Nguyen, LADWP Nuclear Group; Paciencia Z. Dungo, Manager of SCPPA Accounting.

Also present were: Donna Stevener, Riverside (A); and Richard Ellefson, Glendale.

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

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

**2. Review of 2002/03 A&G Budget and Project Draft Budgets**

Mr. Homer presented the draft Administrative and General Expense Budget for fiscal year 2002/2003, and the draft project budgets for the Palo Verde, Southern Transmission System, San Juan (Unit 3), Mead-Adelanto and Mead-Phoenix projects, all of which had been distributed to Board members the previous week. He reviewed the highlights and answered questions from the Board.

Minor changes were made to the budget and suggestions were made for next year's format. The budget will be presented for approval at the regular Board meeting on May 16, 2002.

**3. Adjournment**

There being no further business, the meeting was adjourned at 2:15 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

**MINUTES OF THE APRIL 18, 2002**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on April 18, 2002, at the DoubleTree Hotel, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:46 a.m. by President Kenneth J. DeDario.

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); Thomas K. Clarke, Colton (M); Ignacio R. Troncoso, Glendale (M); Frank M. Barbera, IID (A); Robert K. Rozanski, Los Angeles (A); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); Karl A. Schwarm, San Marcos (M); and Kenneth J. DeDario, Vernon (M).

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; Consulting Project Administrator, Charles E. Patrick; and Luan Nguyen, LADWP Nuclear Group.

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

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

President DeDario afforded the public an opportunity to address the Board

**2. Approval of Minutes**

Mr. Davis moved to approve the minutes of the Regular Meeting held March 21, 2002. The motion was seconded by Mr. Hsu and unanimously approved, with Mr. Clarke abstaining.

**3. Committee Appointments**

President DeDario appointed members of the Public Benefits Committee and the Resource Planning Committee, and announced that the Public Benefits Committee was now a regular committee, not an ad hoc committee.

**4. Executive Director's Report**

Mr. Carnahan referenced his written report, and distributed his Mission, Goals and Workplan document for review and comment.

He also discussed changes in the agenda and meeting format, and plans for the annual Congressional Staff Tour.

Mr. Carnahan presented Resolution 2002-13 authorizing the collection of additional funds to pay the costs associated with the Government Affairs Manager position.

Ms. Currie moved that Resolution 2002-13 be approved. The motion was seconded by Mr. Clarke and unanimously approved.

**5. Finance Manager's Report**

Mr. Leddy reported on the completion of a \$125 million San Juan Unit 3 Project refunding and discussed the status of the proposed STS refunding.

Mr. Leddy presented Resolution 2002-9, authorizing the issuance of Southern Transmission System (STS) Project Revenue Bonds, 2002 Refunding Series A, the execution and delivery of documents, the release of a Preliminary Official Statement, and an agreement with Public Financial Management, Inc., for financial advisory services.

Mr. Leddy also presented Resolution 2002-10, authorizing continuing disclosure for the STS Project Revenue Bonds, 2002 Refunding Series A.

Ms. Currie moved that Resolution 2002-9 and Resolution 2002-10 be approved. The motion was seconded by Mr. Rozanski, and approved by project roll call vote, with Cerritos, Colton, Imperial and San Marcos present but not voting, and Vernon abstaining.

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

Mr. Robledo reported on the meetings and activities of the Resource Planning Committee and the Public Benefits Committee. He discussed the ongoing review of renewable energy project proposals, and reported that the Resource Planning Committee would be presenting a recommended short list to the Board in May.

Mr. Robledo presented Resolution 2002-11, authorizing an agreement with Navigant Consulting to conduct a study and assessment of certain member transmission interconnections.

Ms. Currie moved that Resolution 2002-11 be approved. The motion was seconded by Mr. Davis and unanimously approved.

Mr. Robledo presented Resolution 2002-12, authorizing an extension of the agreement with Henwood Energy Services for market advisory services to certain members.

Mr. Evans moved that Resolution 2002-12 be approved. The motion was seconded by Mr. Rozanski and unanimously approved.

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

Ms. Brown reported on the status of legislative activities in Sacramento and Washington, D.C., and discussed plans for the Congressional Staff Tour, to be held May 30 through June 2, 2002.

Mr. Evans discussed the work of the Legislative Committee, and distributed the revised Legislative and Regulatory Key Interests document, and asked that any further comments be sent to the Executive Director. Following discussion, it was suggested that the Legislative Committee meet quarterly, in addition to regular conference calls coordinated by Ms. Brown. Coordination of the various members' state lobbyists on common issues could be an important benefit from the Committee.

#### **8. Project Administrator's Report**

Mr. Homer presented the quarterly budget comparisons for all projects for the period ended December 31, 2002, and discussed developments at Palo Verde Nuclear Generating Station and San Juan Generating Station.

He discussed the April 15 budget workshop, and plans to bring the 2002/03 administrative and general expense budget, along with the five project budgets, to the May Board meeting for approval.

Mr. Homer presented Resolution 2002-14, amending the budget for the San Juan Unit 3 Project for the 2001/02 fiscal year, to reflect savings from the recent refunding.

Mr. Hsu moved that Resolution 2002-14 be approved. The motion was seconded by Mr. Barbera and approved by project roll call vote, with Anaheim, Cerritos, Pasadena, and San Marcos present but not voting, and Riverside and Vernon abstaining.

#### **9. Closed Session – Performance Evaluation of Executive Director**

At this point, the Board went into closed session to discuss personnel matters.

Upon reconvening in open session, President DeDario announced that the Board had reviewed the performance of the Executive Director and approved modifications to the contract to increase compensation.

The Board then recessed for lunch.

**10. Strategic Planning**

After reconvening following lunch, the Board discussed strategic planning issues.

**11. Adjournment**

There being no further business, the meeting was adjourned at 1:00 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary