

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

A special meeting of the Board of Directors was held on November 21, 2002, at the DoubleTree Hotel Pasadena, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:38 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 Noller, Anaheim (A); Bob Tang, Azusa, (A); 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 (B); Karl A. Schwarm, San Marcos (A); 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.

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

Also present were Luan Nguyen, Los Angeles DWP Nuclear Group, John Schumann, Henry Martinez.

**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. Vazquez moved to approve the minutes of the special meeting held October 18, 2002. The motion was seconded by Mr. Davis and unanimously approved, with Colton and Anaheim abstaining.

**3. Appointment of Nominating Committee**

President DeDario announced the appointment of members to the Nominating Committee which will be responsible for nominations for the election of officers to be held at the January 16, 2003, Board of Directors meeting. He appointed Ms. Currie and Ms. Fontaine to the Committee, and Mr. Hsu as the Chair.

#### **4. Executive Director's Report**

Mr. Carnahan referenced his written report, and discussed the highlights, including the proposed development of Intermountain Power Project Unit 3. He noted that there would be a presentation by the Unit 3 proponents following the January Board Meeting.

Mr. Carnahan presented Resolution 2002-48, authorizing an agreement with Alan R. Watts, on behalf of Colton.

Mr. Clarke moved that Resolution 2002-48 be approved. The motion was seconded by Mr. Toor and unanimously approved.

#### **5. Finance Manager's Report**

Mr. Leddy reported on the November 4, 2002, meeting of the Finance Committee. The Committee is currently working on updated swap guidelines and reviewing possible escrow restructurings for Palo Verde and Southern Transmission System projects.

The Investment Reports for the months of June, July and August, 2002 were received and filed.

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

Mr. Robledo referenced his written report, and reported on progress in developing options for renewable resources.

Following discussion of a straw man proposal for a renewable portfolio standard, President DeDario directed the formation of an ad hoc committee composed of members of the Resource Planning Committee and the Public Benefits Committee, to review the proposal and its effect on rates.

The Board discussed possible participation in the statewide Flew Your Power campaign. There was no support for joint participation, with the members supporting conservation and energy efficiency, but preferring individual efforts under local control.

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

Ms. Brown reported on the status of legislative activities in Sacramento and Washington, D.C., with emphasis on the federal energy bill.

Mr. Evans reported that the Legislative Committee had updated the Legislative and Regulatory Key Interests document, and asked that the Board Members review it and give comments to Mr. Carnahan, so that the documents could be adopted at the December Board Meeting.

**8. Project Administrator's Report**

Mr. Homer referenced his written report and updated the Board on the status of the projects. He distributed the updated ten-year forecasts for all generation projects, and the current rate comparison charts.

**9. Closed Session**

At this point the Board went into closed session to discuss confidential aspects of proposed renewable energy projects and Federal Energy Regulatory Commission litigation.

Upon returning to open session, President DeDario announced that the Board had directed Mr. Carnahan to attend meetings of a study group regarding standard market design.

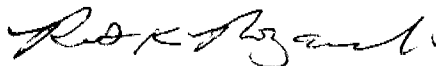
The Board had also authorized the amendment of the SCPPA Administrative and General Expense Budget to include a new category titled "Renewable Project Analysis" with an initial budget of \$50,000. Actual costs will be allocated to the projects like other general expenses (office rent, salaries, etc.).

At this point the Board recessed for lunch, after which the steam generators at Palo Verde Nuclear Generating Station were discussed.

**10. Adjournment**

There being no further business, the meeting was adjourned at 1:37 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary