

**MINUTES OF THE AUGUST 17, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on August 17, 2000, in the San Marino Room of the Pasadena DoubleTree Hotel, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:43 a.m. by President Joseph F. Hsu.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Edward K. Aghjayan, Anaheim (M); Joseph F. Hsu, Azusa (M); Ronald E. Davis, Burbank (M); Thomas K. Clarke, Colton (M); Bernard V. Palk, Glendale (M); Kristine Fontaine, Imperial (M); Robert Rozanski, Los Angeles (A); Eric Klinkner, Pasadena (A); and David Wright, Riverside (M).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff member Geri L. Mitchell; Consulting Financial Manager, Greg Leddy; Consulting Project Administrator Charles E. Patrick; Luan Nguyen, DWP Nuclear Group; Paciencia Dungo, Manager of SCPPA Accounting.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; Daniel Hartman of Public Financial Management; E. Michael Gaines and Paul J. Harmon, R.W. Beck.

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

President Hsu afforded the public an opportunity to address the Board. Mr. Carnahan noted that Item 12 regarding resource planning had been postponed to a future meeting.

**2. Special Presentation**

President Hsu presented a special resolution honoring Bernard V. Palk upon his retirement, and thanking him for his many years of outstanding service.

**3. Approval of Minutes**

Mr. Wright moved to approve the minutes of the regular meeting held July 20, 2000. The motion was seconded by Ms. Fontaine and unanimously approved.

#### **4. Palo Verde Triennial Report**

Michael Gaines and Paul Harmon of R.W. Beck presented the preliminary results and findings from their review of operations during the last three years at the Palo Verde Nuclear Generating Station.

#### **5. Finance Committee**

Mr. Leddy discussed the highlights of the written reports on the meetings of July 20 and August 17, 2000.

President Hsu presented Resolution 2000-25, authorizing entering into service agreements with the Financial Advisor and Bondholder Communications Group, and obtaining municipal bond insurance in connection with the free-up of moneys in the Debt Service Reserve Account under the Southern Transmission System Project Senior Indenture of Trust.

Mr. Aghjayan moved that Resolution No. 2000-25 be approved. The motion was seconded by Ms. Fontaine and approved by project roll call vote, with Azusa and Colton present but not voting, and Banning and Vernon absent.

#### **6. Restructuring Assessment**

Mr. Carnahan presented Resolution No. 2000-26, authorizing collection of funds as approved in the 2000/01 Administrative and General Expenses Budget for electric industry restructuring purposes. He noted that a restructuring bill received from CMUA exceeded expectations, and that half will be paid now, and the second half later in the year. An additional assessment resolution will be needed at that time.

Mr. Wright moved that Resolution 2000-26 be approved. The motion was seconded by Ms. Fontaine and unanimously approved.

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

Mr. Carnahan referenced his written report and discussed the highlights, including distributed generation, Federal Energy Regulatory Commission (settlement discussions, California Independent System Operator (ISO) issues, and public benefits programs.

Mr. Carnahan discussed the results of his survey of Board Members regarding methods of joint coverage and reporting of ISO stakeholder meetings. Following discussion, it was agreed to form a small group to develop an RFP for a consultant to cover the stakeholder meetings and serve as an "early warning system", notifying the individual members of issues which may be important to them. The individual utilities could then decide how to respond to their issues. The RFP and the issue of consultant vs. new SCPPA staff member will be discussed at the October meeting.

## 8. Legislative Advocacy

Mr. Carnahan referenced the written reports from Morgan Meguire and Government Affairs Consulting, and discussed the highlights.

Mr. Carnahan reported that SCPPA would be sponsoring a breakfast at the September meeting of the California League of Cities in Anaheim, and that invitations would be sent to the SCPPA members so that their elected officials could be invited.

## 9. Project Reports

Mr. Carnahan referenced the written reports and noted that Mr. Homer had called from Farmington to report that the IBEW employees of Public Service Co. of New Mexico (PNM) had authorized a strike anytime after midnight, August 17.

Negotiations are continuing and PNM expects resolution of the issues without a strike. However, contingency plans are in place so that the San Juan Generating Station would continue full operation even in the event of a strike.

## 10. Closed Session

Following lunch, the Board went into closed session.

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

## 11. Adjournment

There being no further business, the meeting was adjourned at 2:05 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

c: Board of Directors