

**MINUTES OF THE NOVEMBER 16, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on November 16, 2000, in San Rafael Room of the DoubleTree Hotel Pasadena, 191 N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10.37 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); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Thomas Clarke, Colton (M); Daniel W. Waters, Glendale (M); Kristine Fontaine, Imperial (M); Robert Rozanski, Los Angeles (A); Eric Klinkner, Pasadena (A); Donna Stevener, Riverside (A); and Kenneth J. DeDario, Vernon (M).

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

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

Also present were Michael Nosanov and Victor Rojas, of the Los Angeles Department of Water and Power.

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

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

**2. Approval of Minutes**

Mr. Waters moved to approve the minutes of the regular meeting held October 19, 2000. The motion was seconded by Mr. Klinkner and unanimously approved, with Mr. Clarke abstaining.

**3. Finance Committee**

Mr. Carnahan referenced the written report on the meeting of November 6, 2000. Mr. Leddy reviewed the status of the purchase of a San Juan surety bond replacing the debt service reserve funds, and asked the Board to review the revised Investment Policy for approval in December.

**4. Resource Planning Committee**

Mr. Klinkner referenced the written report and discussed the topics the Committee is studying, including the Magnolia Project, template agreements for future projects, joint scheduling, and a proposed intermediate/peaking project in Colton.

**5. Amendment of Magnolia Power Project Resolution**

Mr. Watts presented Resolution 2000-34, which amends and clarifies Resolution 2000-27 regarding payment of the costs relating to the proposed Magnolia Power Project.

Mr. DeDario moved that Resolution 2000-34 be approved. The motion was seconded by Mr. Waters and unanimously approved.

**6. LADWP/EES Consulting Agreement Funds**

Mr. Carnahan presented Resolution 2000-35, authorizing the collection of funds to pay for consulting services provided to LADWP by EES Consulting related to Federal Energy Regulatory Commission matters.

Mr. Davis moved that Resolution 2000-35 be approved. The motion was seconded by Ms. Stevener and unanimously approved.

**7. Vernon Transmission Revenue Requirement**

Mr. DeDario reported on the Federal Energy Regulatory Commission draft decision regarding their Transmission Revenue Requirement filing.

**8. Executive Director's Report**

Mr. Carnahan referenced his written report and discussed the highlights. Discussion followed regarding proposals for selecting a new California Independent System Operator board, and issues regarding the Pacific Northwest.

**9. Legislative Advocacy**

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

**10. Project Management Reports**

Mr. Carnahan referenced the written reports.

Mr. Davis updated the Board on the status of the Magnolia Project and asked for expressions of interest by December 1, 2000.

**11. Closed Session**

Following lunch, the Board discussed the possible sale of an interest in the Southern Transmission System to other parties. No action was taken.

**12. Adjournment**

There being no further business, the meeting was adjourned at 1:12 p.m.

Respectfully submitted,



Robert Rozanski  
Assistant Secretary

**MINUTES OF THE OCTOBER 19, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on October 19, 2000, in the Rancho Mirage Room at the Westin Mission Hills Resort, 71501 Dinah Shore Drive, Rancho Mirage, California.

The meeting was called to order at 9:10 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); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Nitin Modi, Colton (A); Daniel W. Waters, Glendale (M); Kristine Fontaine, Imperial (M); Robert K. Rozanski, Los Angeles (A); Jay Panzica, Pasadena (A); David Wright, Riverside (M); and Jorge C. Somoano, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Steven L. Homer and Geri L. Mitchell; Consulting Financial Manager, Greg D. Leddy; Consulting Project Administrator Charles E. Patrick; John Schumann, LADWP Nuclear Group; Paciencia Dungo, Manager of SCPPA Accounting.

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

Also present were Jerry Jordan and Tony Braun of the California Municipal Utilities Association; and Gregg Cook of Government Affairs Consulting.

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

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

**2. Approval of Minutes**

Mr. Waters moved to approve the minutes of the regular meeting held September 21, 2000. The motion was seconded by Mr. Wright and unanimously approved.

### **3. Finance Committee**

Mr. Carnahan referenced the written report on the meetings of September 21 and October 2, 2000. Mr. Leddy reviewed the status of efforts to free up reserve fund monies in the STS senior indenture.

Mr. Cole presented Resolution No. 2000-31, authorizing a supplemental indenture amending the Senior Lien Indenture of Trust relating to the STS, the distribution of materials to bondowners seeking their consent to the amendments, and the sale of securities in the Debt Service Reserve Account.

Mr. Aghjayan moved that Resolution No. 2000-31 be approved. The motion was seconded by Mr. Waters and approved by Project Roll Call Vote, with Azusa, Banning, Colton and Imperial present but not voting, and Vernon abstaining.

Mr. Aghjayan moved that Resolution No. 2000-28 be approved. The motion was seconded by Mr. Wright and unanimously approved.

### **4. Hoover Representation**

Mr. Carnahan reported on a meeting held to review the activities of the Consulting Project Administrator for the Hoover Uprating Project (Charles E. Patrick). At the meeting, several SCPPA Members who had interests in Hoover, but were not part of the SCPPA Hoover Uprating Project, agreed to share in the costs of Mr. Patrick's activities.

Mr. Carnahan presented Resolution No. 2000-32, which arranges for the billing of 50% of the Hoover Consulting Project Administrator's costs to Burbank, Glendale, Pasadena, and Vernon.

Mr. Waters moved that Resolution No. 2000-32 be approved. The motion was seconded by Mr. Somoano and unanimously approved.

### **5. Palo Verde Operating Agent Agreement**

Mr. Watts discussed restructuring legislation in Arizona, and the required separation of generation and transmission/distribution assets by Arizona Public Service, relating to APS' request to transfer the duties of Operating Agent at Palo Verde Nuclear Generating Station to their new generation subsidiary.

Mr. Schumann discussed the need to revise the Participation Agreement and get City Council approval, and recommended further review before approving the request for transfer of Operating Agent. Messrs. Watts, Cole, Carnahan, and Cole will conduct further review and bring the issue back to the Board at a later date.

**6. Executive Director's Report**

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

Mr. Carnahan presented an agreement between California Municipal Utilities Association and the Los Angeles Department of Water and Power for services of EES Consulting relating to Federal Energy Regulatory Commission issues. SCPPA would share in the costs through CMUA, with SCPPA's costs distributed among the members in the same manner as similar restructuring costs.

Mr. Aghjayan moved that the Executive director be authorized to sign the agreement. The motion was seconded by Mr. Wright and unanimously approved.

Mr. Carnahan discussed recent activities of the Public Benefits Committee and the Resource Planning Committee.

**7. Legislative Advocacy**

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

**8. Project Reports**

Mr. Carnahan referenced the written reports.

After a short recess, the Board heard presentations by Jerry Jordan, Gregg Cook, and Tony Braun regarding restructuring issues in California and at FERC.

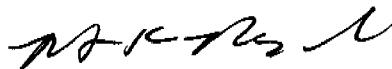
**9. Strategic Planning**

Following lunch, the Board discussed strategic planning issues.

**10. Adjournment**

There being no further business, the meeting was adjourned at 4:00 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

**MINUTES OF THE SEPTEMBER 21, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on September 21, 2000, at the Pasadena DoubleTree Hotel, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:40 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); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Tim Trewyn, Colton (A); Daniel W. Waters, Glendale (M); Kristine Fontaine, Imperial (M); Robert Rozanski, Los Angeles (A); Jay Panzica, Pasadena (A); David Wright, Riverside (M); and Kenneth J. DeDario, Vernon (M).

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

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Keith Curry of Public Financial Management; and Alan R. Watts.

Others present included: Don Pappé, Pasadena; Mariann Long, Anaheim; Heather Horne, PriceWaterhouseCoopers.

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

President Hsu afforded the public an opportunity to address the Board. Noting the need to elect a new slate of officers at the January 2001 meeting, President Hsu appointed Mr. Rozanski, Mr. Toor and Mr. Aghjayan to a Nominating Committee, with Mr. Aghjayan as the chairman.

**2. Approval of Minutes**

Mr. Trewyn moved to approve the minutes of the regular meeting held August 17, 2000. The motion was seconded by Mr. Wright and unanimously approved.

### **3. 1999/2000 Audited Financial Statements**

Heather Horne, from PriceWaterhouseCoopers, presented their report and audited financial statements for the period ended June 30, 2000, as reviewed by the Audit Committee. The Board accepted the report.

### **4. Finance Committee**

Mr. Carnahan referenced the written report on the meeting of September 11, 2000.

Mr. Carnahan discussed the formation of the Resource Planning Committee and its relationship to the proposed Burbank Power Plant Project (also known as the Magnolia Project).

Mr. Cole presented Resolution No. 2000-27, declaring the Burbank Power Plant Project (Magnolia Project) a SPPA Study Project, establishing a Coordinating Committee and budget, naming Burbank the chair of the Coordinating Committee, directing members who wish to participate to notify the Executive Director by December 1, 2000, authorizing the preparation and execution of necessary agreements and documents and the collection of funds.

Mr. Cole then explained Resolution No. 2000-28, establishing a Resource Planning Committee and authorizing collection of funds. He noted that LADWP had elected not to participate in the Resource Planning Committee, and that the attachment detailing the funding would be adjusted accordingly.

Following discussion, Mr. DeDario moved that Resolution 2000-27 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Aghjayan moved that Resolution 2000-28 be approved. The motion was seconded by Mr. Wright and unanimously approved.

### **5. Ad Hoc Public Benefits Committee**

Mariann Long, of Anaheim Public Utilities, reported on the activities of the Ad Hoc Public Benefits Committee. The Committee has been meeting monthly since June, sharing successes and failures, and compiling a list of the members' programs and money spent.

With the help of Energy Masters International, they will be compiling this information in a directory, which will be valuable in the event of any audit of public powers' use of the public benefits moneys.

Discussion followed regarding the proposed legislation continuing the programs, and the importance of all members reaching a minimum level of compliance.



**6. Ad Hoc Internet Joint Purchasing Committee**

Don Pappé, of Pasadena Water and Power, reported that the group had been meeting to review various options and to discuss purchasing rules and requirements of the member cities. They will continue to investigate what other groups, such as the APPA Hometown Connection, are doing, and have some legal review of the required agreements.

At this point President Hsu left the meeting, and Vice President Aghjayan took the chair.

**7. Executive Director's Report**

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

Mr. Homer presented Resolution 2000-29, providing for collection of funds to pay dues to American Public Power Association on behalf of all SCPA members.

Mr. Waters moved that Resolution 2000-29 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Carnahan presented two letter agreements extending existing agreements for consulting services to Anaheim and to SCPA by Greg Leddy.

Mr. Toor moved that the two agreements be approved. The motion was seconded by Mr. Trewyn and unanimously approved.

Mr. Carnahan presented a letter agreement extending the existing agreement for Consulting Project Administrator services by Charles E. Patrick.

Mr. Wright moved that the agreement be approved. The motion was seconded by Mr. Panzica and unanimously approved.

**8. Hoover Upgrading Project Annual Budget**

Mr. Patrick presented the budget for the Hoover Upgrading Project for fiscal year 2000/2001.

Mr. Wright moved that Resolution 2000-30, approving the Hoover Upgrading Project budget, be approved. The motion was seconded by Mr. Toor and approved by project roll call vote, with Azusa absent, Glendale and Los Angeles present but not voting, and Vernon abstaining.

**9. Legislative Advocacy**

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

**10. Project Reports**

Mr. Carnahan referenced the written reports.

**11. PNM Reorganization**

Mr. Watts reported on the joint M-S-R/SCPPA intervention in the Public Service Company of New Mexico reorganization case before the New Mexico Public Regulatory Commission. He recommended approving a total budget of \$50,000

Mr. Waters moved that a budget of \$50,000 be approved. The motion was seconded by Ms. Fontaine and unanimously approved.

After discussion, it was agreed to revise category “101O – Miscellaneous Consulting” in the SCPPA Administrative and General Expense Budget to include this amount.

At this point the Board recessed for lunch.

**12. Strategic Planning**

Following lunch, the Board discussed the topics to be included and the format of the strategic planning session, to be held following the Board Meeting at the Annual Meeting in October.

**13. Adjournment**

There being no further business, the meeting was adjourned at 1:45 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

**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

**MINUTES OF THE JULY 20, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on July 20, 2000, in the Corinthian Room of the Biltmore Hotel, 506 South Grand Avenue, Los Angeles, California.

The meeting was called to order at 10:45 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); Paul Toor, Banning (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); Jay Panzica, Pasadena (A); David Wright, Riverside (A); and Jorge Somoano, Vernon (M).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Geri L. Mitchell and Steven L. Homer; Consulting Financial Manager, Greg Leddy; Luan Nguyen, DWP Nuclear Group; Pacience Dungo, Manager of SCPPA Accounting; Therese Savery, SCPPA Bonds and Investments.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; and Daniel Hartman of Public Financial Management.

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

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

The Board voted unanimously to make a finding of fact that matters involving possible litigation have occurred which were not able to be included in the agenda. The Board agreed to discuss those matters in closed session at the end of the agenda.

**2. Approval of Minutes**

Mr. Homer indicated that minor changes had been made to the minutes of the regular meeting held May 18, 2000. Mr. Clarke moved to approve the minutes with the changes. The motion was seconded by Mr. Toor and unanimously approved.

### **3. Consulting Agreement**

Discussion of a cost-sharing consulting agreement for services related to the case before the Federal Energy Regulatory Commission regarding development of a Transmission Access Charge by the California Independent System Operator was deferred to closed session at the end of the agenda.

### **4. Finance Committee**

Mr. Carnahan reported that the Finance Committee had met just prior to the Board meeting, and asked Mr. Cole to discuss some of the topics covered, including the discontinuation of work on a San Juan tender offer program, the authorization to proceed on a substitution of a surety in place of the debt service reserve fund for San Juan, and the recommendation to the Board of a resolution authorizing work relating to the substitution of a debt service reserve account policy for moneys on deposit in the Debt Service Reserve Account of the senior lien Southern Transmission System Indenture of Trust.

Mr. Cole presented Resolution 2000-24, authorizing work necessary to amend the STS senior indenture and substitute a surety bond for moneys in the STS senior lien Debt Service Reserve Account.

Mr. Davis moved that Resolution 2000-24 be approved. The motion was seconded by Mr. Wright and approved by STS Project Roll Call Vote, with Azusa, Banning, Colton and Imperial present but not voting, and Vernon abstaining.

Mr. Homer reported that SCPPA had received a check for \$2.4 million from the State of California as a share of the settlement of a class action lawsuit against Bank of America regarding improprieties in their trust department. The money will be credited to the SCPPA projects that used Bank of America trustee services during the period in question. STS will receive \$2.3 million, with the rest going to San Juan, Mead-Phoenix, and Mead-Adelanto. The money will be booked as "other income" for fiscal year 1999/2000, and will be included in the annual budget reconciliations.

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

Mr. Carnahan referenced his written report and discussed the highlights, including distributed generation, public benefits programs, unbundling of the Independent System Operator's grid management charge, transmission congestion management, and other FERC and ISO issues.

Following discussion of the great number of ISO stakeholder subcommittee meetings, Mr. Carnahan agreed to develop options for joint coverage of the meetings.

**6. Legislative Advocacy**

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

**7. Project Reports**

Mr. Homer noted that the latest ten-year forecasts and the quarterly budget comparisons for all SCPPA projects were included in the notebooks.

Mr. Watts updated the Board on developments in the joint intervention (SCPPA/MSR) in the Public Service Company of New Mexico reorganization.

**8. Closed Session**

The Board went into closed session to discuss matters of possible litigation. Upon returning to open session, President Hsu announced that Resolution 2000-23 had not been submitted for a vote, and no other action had been taken.

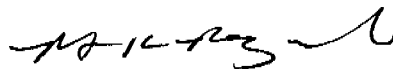
**9. Joint Purchasing Proposal**

Following lunch, a presentation was made by MRO Solution.com on the possibilities of joint purchasing via the Internet.

**10. Adjournment**

There being no further business, the meeting was adjourned at 1:55 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary



**MINUTES OF THE MAY 18, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on May 18, 2000, in the San Rafael Room of the DoubleTree Hotel, 191 North Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:40 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); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Thomas K. Clarke, Colton (M); Bernard V. Palk, Glendale (M); Kristine Fontaine, Imperial (M); Robert K. Rozanski, Los Angeles (A); Donald Pappé, Pasadena (A); David Wright, Riverside (A); and Kenneth J. DeDario, Vernon (M).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Geri L. Mitchell and Steven L. Homer; Consulting Financial Manager, Greg Leddy; Consulting Project Administrator Charles E. Patrick; John Schumann and Luan Nguyen, DWP Nuclear Group; Pacionce Dungo, Manager of SCPPA Accounting; Therese Savery, SCPPA Bonds and Investments.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; Daniel Hartman of Public Financial Management; and Ken Mellor and Michael Bell of 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. President Hsu asked for part of the closed session to be moved from the end of the agenda to the beginning, so that he could participate before he had to leave. The Board agreed.

**2. Closed Session**

The Board went into closed session to discuss employee salary and performance issues. Upon reconvening in open session, Vice President Aghjayan took the chair and announced that President Hsu had left the meeting and that the Board had approved payment to a consultant.

**3. Approval of Minutes**

Mr. DeDario moved to approve the minutes of the regular meeting held April 20, 2000, and the special meeting held May 1, 2000. The motion was seconded by Mr. Palk and unanimously approved.

#### 4. Finance Committee

Mr. Leddy reported on the meetings of the Finance Committee held on April 20 and May 8, 2000, and referenced the written reports.

Mr. Leddy reported on the closing of the STS tender offer/refunding. Variable rate debt totalling \$125 million was issued to take out \$143 million in fixed rate bonds. The present value savings was \$26 million, or 21% of the refunding bonds. Mr. Hartman reported that Standard & Poor's had uprated the STS bonds to AA as a direct result of this transaction.

Mr. Cole presented Resolution 2000-12, adopting a Private Use Policy for the Palo Verde Project, and Resolution 2000-13, adopting a Private use Policy for the STS Project.

Mr. Clarke moved that 2000-12 be approved. The motion was seconded by Mr. Wright and approved by Palo Verde project roll call vote, with Anaheim present but not voting, and Azusa absent.

Mr. Toor moved that 2000-13 be approved. The motion was seconded by Mr. Palk and approved by STS project roll call vote, with Colton and Imperial present but not voting, Banning and Vernon abstaining, and Azusa absent.

#### 5. Budgets for Fiscal Year 2000/2001

Mr. Homer presented the project budgets and explained the major variances.

**Mead-Adelanto:** Mr. Palk moved that Resolution 2000-17, approving the Mead-Adelanto Project Budget for fiscal year 2000/01, be adopted. The motion was seconded by Mr. Clarke and approved by project roll call vote, with Azusa absent, Imperial present but not voting, and Vernon abstaining.

**Mead-Phoenix:** Mr. Toor moved that Resolution 2000-18, approving the Mead-Phoenix Project Budget for fiscal year 2000/01, be approved. The motion was seconded by Mr. Wright and approved by project roll call vote, with Azusa absent, Imperial present but not voting, and Vernon abstaining.

**Palo Verde:** Mr. Clarke moved that Resolution 2000-19, approving the Palo Verde Project Budget for fiscal year 2000/01, be approved. The motion was seconded by Mr. Davis and approved by project roll call vote, with Azusa absent, and Anaheim present but not voting.

**San Juan Unit 3:** Ms. Fontaine moved that Resolution 2000-20, approving the San Juan Unit 3 Project Budget for fiscal year 2000/01, be approved. The motion was seconded by Mr. Palk, and approved by project roll call vote, with Azusa absent, Anaheim, Los Angeles, Pasadena and Riverside present but not voting, and Burbank and Vernon abstaining.

**STS:** Mr. Aghjayan suggested that the STS Project Budget for fiscal year 2000/01 be reduced by approximately \$1 million to reflect savings from the tender offer/refinancing which closed the day before. Mr. Aghjayan moved that Resolution 2000-21, approving the STS Project Budget for fiscal year 2000/01, as amended, be approved. The motion was seconded by Mr. Rozanski and approved by project roll call vote, with Azusa absent, Banning, Colton, and Imperial present but not voting, and Vernon abstaining.

**Administrative and General:** Discussion and vote on Resolution 2000-14 (A&G Budget) and Resolution 2000-16 (Salary Ranges) was deferred until after the closed session at the end of the agenda.

**Legislative Advocacy:** Mr. Wright moved that Resolution 2000-15, approving collection of funds for Legislative Advocacy, be approved. The motion was seconded by Mr. Davis and unanimously approved.

## **6. Consulting Agreement**

Vice President Aghjayan presented and moved approval of Resolution 2000-22, approving a consulting agreement with Greg Leddy to perform services on behalf of Anaheim. The motion was seconded by Mr. Toor and unanimously approved.

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

Mr. Carnahan referenced his written report and discussed the highlights, including interaction with the Electricity Oversight Board, reliability and Independent System Operator (ISO) interface, transmission access fees, and other Federal Energy Regulatory Commission and ISO issues.

Mr. Carnahan indicated that he would be submitting his own name in nomination to continue serving on the Board of the California ISO.

Mr. Carnahan reported on the successful 2000 Congressional Staff Tour, and discussed the upcoming meeting regarding Public Benefits Charges.

## **8. Legislative Advocacy**

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

## **9. Project Reports**

Mr. Carnahan referenced the written project reports.

Mr. Watts reported on the Public Service Company of New Mexico's proposed reorganization and its possible effect on the San Juan Unit 3 Project. He recommended that SCPPA follow the issue closely by participating with M-S-R in their intervention in the New Mexico proceedings.

Mr. Palk moved that SCPPA enter an agreement with M-S-R to share costs of intervention up to \$10,000. The motion was seconded by Mr. Clarke and approved by project roll call vote, with Azusa absent, Anaheim, Burbank, Pasadena, Riverside, and Los Angeles present but not voting, and Vernon abstaining.

At this point in the meeting, the Board recessed for lunch.

#### **10. Joint Purchasing Proposal**

Following lunch, the Board reconvened for a presentation made by TransformPower.com on the possibilities of joint purchasing via the Internet.

#### **11. Closed Session**

The Board went into closed session to discuss employee salary and performance issues.

Upon reconvening in open session, Mr. DeDario moved approval of Resolution 2000-16 (Salary Ranges). The motion also authorized salary increases of 3%, plus the use of the remaining 2% of the total salary budget as a bonus pool, to be distributed at the Executive Director's discretion and based on performance reviews. The motion was seconded by Ms. Fontaine and unanimously approved.

Mr. Davis moved approval of Resolution 2000-14, which approves the SCPPA Administrative and General Budget for fiscal year 2000/01. The motion was seconded by Mr. Clarke and unanimously approved.

#### **12. Distributed Generation Workshop**

Representatives of R.W. Beck presented additional preliminary results of their Distributed Generation Study.

#### **13. Adjournment**

There being no further business, the meeting was adjourned at 2:12 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

**MINUTES OF THE MAY 1, 2000**  
**SPECIAL MEETING (BUDGET WORKSHOP) OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A special meeting of the Board of Directors was held on May 1, 2000, in the offices of the Authority, 225 South Lake Avenue, Suite 1410, Pasadena, California.

The meeting was called to order at 10:16 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: Joseph F. Hsu, Azusa (M); Paul Toor, Banning, (M); Richard Corbi, Burbank (A); Jay Panzica, Pasadena (A); Donna Stevener, Riverside (A); and Kenneth J. DeDario, Vernon (M).

SCPPA staff present were: Executive Director, Bill D. Carnahan; Consulting Financial Manager, Greg Leddy; and staff member Steven L. Homer.

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

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

**2. Review of the Draft 2000/2001 SCPPA Administrative and General Budget**

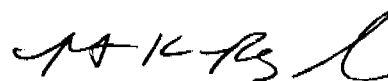
Mr. Homer presented the draft Administrative and General Budget for fiscal year 2000/2001, which had been distributed to all Board Members at the April 20, 2000, Board of Directors meeting. He reviewed the highlights and answered questions from the Board.

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 to be held May 18, 2000.

**3. Adjournment**

There being no further business, the meeting was adjourned at 1:10 p.m.

Respectfully submitted,



Robert Rozanski  
Assistant Secretary

**MINUTES OF THE APRIL 20, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on April 20, 2000, at Azusa Light and Water, 729 North Azusa Avenue, Azusa, California.

The meeting was called to order at 10:44 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); Paul Toor, Banning (M); Thomas K. Clarke, Colton (M); Bernard V. Palk, Glendale (M); Kristine Fontaine, Imperial (M); Robert Rozanski, Los Angeles (A); Rufus Hightower (M); David Wright, Riverside (A); and Kenneth J. DeDario, Vernon (M).

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

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; Daniel Hartman of Public Financial Management; and Michael Bell and Kenneth Mellor of 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.

**2. Approval of Minutes**

Mr. Clarke moved to approve the minutes of the regular meeting held March 16, 2000. The motion was seconded by Mr. Hightower and unanimously approved.

Mr. Wright moved to approve the minutes of the special meeting held April 11, 2000. The motion was seconded by Mr. Hightower and unanimously approved, with Mr. Clarke abstaining.

### **3. Finance Committee**

Mr. Carnahan reported on the meetings of the Finance Committee held on March 16 and April 3, 2000, and referenced the written report.

Mr. Leddy updated the Board on the status of the STS and San Juan tender offer/refunding proposals.

President Hsu noted that the next meeting of the Finance Committee would be held on May 8, 2000, and that a Budget Workshop would be held May 1, 2000.

### **4. Consulting Agreement**

Mr. Carnahan presented Resolution 2000-10, authorizing an agreement with Public Financial Management on behalf of the City of Burbank Public Service Department. Mr. Aghjayan moved that Resolution 2000-10 be approved. The motion was seconded by Mr. Palk and unanimously approved.

### **5. Palo Verde Participation Agreement Amendment**

Mr. Carnahan presented Resolution 2000-11, authorizing the execution of Amendment 14 to the Arizona Nuclear Power Project Participation Agreement. Mr. Homer explained that the amendment established procedures relating to the requirements of FAS 106.

Mr. Clarke moved that Resolution No. 2000-11 be approved. The motion was seconded by Mr. Toor and approved by Project Roll Call Vote, with Anaheim present but not voting, and Burbank absent.

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

Mr. Carnahan referenced his written report and discussed the highlights, including the issues of reliability and Independent System Operator (ISO) interface, transmission access fees. Other American Public Power Association, Federal Energy Regulatory Commission, and ISO issues were also discussed.

Mr. Carnahan then discussed plans for the upcoming Congressional Staff Tour.

He then asked for a motion authorizing payment of \$2,000 membership fee to Desert Star. Mr. Palk moved that the payment to Desert Star be authorized. The motion was seconded by Mr. Aghjayan and unanimously approved.

There was a discussion of the need to update SCPPA's strategic goals, objectives and their timing in order to give direction to the new Executive Director. It was agreed to hear Mr. Carnahan's initial goals and objectives following the next Board meeting, and to schedule discussion of the larger strategic planning issues during the October annual meeting.

**7. Legislative Advocacy**

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

**8. Project Reports**

Mr. Carnahan referenced the written project reports.

**9. Distributed Generation Workshop**

Representatives of R.W. Beck presented the preliminary draft results of their Distributed Generation Study.

**10. Adjournment**

There being no further business, the meeting was adjourned at 1:48 p.m.

Respectfully submitted,



Robert Rozanski  
Assistant Secretary



**MINUTES OF THE APRIL 11, 2000**  
**SPECIAL MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A special meeting of the Board of Directors was held on April 11, 2000, in the 11<sup>th</sup> Floor Conference Room of the Anaheim Public Utilities Department located at 201 S. Anaheim Boulevard in Anaheim, California.

The meeting was called to order at 4:00 p.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); Paul Toor, Banning (M); Tim Trewyn, Colton (A); Rufus Hightower, Pasadena (M); David Wright, Riverside (M); and Jorge Somoano, Vernon (A).

Staff present included: SCPPA Executive Director Bill Carnahan, Brian Thomas of Anaheim, and Jafar Bazzaz and Randy Howard of LADWP.

Also present were Michael Bell, Kenneth Mellor and Peter Robert Shaw of R.W. Beck.

**1. Rate Study Workshop**

The Board discussed in detail the draft report from R.W. Beck related to their study of retail electric rates.

No action was taken.

**2. Adjournment**

There being no further business, the meeting was adjourned at approximately 5:30 p.m.

Respectfully submitted,



Robert Rozanski  
Assistant Secretary

**MINUTES OF THE MARCH 16, 2000**  
**REGULAR MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A regular meeting of the Board of Directors was held on March 16, 2000, in the San Rafael Room of the DoubleTree Hotel, 191 North Los Robles, Pasadena, California.

The meeting was called to order at 10:38 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); Paul Toor, Banning (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); Manuel Robledo (A); Donna Stevener, Riverside (A); and Kenneth J. DeDario, Vernon (M).

Staff present were: Outgoing SCPPA Executive Director, Daniel W. Waters; incoming Executive Director Bill D. Carnahan; SCPPA staff members Geri L. Mitchell and Steven L. Homer; Consulting Financial Manager, Greg Leddy; Consulting Project Administrator Charles E. Patrick; Luan Nguyen of LADWP Nuclear Fuels Group; Pacience Dungo, SCPPA Accounting Manager; and Therese Savery, SCPPA Investments Manager.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; Daniel Hartman of Public Financial Management; and Gregg Cook of Government Affairs Consulting.

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

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

**2. Approval of Minutes**

Mr. Aghjayan moved to approve the minutes of the regular meeting held February 17, 2000, and the special meeting held March 8, 2000. The motion was seconded by Mr. DeDario and unanimously approved.

### **3. Finance Committee**

Mr. Waters reported on the meeting of the Finance Committee held on March 6, 2000.

Mr. Waters presented Resolution 2000-7, which authorizes an agreement with the Financial Advisor to facilitate the tender offer program for the purchase certain fixed rate San Juan Unit 3 Project Revenue Bonds and the issuance of variable rate bonds, and an agreement with Bondholder Communications Group for services relating to the tender offer.

Mr. Clarke moved that Resolution 2000-7 be approved. The motion was seconded by Ms. Fontaine and approved by project roll call vote, with Anaheim, Burbank, Los Angeles, Pasadena and Riverside present but not voting, and Vernon abstaining.

Mr. Cole explained Resolution 2000-8, authorizing the issuance of Southern Transmission Project variable rate refunding bonds, and a tender offer program for the purchase of certain fixed rate STS bonds.

Ms. Stevener moved that Resolution 2000-8 be approved. The motion was seconded by Mr. Davis and approved by project roll call vote, with Azusa, Banning, Colton and Imperial present but not voting, and Vernon abstaining.

### **4. Appointment of New Executive Director**

Mr. Waters presented Resolution 2000-9, appointing Mr. Bill D. Carnahan as Executive Director.

Mr. Aghjayan moved that Resolution 2000-9 be approved, as amended. The motion was seconded by Mr. Clarke and unanimously approved.

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

Mr. Waters discussed an upcoming meeting on April 11, with Alan Richardson of APPA to discuss the California members' concerns.

Mr. Waters reported on the status of the R.W. Beck rate study and discussed setting a meeting to present it during the week of April 28.

Mr. Waters reported on developments regarding Desert Star, and the Board agreed to continue membership, at a cost of \$2,000. A Resolution will be brought to the April Board Meeting.

Mr. Waters discussed plans for the upcoming Congressional Staff Tour.

**6. Legislative Advocacy**

Mr. Waters referenced the written reports from Morgan Mequire and Governmental Affairs Consulting, and discussed the highlights.

Mr. Cook reported on potential California legislation which would affect public utilities.

**7. Project Reports**

Mr. Waters referenced the written project reports.

Mr. Homer reported on the plans to repair the Static Var Compensator equipment damaged by explosion and fire at the Marketplace Substation in June 1999, and how the cost will affect the budgets for Mead-Phoenix and Mead-Adelanto.

Mr. Waters noted that the annual Summary of Power System Data was in the Board Folders.

**8. Closed Session**

At this point the Board went into closed session to discuss the ISO's transmission tariff proposal.

**9. Adjournment**

Following the closed session, the Board held a luncheon in honor of outgoing Executive Director Dan Waters, during which the Board expressed its great appreciation for his years of outstanding service.

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

Respectfully submitted,



Robert Rozanski  
Assistant Secretary

**MINUTES OF THE MARCH 8, 2000**  
**SPECIAL MEETING OF THE**  
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

A special meeting of the Board of Directors was held on March 8, 2000, by conference call.

The meeting was called to order at 4:00 p.m. by President Joseph F. Hsu.

The following Board members (M) and alternates (A) were on line and acting in their capacity as representative for their utility: Edward K. Aghjayan, Anaheim (M); Joseph F. Hsu, Azusa (M); Paul Toor, Banning (M); Bernard V. Palk, Glendale (M); Robert K. Rozanski, Los Angeles (A); Donna Stevener, Riverside (A); and Kenneth J. DeDario, Vernon (M).

Also on the line was Alan R. Watts, acting as counsel to the Authority.

**1. Closed Session**

The Board discussed the agreement with the new Executive Director.

The agreement was unanimously approved after the motion made by Ed Aghjayan and second by Ken DeDario to approve the agreement between the Authority and the Bill D. Carnahan Corporation.

It was agreed that the President and Secretary would execute the agreement.

**2. Adjournment**

There being no further business, the meeting was adjourned at 4:30 p.m.

Respectfully submitted,



Robert K. Rozanski  
Assistant Secretary

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

A regular meeting of the Board of Directors was held on February 17, 2000, in the DoubleTree Hotel, 191 North Los Robles, Pasadena, California.

The meeting was called to order at 10:38 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: Brian Thomas, Anaheim (A); Joseph F. Hsu, Azusa (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Timothy Trewyn, Colton (A); Bernard V. Palk, Glendale (M); Kristine Fontaine, Imperial (M); Robert Rozanski, Los Angeles (A); Manuel Robledo (A) and Rufus Hightower, Pasadena (M); Bill Carnahan, Riverside (M); and Kenneth J. DeDario, Vernon (M).

Staff present were: SCPPA Executive Director, Daniel W. Waters; SCPPA staff members Geri L. Mitchell and Steven L. Homer; Consulting Financial Manager, Greg Leddy; Consulting Project Administrator Charles E. Patrick; Luan Nguyen, DWP Nuclear Group; Pacience Dungo, Manager of SCPPA Accounting; Therese Savery, SCPPA Bonds and Investments.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; Alan R. Watts; Daniel Hartman of Public Financial Management, Ken Mellor and Michael Gaines of 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.

**2. Approval of Minutes**

Mr. Carnahan moved to approve the minutes of the regular meeting held January 20, 2000, and the special meeting held February 3, 2000. The motion was seconded by Mr. Toor and unanimously approved.

### **3. Auditing Contract**

Mr. Waters gave the history of the RFP for Independent Auditing Services. He announced that the Audit Committee had selected PriceWaterhouseCoopers to continue providing these services under a new agreement and at a reduced rate.

Mr. Palk moved that the Executive Director be authorized to execute the new agreement. The motion was seconded by Mr. Robledo and unanimously approved.

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

Mr. Waters presented a proposal from R.W. Beck for consulting services related to the triennial review of operations at the Palo Verde Nuclear Generating Station as required by the Project Indenture.

Mr. Trewyn moved that that the Executive Director be authorized to execute an agreement with R.W. Beck to perform the Triennial Report. The motion was seconded by Mr. Palk and approved by Project Roll Call Vote, with Anaheim present but not voting.

### **5. Finance Committee**

Mr. Waters reported on the meetings of the Finance Committee held on January 20, and February 7, 2000.

Mr. Waters presented Resolution No. 2000-3, which authorizes an agreement with Curls, Brown, and Duran, extending their co-bond counsel services through June 30, 2000. Mr. DeDario moved that Resolution No. 2000-3 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Waters presented Resolution No. 2000-4, which authorizes an agreement with the Financial Advisor to facilitate the tender offer program for the purchase and issuance of certain STS Project Revenue Bonds, an agreement with Bondholder Communications Group for services relating to the tender offer, and the performance of legal services by Co-Bond Counsel.

Mr. Thomas moved that Resolution No. 2000-4 be approved. The motion was seconded by Mr. Trewyn and approved by Project Roll Call Vote, with Azusa, Banning, Colton, and Imperial present but not voting, Burbank and Vernon abstaining.

Discussion of Resolution No. 2000-5 and Resolution No. 2000-6 was postponed until after the closed session. At that time, Mr. Waters presented the two resolutions and Mr. Cole led the discussion of their contents.

Following discussion, Mr. Trewyn moved that Resolution No. 2000-5 be approved. The motion was seconded by Ms. Fontaine and unanimously approved.

Ms. Fontaine moved that Resolution 2000-6 be approved, with inclusion of Salomon Smith Barney as co-manager. The motion was seconded by Mr. Trewyn and approved by Project Roll Call Vote, with Banning and Burbank absent, and Anaheim, Los Angeles, Pasadena, and Riverside present but not voting, and Vernon abstaining.

**6. Executive Director's Report**

Mr. Waters referenced his written report, and discussed the highlights. Following discussion about APPA's "Campaign for Fair Competition" it was agreed to set a meeting with Alan Richardson of APPA to discuss the California members' concerns.

After discussion, the Board agreed to nominate Manuel Robledo to continue serving on the Board of the Power Exchange.

Mr. Waters reported on developments regarding Desert Star, and the initial suggestions for its funding.

Mr. Waters presented a six-month extension of the consulting services agreement with Charles Patrick for project management related to the Hoover Upgrading Project and the Lower Colorado Multi-Species Conservation Program. Mr. DeDario moved that the extension be approved. The motion was seconded by Mr. Palk and unanimously approved.

**7. Legislative Advocacy**

Mr. Waters referenced the written reports from Morgan Mequire and Governmental Affairs Consulting, and discussed the highlights.

Mr. Watts reported on potential legislation which would expand the California Energy Commission's jurisdiction over transmission lines.

Mr. Waters discussed plans to conduct a Congressional Staff Tour April 27-30.

**8. Project Reports**

Mr. Waters referenced the written project reports.

**9. Closed Session**

At this point the Board went into closed session to discuss employment and compensation matters.



Upon reconvening, Mr. Trewyn moved that the Board approve the form of agreement engaging the corporation of Bill D. Carnahan to act as Executive Director of the Southern California Public Power Authority, subject to legal review of the form of the agreement. The motion was seconded by Mr. Thomas and unanimously approved.

#### **10. Adjournment**

There being no further business, the meeting was adjourned at 2:24 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rozanski", written in a cursive style.

Robert K. Rozanski  
Assistant Secretary