

MINUTES OF THE MAY 6, 1987
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The regular meeting of the Board of Directors was held on May 6, 1987, at 10:00 a.m. at the Municipal Services Building of the City of Glendale, 633 East Broadway, Room 106, Glendale, California 91205. The agenda is attached.

The meeting was called to order at 10:05 a.m. by Mr. Gale A. Drews, President. All members were present with the exception of the representatives from the cities of Banning and Burbank.

1. Approval of the Minutes of the Meeting of February 4, 1987

A motion was made by Mr. Eldon A. Cotton, seconded by Mr. W. E. Cameron, and unanimously carried that the minutes of the regular meeting of February 4, 1987, be approved.

2. Matters Relating to the Palo Verde Project

Participation in the California Radioactive Materials Management Forum

Mr. Arthur T. Devine reported that the Authority had been requested by the Cal Rad Forum to continue membership in that organization; however, since Arizona was not presently seeking a compact with California, he felt membership at this time was inadvisable.

Budget Review for Year 1987

Mr. Devine discussed the 1987 Budget Review, which had been included in the latest mailing packet, and gave an overview of the actual to estimated budget comparisons.

Project Report

Mr. James E. Helt reported Units 1 and 2 were presently operating at full capacity.

According to Mr. Helt, Unit 1 was involved in a forced outage due to a steam generator tube leak. The necessary corrections were made and the Unit was returned to service producing 1,337 megawatts (gross).

Unit 2 successfully completed surveillance testing which took place from January to March 9 of this year and has returned to full power producing 1,337 megawatts (gross). During the outage, the steam generator tubes were staked and plugged, thus avoiding the problems experienced by Unit 1.

Mr. Helt advised the Board that Unit 3 has received its 40-year operating license from the Nuclear Regulatory Commission, with a limitation to 5% power level, and is presently undergoing required NRC tests.

According to Mr. Helt, Unit 3 is expected to attain commercial operation by September or October of this year.

Proposed Budget for Year 1988

Mr. Devine discussed the 1988 Budget for Palo Verde.

Resolution No. 1987-3

A motion was made by Mr. Eldon A. Cotton, seconded by Mr. Joseph F. Hsu, and unanimously carried that Resolution No. 1987-3, approving Annual Budget for Palo Verde Project Power Supply Year beginning July 1, 1987, be adopted. A roll call vote was held and all present voted unanimously that the resolution be adopted.

Distribution Analysis for Bond Issues 1986B and 1987A

Margaret Chan distributed Performance and Sales Distribution Reports prepared by Salomon Brothers to Board members and discussed the booklet in some detail.

Results of Refunding Program

Mr. Michael W. Geffrard of James J. Lowrey distributed and explained colored graphs depicting refunding program summaries for both Palo Verde and Southern Transmission Projects.

3. Matters Relating to the Intermountain Power Project Southern Transmission System

Project Report

Mr. Eldon A. Cotton commented that presently everything is going well regarding the Intermountain Power Project and that Unit 2 had been declared in Commercial Operation on May 1.

Budget Review for Year 1987

With the aid of information included in today's meeting folder, Mr. Devine briefly explained the one-half year budget review stating that expenditures were 11% under budget. The Authority will be receiving a credit once IPA has made the adjustment.

Proposed Budget for Year 1988

Mr. Devine commented on information regarding the proposed budget for Southern Transmission Project for July 1, 1987 through June 30, 1988, which was included in the latest mailing to Board members.

Resolution No. 1987-4

A motion was made by Mr. Dale Pohlman, seconded by Mr. Bill D. Carnahan, and unanimously carried that Resolution No. 1987-4, approving Annual Budget for Southern Transmission Project Transmission Service Year beginning July 1, 1987, be adopted. A roll call vote was held and all present voted unanimously that the resolution be adopted.

4. Matters Relating to the Hoover Uprating Project

Project Report

Mr. Devine gave a brief Project Report regarding the Hoover Uprating Project stating things are progressing well and the Bureau was currently expending funds.

Proposed Budget for June 1, 1987 to September 30, 1987

Mr. Devine reported that the above titled budget was mailed to Board members under separate cover in a memo dated April 29, 1987.

Mr. Donald B. LeMaster of R. W. Beck explained briefly corrections to be made in the latest proposed budget distributed at the meeting.

Resolution No. 1987-5

A motion was made by Mr. Dale Pohlman, seconded by Mr. Joseph F. Hsu, and unanimously carried that Resolution No. 1987-5, approving Annual Budget for Hoover Uprating Project First Power Supply Year for the period June 1, 1987 through September 30, 1987, be adopted. A roll call vote was held and all present voted unanimously that the resolution be adopted.

5. Matters Relating to the Mead-Phoenix Project

Project Report

Mr. Devine reported that the Coordinating Committee would meet on Friday of this week.

Mr. Devine also reported that the loan agreement with the Bank of America will become due in December of 1987.

6. Opportunity for the Public
to Address the Board

President Gale A. Drews offered the public an opportunity to address the members of the Board; however, there was no response to his suggestion.

There being no further business, the meeting was adjourned at 12:00 noon. The next regular meeting will be held on June 3, 1987.

Respectfully submitted,



FRANK SALAS
Assistant Secretary
Southern California Public Power Authority

Attachments
cc: Board of Directors