

MINUTES OF THE SEPTEMBER 2, 1987  
REGULAR MEETING OF THE  
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The regular meeting of the Board of Directors was held on September 2, 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 10:12 a.m. by Mr. Gale A. Drews, President. All members were present with the exception of the representatives from the City of Banning.

1. Approval of the Minutes  
for the July 1, 1987,  
Regular Meeting

A motion was made by Mr. W. E. Cameron, seconded by Mr. David C. Plumb, and unanimously carried that the minutes of the July 1, 1987, regular meeting, be approved.

2. Matters relating to  
the Palo Verde Project

Project Report

Mr. Eldon A. Cotton furnished a status report for Board members, which included current information on all three Palo Verde Nuclear Generating Station Units.

Mr. Cotton reported that Unit 1 has been scheduled for a ten-week refueling outage starting October 3rd. This start date may vary somewhat, however, depending on the performance of Unit 1 at the end of the current fuel cycle. Unit 2 has been operating at full power for about 40 days. Refueling is scheduled for February 1988.

Unit 3 is scheduled for power ascension testing in late October and full commercial operation is anticipated by mid-January of next year.

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

Project Report

Mr. Eldon A. Cotton reported that the Southern Transmission System (STS) is currently operating at 1700 megawatts. Following the completion of testing, the line will be rated in conformance with WSCC criteria and this rating should be above 1700 megawatts.

Effects of IPA Operating Budget  
on Authority's STS Budget

Mr. Arthur T. Devine informed Board members that the Operating Budget for IPA distributed in May and used in preparation of the 1987 Authority STS Budget had been revised by IPA in June resulting in a slight under collection by the Authority in 1987. This will be reconciled after the reconciliation of the IPA 1986 Budget and will be discussed at the next Board of Directors' meeting.

Additional Funds for  
STS Construction Fund

Cost Estimate No. 8

Mr. Arthur T. Devine reported that IPP's Construction Cost Estimate No. 8 contained an increase of approximately \$20 million for the STS. This increase results in a deficit of about \$15 million in the Construction Fund.

Mr. Devine recommended that about \$4.5 million available in the General Reserve Fund be transferred to the Construction Fund to make up some of the deficit and that additional make-up funds be considered at future meetings.

Resolution No. 1987-8

A motion was made by Mr. Dale Pohlman, seconded by Mr. Eldon A. Cotton, and unanimously carried that Resolution No. 1987-8 authorizing that the transfer of amounts in the General Reserve Fund of the Southern Transmission Project to the Construction Fund, be approved. A roll call vote was taken and all present voted unanimously that the resolution be adopted.

4. Matters relating to the  
Hoover Uprating Project

Project Report

Mr. Arthur T. Devine reported that at the August 12th meeting between Western and the Participants in the SCPPA Hoover Uprating Project, it was agreed that each Participant would meet individually with Western to work out power purchases to use up the excess credits resulting from the refunding by Western of prepayment construction costs by the Participants.

Mr. Devine informed the Board that refund checks for initial prepayments that accrued prior to SCPPA's financing will be received by Participants soon.

## Annual Budget Approval

Mr. Arthur T. Devine discussed the Hoover Upgrading Project Annual Budget for Power Supply Year No. 2, a copy of which had been included in the Authority's last mailing to Board members.

## Resolution No. 1987-9

A motion was made by Mr. Frederic Fletcher, seconded by Mr. Bill D. Carnahan, and unanimously carried that Resolution No. 1987-9 providing for the Annual Budget for Hoover Upgrading Project Power Supply Year beginning October 1, 1987, be approved. A roll call vote was taken and all present voted unanimously that the resolution be adopted.

### 5. Matters relating to the Mead-Phoenix Project

#### Project Report

Mr. Arthur T. Devine discussed the loan extension for the Mead-Phoenix Project. The loan expires December 1, 1987.

### 6. Executive Director's Report

Mr. Arthur T. Devine announced that Mr. Horace W. Rupp will be replacing Mr. Frank Salas as Los Angeles' Coordinator to SCPA. As Coordinator, Mr. Rupp automatically assumes the office of Assistant Secretary, according to Resolution No. 1982-8.

### 6. Presentation to Frank Salas

A motion made by Mr. Dale Pohlman, seconded by Mr. Joseph F. Hsu, and unanimously carried honoring Mr. Frank Salas for a job well done as Los Angeles' Coordinator to SCPA, was approved.

#### First Boston Presentation

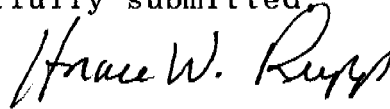
After distributing booklets, Mr. Bradford R. Higgins and Mr. Michael J. Mace of First Boston Corporation made a presentation regarding short-term financing.

7. Opportunity for the Public  
to Address the Board

President Gale A. Drews gave the public an opportunity to address the Board of Directors. No comments were made.

There being no further business, the meeting was adjourned at 11:45 a.m. The next regular meeting of the Authority will be held on October 7, 1987.

Respectfully submitted,



HORACE W. RUPP  
Assistant Secretary  
Southern California Public Power Authority

Attachments

cc: Board of Directors