

MINUTES OF THE JANUARY 15, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on January 15, 2004, at the Westin Hotel, 191 N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:48 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (M); Thomas K. Clarke, Colton (M); Ned Bassin, Glendale (A); Glenn O. Steiger, Imperial Irrigation District (M); Robert K. Rozanski, Los Angeles (A); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); Charles W. Montoya, Vernon (A).

Staffs present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; Therese Savery, Manger, SCPPA Investments, and Nina Sanchez, SCPPA Investments; Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen Cole, Fulbright & Jaworski.

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

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

2. Re-Election of Officers

Mr. Hsu moved that the Board re-elect President Davis and Vice-President Clarke, and re-appoint Secretary Vazquez, and Assistant Secretary/Treasurer/Auditor Carnahan.

The motion was seconded by Mr. Evans and unanimously approved.

3. Approval of Minutes

Ms. Currie moved to approve the minutes of the regular Board of Directors meeting held December 18, 2003. The motion was seconded by Mr. Montoya and approved, with Anaheim and Riverside abstaining.

4. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including the activities of the Ad Hoc Transmission & Distribution Engineering & Operating Committee.

The Board was asked to endorse the nomination of David Wright of Riverside Public Utilities, to serve on the Board of Directors of DEED (Association to Demonstrate Energy-Efficient Developments, a program of the American Public Power Association).

Mr. Clarke moved that the Board endorse the nomination of Mr. Wright. The motion was seconded by Ms. Currie and unanimously approved.

5. Finance and Accounting Manager's Report

Mr. Koehler reported on the January 5, 2004, meeting of the Finance Committee, including the status of the Mead-Phoenix/Mead-Adelanto refundings, and the status of the Request for Qualifications and Proposals for Underwriting Services.

He also presented the Investment Report for the period ended November 30, 2003, for receipt and filing, and reported on the Public Benefits Committee meeting of January 8.

6. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and gas reserves projects.

Mr. Robledo presented Resolution 2004-1, authorizing an agreement for training services provided by The Structure Group.

Mr. Montoya moved that Resolution 2004-1 be approved. The motion was seconded by Mr. Evans and unanimously approved.

Mr. Robledo led a discussion of the proposed Innovative Electric Technology Project. He was instructed to proceed with a request for proposals for possible projects. Glendale stated that they might not participate.

7. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed upcoming APPA Legislative Rally and congressional visits planned for February 1-4, 2004.

The Board was asked to support APPA resolutions proposed by the Los Angeles Department of Water and Power. Mr. Evans moved that the Board express support for the resolutions. The motion was seconded by Mr. Steiger and unanimously approved.

8. Project Administrator's Report

Mr. Homer referenced the written reports, presented a budget comparison report for the Hoover Upgrading Project, and reported on current issues at the projects. He distributed the Palo Verde Triennial Report for the period 2001 through 2003, updated ten-year forecasts for all projects, and the latest Rate Comparison Charts, which in the future will be available on the SPPA website.

At this point, the Board recessed for lunch.

9. Adjournment

There being no further business, the meeting was adjourned at 1:35 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE FEBRUARY 19, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on February 19, 2004, at the Westin Hotel, 191 N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:38 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Jeannette Olko, Colton (A); Ignacio R. Troncoso, Glendale (M); Glenn O. Steiger, Imperial Irrigation District (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Donna Stevener, Riverside (A); Jorge C. Samoano, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; Therese Savery, SCPPA Investments; Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen Cole, of Fulbright & Jaworski; and Ericka Curls-Bartling, of Curls Bartling.

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

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

2. Approval of Minutes

Ms. Currie moved to approve the minutes of the Regular Meeting held January 14, 2004. The motion was seconded by Mr. Hsu and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights, including the status of the Mead-Phoenix/Mead-Adelanto refunding and the recent trip to Washington, D.C., for the American Public Power Association (APPA) Legislative Rally.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the February 9, 2004, meeting of the Finance Committee, including the status of the Mead-Phoenix/Mead-Adelanto refinancing, and the status of the Request for Qualifications and Proposals for Underwriting Services.

He also presented the Financial Statements and the Investment Report for the period ended December 31, 2003, for receipt and filing, and reported on the Ad Hoc Customer Service Committee meeting of January 22, 2004.

Mr. Koehler presented Resolution 2004-2, authorizing actions related to the issuance of the Mead-Adelanto Project Revenue Bonds, 2004 Series A, and Resolution 2004-3, authorizing continuing disclosure.

Ms. Currie moved that Resolution 2004-2 and Resolution 2004-3 be approved. The motion was seconded by Mr. Vazquez and approved by project roll call vote, with Cerritos absent and Vernon present but not voting.

Mr. Koehler presented Resolution 2004-4, authorizing actions related to the issuance of the Mead-Phoenix Project Revenue Bonds, 2004 Series A, and Resolution 2004-5, authorizing continuing disclosure.

Ms. Currie moved that Resolution 2004-2 and Resolution 2004-3 be approved. The motion was seconded by Mr. Troncoso and approved by project roll call vote, with Cerritos absent and Vernon present but not voting.

Mr. Koehler presented Resolution 2004-6, authorizing an agreement with Braun & Blaising on behalf of Colton. Ms. Olko moved that Resolution 2004-6 be approved. The motion was seconded by Ms. Currie and unanimously approved.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and gas reserves projects, and the Innovative Electric Technology Project.

6. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed the APPA Legislative Rally and Congressional visits held February 1-4, 2004.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

Mr. Homer presented Resolution 2004-7, authorizing Amendment No. 1 to the Burbank Interconnection Agreement (Magnolia). Mr. Noller moved that Resolution 2004-7 be approved. The motion was seconded by Mr. Troncoso and approved by project roll call vote, with Cerritos absent, Azusa, Banning, Imperial, and Vernon present but not voting, and Los Angeles, and Riverside abstaining.

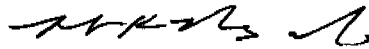
8. Honorary Resolution

President Davis presented a resolution honoring past President Kenneth J. DeDario upon his retirement, and thanking him for his many years of service on the SCPPA Board of Directors.

9. Adjournment

There being no further business, the meeting was adjourned at 11:20 a.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE MARCH 18, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on March 18, 2004, at the Westin Hotel, 191 N. Los Robles Avenue, Pasadena, California.

The meeting was called to order at 10:45 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Tour, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Thomas K. Clarke, Colton (M); Ignacio R. Troncoso, Glendale (M); Frank M. Barbera, Imperial Irrigation District (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); and Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski; and Ericka Curls-Bartling of Curls Bartling.

Also present was Steve Badgett, City of Riverside.

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

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

2. Approval of Minutes

Mr. Noller moved to approve the minutes of the regular meeting held February 19, 2004. The motion was seconded by Mr. Montoya, and unanimously approved, with Colton and Riverside abstaining.

3. Executive Director's Report

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

Mr. Carnahan presented Resolution No. 2004-8, authorizing an agreement with Plan b Solutions for benchmarking consulting services related to the Ad Hoc Transmission and Distribution Engineering and Operating Committee. Mr. Badgett described the committee's plan for the benchmarking study.

Mr. Evans moved that Resolution No. 2004-8 be approved. The motion was seconded by Mr. Vazquez and unanimously approved.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the March 1, 2004, meeting of the Finance Committee, including the status of the Mead-Phoenix/Mead-Adelanto refinancing. He also presented the Investment Report for the month ended January 31, 2004, for receipt and filing, and reported on the Ad Hoc Customer Service Committee meeting of March 11, 2004.

Mr. Koehler presented the Finance Committee's selections for the Underwriter Pool, consisting of Bear Stearns & Co., Citigroup Global Markets, Goldman Sachs & Co., JPMorgan, Loop Capital Markets, Merrill Lynch, Samuel A. Ramirez & Co., Siebert Brandford Shank & Co., Stone & Youngblood, and UBS Financial Services.

Mr. Hsu moved that the proposed Underwriter Pool be approved. The motion was seconded by Mr. Clarke and unanimously approved.

Mr. Koehler presented an updated agreement for Co-Bond Counsel, reflecting the name change to Curls Bartling LLP. All provisions remain the same.

Mr. Currie moved that the updated agreement be approved. The motion was seconded by Mr. Hsu and unanimously approved.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and natural gas reserves projects.

Mr. Robledo presented Resolution No. 2004-9, authorizing extension of consulting services provided by Henwood Energy Services to certain members.

Ms. Currie moved that Resolution No. 2004-9 be approved. The motion was seconded by Mr. Montoya and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed plans for the upcoming Congressional Staff Tour.

Mr. Noller discussed AB 2002, regarding exit fees for annexation.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

Mr. Homer presented Resolution No. 2004-10, authorizing execution of Amendment No. 2 to the Magnolia Site Lease and Services Agreement between SCPPA and Burbank.

Mr. Troncoso moved that Resolution No. 2004-10 be approved. The motion was seconded by Mr. Brar, and approved by project roll call vote, with Azusa, Banning, Imperial and Vernon present but not voting, and Los Angeles and Riverside abstaining.

Mr. Homer reviewed the Quarterly Budget Comparisons for the quarter ending December 31, 2003.

8. Adjournment

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE APRIL 15, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on April 15, 2004, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:40 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Thomas K. Clarke, Colton (M); Ignacio R. Troncoso, Glendale (M); Glenn O. Steiger, IID (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Donna L. Stevener, Riverside (A); and Charles Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; Luan Nguyen, LADWP Nuclear Group; and Paciencia Dungo, Joan Ilagan, Mario Ignacio, and Therese Savery, LADWP Finance and Accounting.

Attorneys and consultants present included: Stephen Cole, Fulbright & Jaworski; and Ericka Curls-Bartling, Curls Bartling.

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

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

2. Approval of Minutes

Ms. Currie moved to approve the minutes of the Regular Meeting held March 18, 2004 (as amended). The motion was seconded by Mr. Montoya, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights. He discussed plans for the Congressional Staff Tour, and the status of the Request for Qualifications and Proposals for General Counsel Services.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the April 5, 2004, meeting of the Finance Committee, including the status of the Mead-Phoenix/Mead-Adelanto refinancing. He also presented the Investment Report for February 2004 for receipt and filing.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on a meeting of the Resource Planning, including status of the landfill gas and natural gas reserves projects.

Resolution 2004-11 regarding the gas reserves project was tabled.

6. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed plans for the upcoming Congressional Staff Tour.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects, including the status of planned outages at both Palo Verde and San Juan Unit 3.

Mr. Homer discussed the SCPPA Participant tour of San Juan Unit 3, and Mr. Toor gave his impressions.

8. Honorary Resolution

President Davis presented an honorary resolution to Paciencia Dungo, who is retiring as Manager of SCPPA Accounting, thanking her for her many years of service to SCPPA and the members.

At this point the Board adjourned for lunch.

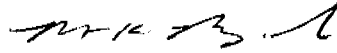
9. Budget Review

Upon returning to open session, the Board reviewed the draft 2004/2005 Administrative and General Expense Budget, which will be presented for approval in May.

10. Adjournment

There being no further business, the meeting was adjourned at 12:59 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE MAY 20, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on May 20, 2004, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:36 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Thomas K. Clarke, Colton (M); Ruwen Liu, Glendale (A); Glenn O. Steiger, Imperial Irrigation District (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; Luan Nguyen, LADWP Nuclear Group; and Therese Savery, LADWP SCPPA Finance and Accounting.

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski; Ericka Curls-Bartling of Curls Bartling.

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

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

2. Approval of Minutes

Ms. Currie moved to approve the minutes of the Regular Meeting held April 15, 2004. The motion was seconded by Mr. Vazquez, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights. He discussed plans for the 2004 Congressional Staff Tour, and the status of the Request for Qualifications and Proposals for General Counsel.

Mr. Carnahan presented Resolution No. 2004-12, authorizing delegation of authority to select General Counsel for the Authority. Mr. Evans moved that Resolution No. 2004-12 be approved. The motion was seconded by Mr. Hsu and unanimously approved.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the May 3, 2004, meeting of the Finance Committee, including the projected results of the Mead-Phoenix/Mead-Adelanto refinancing. He also presented the Financial Statements and the Investment Report for the quarter ending March 31, 2004, for receipt and filing.

Mr. Koehler presented Resolution No. 2004-13, approving the Administrative and General Expense Budget. Mr. Clarke moved that Resolution No. 2004-13 be approved. The resolution was seconded by Mr. Montoya and unanimously approved.

Mr. Koehler presented Resolution No. 2004-114, approving the Legislative Advocacy – General Budget. Mr. Vazquez moved that Resolution No. 2004-14 be approved. The motion was seconded by Ms. Currie, and unanimously approved.

Mr. Koehler moved that Resolution No. 2004-15, approving the Legislative Advocacy – Government Affairs Budget (Sacramento) be approved. Mr. Hsu moved that Resolution No. 2004-15 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Koehler presented Resolution No. 2004-16, approving the Restructuring (Regulatory) Budget. Ms. Currie moved that Resolution No. 2004-16 be approved. The motion was seconded by Mr. Steiger and unanimously approved.

Mr. Koehler reported on the May 13, 2004, meeting of the Ad Hoc Customer Service Committee.

Mr. Koehler presented Resolution No. 2004-17, approving an agreement with R.W. Beck to provide SCE retail rate forecast services for Anaheim and Pasadena. Ms. Currie moved that Resolution No. 2004-17 be approved. The motion was seconded by Mr. Noller and unanimously approved.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and gas reserves projects. The updated Summary of Public Benefits Programs was distributed.

Mr. Robledo presented Resolution No. 2004-18, declaring a new study project, and authorizing the execution of a Natural Gas Project Development Agreement among the Authority, Anaheim, Burbank, Colton, Glendale Los Angeles, Pasadena, Redding, the Turlock Irrigation District and the Southern Nevada Water Authority. Mr. Toor moved that Resolution No. 2004-18 be approved. The motion was seconded by Mr. Noller and unanimously approved, with Riverside abstaining.

At this point (11:25 a.m.) the meeting was interrupted by a fire drill. The meeting recessed while all present left the building. The meeting resumed at 11:45 a.m., with several items being taken out of order.

Mr. Robledo presented Resolution No. 2004-19, authorizing work to begin on a financing for the acquisition of natural gas reserves. Mr. Clarke moved that Resolution No. 2004-19 be approved. The motion was seconded by Mr. Noller and approved by Gas Project Roll Call Vote, with Cerritos absent, Vernon present but not voting, and Azusa, Banning, Imperial and Riverside abstaining.

Mr. Koehler presented Resolution No. 2004-20, authorizing an agreement with Manatt Phelps & Phillips for legal services related to the Natural Gas Reserves Study Project. Ms. Currie moved that Resolution No. 2004-20 be approved. The motion was seconded by Mr. Vazquez and approved by Gas Project Roll Call Vote, with Cerritos absent, Azusa and Vernon present but not voting, and Banning, Imperial and Pasadena abstaining.

6. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed plans for the upcoming Congressional Staff Tour.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects, including the completion of planned outages at both Palo Verde and San Juan Unit 3.

Mr. Homer presented the Quarterly Budget Comparisons for the quarter ending March 31 for Palo Verde, San Juan, Hoover, STS, Mead-Adelanto and Mead-Phoenix.

Mr. Homer presented Resolution No. 2004-21, approving the budget for the Mead-Adelanto Project. Mr. Hsu moved that Resolution No. 2004-21 be approved. The motion was seconded by Mr. Montoya and approved by Project Roll Call Vote, with Cerritos absent.

Mr. Homer presented Resolution No. 2004-22, approving the budget for the Mead-Phoenix Project. Mr. Clarke moved that Resolution No. 2004-22 be approved. The motion was seconded by Mr. Toor and approved by Project Roll Call Vote, with Cerritos absent and Imperial present but not voting.

Mr. Homer presented Resolution No. 2004-23, approving the budget for the Palo Verde Project. Ms. Currie moved that Resolution No. 2004-23 be approved. The motion was seconded by Mr. Vazquez and approved by Project Roll Call Vote, with Cerritos absent and Anaheim present but not voting.

Mr. Homer presented Resolution No. 2004-24, approving the budget for the San Juan Unit 3 Project. Mr. Hsu moved that Resolution No. 2004-24 be approved. The motion was seconded by Mr. Toor, and approved by Project Roll Call Vote, with Cerritos absent, Anaheim, Burbank, Pasadena, and Vernon present but not voting, and Los Angeles and Riverside abstaining.

Mr. Homer presented Resolution No. 2004-25, approving the budget for the Southern Transmission System Project. He noted that the budget being approved was different to the one mailed out due to last minute changes received from Intermountain. The budget to be

approved was in the Board Folders and was marked "Final Version" in the upper right corner of the cover page. Mr. Vazquez moved that Resolution No. 2004-25 be approved. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Cerritos absent, and Azusa, Banning, Colton, Imperial and Vernon present but not voting.

8. Closed Session

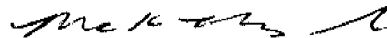
At this point the Board went into closed session to discuss the terms of the employment agreement with the Executive Director.

Upon returning to open session, President Davis announced that a new contract was approved.

9. Adjournment

There being no further business, the meeting was adjourned at 2:02 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE JULY 15, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on July 15, 2004, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:36 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (M); Thomas K. Clarke, Colton (M); Ignacio Troncoso, Glendale (M); Frank Barbera, Imperial Irrigation District (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Charles Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Steven L. Homer, Craig A. Koehler, and Geri L. Mitchell, and Manuel A. Robledo; Luan Nguyen, LADWP Nuclear Group; Therese Savery, LADWP/SCPPA Accounting and Investments.

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski; Ericka Curls-Bartling of Curls Bartling.

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

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

2. Approval of Minutes

Mr. Hsu moved to approve the minutes of the Regular Meeting held May 20, 2004. The motion was seconded by Ms. Currie, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights. He discussed the completion of the Request for Qualifications and Proposals for General Counsel. He introduced Richard Helgeson, who will start August 17, 2004.

Mr. Carnahan discussed preliminary plans for the annual strategic planning meeting, to be held October 19-22 at La Quinta Resort in La Quinta, California.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the June 2 and July 7, 2004, meetings of the SCPPA Finance Committee, and presented the Investment Report for the month ending April 30, 2004, for receipt and filing.

Mr. Koehler presented the Ad Hoc Customer Service Committee's completed "Benchmarking Study on Best Practices for Customer Service." Committee Chair Chris Spahr and Klaus Meister (both from Riverside Public Utilities) explained the study and results, and answered questions.

Mr. Carnahan commended the Committee's work and urged the individual cities to use the information to improve their operations, and to continue refining the process.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and natural gas reserves projects. He reported that the Natural Gas Reserves Project Development Agreement was ready for execution, and that the Coordinating Committee would hold its first meeting in the near future.

Mr. Robledo presented Resolution No. 2004-26, authorizing SCPPA to join the American Council on Renewable Energy (ACORE) for a one-year term.

Mr. Troncoso moved that Resolution No. 2004-26 be approved. The motion was seconded by Mr. Brar and unanimously approved.

Mr. Robledo presented Resolution No. 2004-27, authorizing dissolution of the Resource Planning Committee. Discussion followed on the benefits of dissolving the current standing committee, which reports to the Board, and forming a similar, but more informal, committee to advise the Executive Director.

Mr. Vazquez moved that Resolution No. 2004-27 be approved. The motion was seconded by Mr. Montoya and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown reported on legislative activities in Sacramento and Washington, D.C., and discussed the upcoming American Public Power Association (APPA) conference on the Regional Transmission Organization issue in Washington, D.C., in September. Mr. Carnahan agreed to circulate a draft SCPPA position paper.

Ms. Brown recapped the Congressional Staff Tour, which had the largest turnout to date, both from the D.C. side and the member cities. Feedback was overwhelmingly positive.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects, including the outages at both Palo Verde and Hoover, and derates at San Juan Unit 3.

8. Honorary Resolution

President Davis presented a resolution honoring Vice President Tom Clarke, and thanking him for his many years of service.

9. Election of Vice President

Mr. Toor nominated Ms. Currie for the office of Vice President vacated by Mr. Clarke. The nomination was seconded by Mr. Vazquez, and Ms Currie was unanimously elected.

10. Adjournment

There being no further business, the meeting was adjourned at 11:55 a.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE AUGUST 19, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on August 19, 2004, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:36 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (M); Ignacio R. Troncoso, Glendale (M); Glenn O. Steiger, IID (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); Thomas P. Evans, Riverside (M); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Richard M. Helgeson, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell; and Manuel A. Robledo; and Joan Ilagan, LADWP/SCPPA Accounting.

Attorneys and consultants present included: Stephen Cole, Fulbright & Jaworski; Ericka Curls-Bartling, Curls Bartling.

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

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

2. Approval of Minutes

Mr. Vazquez moved to approve the minutes of the Regular Meeting held July 15, 2004. The motion was seconded by Mr. Troncoso, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights. He discussed the recent public forum held in Riverside by the CMUA Energy Policy Committee regarding governmental conservation programs.

Mr. Carnahan presented Resolution No. 2004-28, authorizing collection and payment of annual dues to the American Public Power Association on behalf of the Members.

Mr. Troncoso moved that Resolution No. 2004-28 be approved, with the addition of a paragraph regarding concern with the current rate structure. The motion was seconded by Ms. Currie and unanimously approved.

Following discussion, Mr. Evans suggested that the Legislative Policy Committee begin to meet.

Mr. Carnahan discussed preliminary plans for the annual strategic planning meeting, to be held October 19-22, 2004, in La Quinta.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the August 2, 2004, meeting of the Finance Committee, and presented the Investment Report for the month ended May 31, 2004, and the quarter ended June 20, 2004, for receipt and filing.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Public Benefits Committee and the resource planners, including status of the Landfill Gas and Natural Gas Reserves projects. He reported that the Natural Gas Reserves Project Development Agreement had been executed by all the participants, and that the Gas Coordinating Committee had begun to meet.

6. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C.


7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

8. Adjournment

There being no further business, the meeting was adjourned at 11:45 a.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE SEPTEMBER 16, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on September 16, 2004, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:42 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Ignacio R. Troncoso, Glendale (M); Ronald O. Vazquez, Los Angeles (M); N. Jay Panzica, Pasadena (A); Donna Stevener, Riverside (A); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Richard M. Helgeson Steven L. Homer, Craig A. Koehler; Geri L. Mitchell; and Manuel A. Robledo; Therese Savery, Manager of SCPPA Accounting; Joan Ilagan, LADWP/SCPPA Finance and Accounting; and Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen Cole, Fulbright & Jaworski.

Also present were Gerald R. Zimmerman and Christopher S. Harris, of the State of California Colorado River Board.

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

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

2. Approval of Minutes

Mr. Hsu moved to approve the minutes of the Regular Meeting held August 19, 2004. The motion was seconded by Mr. Montoya, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights. He updated the Board on the American Public Power Association seminar on Federal Energy Regulatory Commission and Regional Transmission Organization issues in Washington, D.C.

Mr. Carnahan discussed plans for the annual strategic planning meeting, to be held October 19-22, 2004, in La Quinta.

4. Finance and Accounting Manager's Report

Mr. Koehler presented the annual report and audited financial statements for the period July 1, 2003, through June 30, 2004, in substantially their final form. President Davis complimented the document on its improved readability. Mr. Vazquez moved that the Board receive and file the audited financial statements. The motion was seconded by Mr. Panzica and unanimously approved.

Mr. Koehler reported on the September 7, 2004, meeting of the Finance Committee, and presented the Investment Report for the month of July, 2004, for receipt and filing.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the Landfill Gas to Energy and Natural Gas Reserves projects.

Mr. Robledo presented Resolution No. 2004-29, authorizing a consulting agreement with Phoenix Consulting to provide an educational workshop regarding the California Independent System Operator's Market Redesign and Technology Upgrade. Mr. Montoya moved that Resolution No. 2004-29 be approved. The motion was seconded by Mr. Toor and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

Mr. Homer presented Resolution No. 2004-30, approving the annual budget for the Hoover Uprating Project for Fiscal Year 2004/05. Mr. Hsu moved that Resolution No. 2004-30 be approved. The motion was seconded by Mr. Panzica and approved by Project Roll Call Vote, with Cerritos and Glendale present but not voting, Los Angeles abstaining, and Imperial and Vernon absent.

At this point, the Board recessed for lunch.

8. Lower Colorado Multi-Species Conservation Program Cost Sharing Agreement

Following lunch, Mr. Zimmerman and Mr. Harris, from the Colorado River Board of California, provided an overview of the status of the Lower Colorado River Multi-Species Conservation Program and its funding requirements.

Discussion followed regarding appropriate methods of determining cost sharing levels among the Federal Government, water users, power users, recreational users, etc. The Board also discussed various possibilities of collection, including asking Western to add the cost to the power bills, paying through SCPPA for all members, or just the SCPPA-financed upraters. Further discussion and eventual negotiations will be needed.

9. **Adjournment**

There being no further business, the meeting was adjourned at 1:52 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rozanski", with a stylized flourish at the end.

Robert K. Rozanski
Assistant Secretary

MINUTES OF THE OCTOBER 21, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A special meeting of the Board of Directors was held on October 21, 2004, at the La Quinta Resort, 49-499 Eisenhower Drive, La Quinta, California.

The meeting was called to order at 8:42 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Jeannette Olko, Colton (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (M); Ignacio R. Troncoso, Glendale (M); Glenn O. Steiger, Imperial (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Curric, Pasadena (M); David Wright, Riverside (A); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Richard M. Helgeson, Steven L. Homer, Craig A. Kochler, Geri L. Mitchell, and Manuel A. Robledo; Therese Savery, Manager of SCPPA Accounting; and Joan Ilagan, LADWP/SCPPA Accounting.

Attorneys and consultants present included: Stephen Cole, Fulbright & Jaworski.

Also present were: Randy Howard and John Schumann, Los Angeles Department of Water and Power.

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

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

2. Approval of Minutes

Mr. Troncoso moved to approve the minutes of the Regular Meeting held September 16, 2004. The motion was seconded by Mr. Hsu, and unanimously approved.

3. Executive Director's Report

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

Mr. Howard gave the Board an overview of the status of the Natural Gas Reserves Project, and reported on the recent trip to Houston and Denver.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the October 4 meeting of the Finance Committee, and presented the Investment Report for the month of August, 2004, for receipt and filing.

Mr. Koehler presented Resolution 2004-31, authorizing an amendment to a Standby Bond Purchase Agreement with respect to the 2000A STS bonds. Mr. Troncoso moved that Resolution 2004-31 be approved. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Azusa, Banning, Cerritos, Colton and Vernon present but not voting.

Mr. Koehler presented Resolution 2004-32, authorizing the Working Group to proceed with document preparation for an interest rate swap related to the STS Project. Ms. Currie moved that Resolution No. 2004-32 be approved. The motion was seconded by Mr. Troncoso and approved by Project Roll Call Vote, with Azusa, Banning, Cerritos, Colton and Vernon present but not voting.

Mr. Koehler reported on the September 8, 2004, meeting of the Customer Service Committee.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and gas reserves projects.

Approval of Resolution No. 2004-33 was deferred.

6. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C. She commented on the continuing value of contacts made during the Congressional Staff Tours.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

Mr. Homer presented the Budget Comparison Reports for the period ending June 30, 2004, for the Hoover, Mead-Phoenix, Mead-Adelanto, Palo Verde, San Juan Unit 3, and Southern Transmission System Projects.

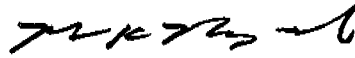
8. Strategic Planning

The Board discussed strategic planning issues.

9. Adjournment

There being no further business, the meeting was adjourned at 5:00 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Rozanski', with a stylized flourish at the end.

Robert K. Rozanski
Assistant Secretary

MINUTES OF THE NOVEMBER 18, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on November 18, 2004, at the offices of the Authority, 225 S. Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:45 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Kenneth S. Noller, Anaheim (A); Joseph F. Hsu, Azusa, (M); Paul Toor, Banning (M); Jeannette Olko, Colton (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (M); Ignacio R. Troncoso, Glendale (M); Glenn O. Steiger, Imperial (M); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); David H. Wright, Riverside (A); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Richard M. Helgeson, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; and Therese Savery, Manager of SCPPA Accounting.

Attorneys and consultants present included: Stephen T. Cole of Fulbright & Jaworski, and Ericka Curls-Bartling of Curls Bartling.

Also present during lunch were Mark Ward and Walter Hall of the Los Angeles Department of Water and Power.

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

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

2. Approval of Minutes

Mr. Vazquez moved to approve the minutes of the Regular Meeting held October 21, 2004. The motion was seconded by Ms. Currie, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights, including the Northern California Power Agency strategic planning session he attended.

Mr. Carnahan presented Resolution 2004-34, authorizing the execution of a lease and subleases for office space in Sacramento for the Government Affairs Office. Ms. Currie moved that Resolution 2004-34 be approved. The motion was seconded by Mr. Steiger and unanimously approved.

4. Finance and Accounting Manager's Report

Mr. Kochler reported on the November 1, 2004, meeting of the Finance Committee, and presented the Investment Report for the month of September, 2004, for receipt and filing.

Mr. Koehler presented Resolution 2004-35, authorizing an interest rate swap agreement with JPMorgan Chase Bank for the STS Project, and an associated fee agreement with Public Financial Management. Mr. Wright moved that Resolution 2004-35 be approved. The motion was seconded by Mr. Vazquez and approved by project roll call vote, with Azusa, Banning, Cerritos, Colton and Vernon present but not voting.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Resource Planning and Public Benefits Committees, including status of the landfill gas and gas reserves projects, and a proposed geothermal project.

Mr. Robledo presented Resolution 2004-36 authorizing an agreement with Ryerson, Master and Associates to provide independent verification services for the California Climate Registry program to the cities of Anaheim, Burbank, Glendale, and Pasadena. Ms. Currie moved that Resolution 2004-36 be approved. The motion was seconded by Mr. Troncoso and unanimously approved.

Mr. Robledo presented Resolution 2004-37, authorizing SCPA to assume control of programs coordinated by the Southern California Utility Power Pool (SCUPP) and to retain the firm of Hanna and Morton, LLP to provide legal services related to governmental regulation associated with generation fuel supplies. Mr. Montoya moved that Resolution 2004-37 be approved. The motion was seconded by Mr. Toor and unanimously approved.

Mr. Robledo presented Resolution 2004-33, approving the basic terms and provisions of the Gas Sales Agreements for the Natural Gas Project. Mr. Toor moved that Resolution 2004-33 be approved. The motion was seconded by Ms. Currie and approved by project roll call vote, with Azusa, Banning, Cerritos, Imperial, Riverside and Vernon present but not voting, and Los Angeles abstaining.

6. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects, including the proposed work on the San Juan Unit 3 cooling tower.

8. Closed Session

The Board went into closed session to discuss litigation regarding the San Juan Unit 3 Project. No action was taken.

9. Load Control Area Operators' Update

During lunch, the Board heard an update from Imperial Irrigation District and Los Angeles Department of Water and Power regarding load control area issues.

10. Adjournment

There being no further business, the meeting was adjourned at 1:47 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary

MINUTES OF THE DECEMBER 16, 2004
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on December 16, 2004, at the Westin Hotel, located at 191 N. Los Robles Avenue in Pasadena, California.

The meeting was called to order at 10:41 a.m. by President Ronald E. Davis.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Mark E. Mazak, Anaheim (A); Bob Tang, Azusa, (A); Paul Toor, Banning (M); Jeannette Olko, Colton (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Ruwen Liu, Glendale (A); Frank M. Barbera, Imperial (A); Ronald O. Vazquez, Los Angeles (M); Phyllis E. Currie, Pasadena (M); David H. Wright, Riverside (A); Charles W. Montoya, Vernon (A).

Staff present were: Executive Director Bill D. Carnahan; SCPPA staff members Phyllis H. Brown, Richard M. Helgeson, Steven L. Homer, Craig A. Koehler, Geri L. Mitchell, and Manuel A. Robledo; Therese Savery, Manager of SCPPA Accounting; Joan Ilagan, SCPPA Accounting; and Luan Nguyen, LADWP Nuclear Group.

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski, LLP; and Erika Curls-Bartling, of Curls Bartling LLP.

Also present was Steve Badgett, Riverside Public Utilities.

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

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

2. Approval of Minutes

Mr. Wright moved to approve the minutes of the Regular Meeting held November 18, 2004, as amended. The motion was seconded by Ms. Currie, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report, and discussed the highlights, including the new office space in Sacramento for the Government Affairs Office.

Mr. Badgett updated the Board on the work of the Ad Hoc Transmission & Distribution Engineering & Operations Committee on a benchmarking study.

4. Finance and Accounting Manager's Report

Mr. Kochler reported on the December 6, 2004, meeting of the Finance Committee, and presented the unaudited financial statements for the quarter ended September 30, 2004, and the investment reports for the quarter ended September 30, 2004, and for the month of October 2004, for receipt and filing.

5. Energy Systems Manager's Report

Mr. Robledo referenced his written report, and reported on meetings of the Public Benefits Committee and the resource planning group, including status of the landfill gas and gas reserves projects.

Vice President Currie suggested inviting Electric Power Research Institute (EPRI) to come to a Board meeting to discuss their renewables programs.

6. Government Affairs Manager's Report

Ms. Brown updated her written report, and discussed legislative activities in Sacramento and Washington, D.C.

7. Project Administrator's Report

Mr. Homer referenced the written reports and reported on current issues at the projects.

The Board agreed that the overcollection for fiscal year 2003/04 for the Palo Verde Project should be credited back to the participants on their January and February 2005 bills, as recommended by the Finance Committee. It was noted that this would be an opportunity to put funds into the Participants' Projects' Stabilization Accounts, if desired.

Mr. Homer presented Resolution No. 2004-38, approving the three budgets for the Magnolia Power Project (Combined, Project A, and Project B). Mr. Homer pointed out that these budgets covered start-up fuel for the testing period, and operation, maintenance, and administrative costs for the operating period beginning in May. Fuel costs for the operating period were not included, and a revised budget will be presented once all the issues are resolved.

Ms. Currie moved that Resolution No. 2004-38 be approved. The motion was seconded by Mr. Mazak and approved by Project Roll Call Vote, with Azusa, Banning, Imperial, Riverside, and Vernon present but not voting, and Los Angeles abstaining.

Mr. Homer presented the First Quarter Budget Comparisons for Mead-Adclanto, Mead-Phoenix, Palo Verde, San Juan Unit 3, STS, and the Annual Budget Comparison for Hoover.

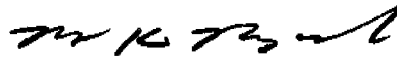
8. **Legislative Briefing**

During lunch, the Board heard an update from Gregg Cook and Deborah Sliz on the recent elections and legislative issues in Sacramento and Washington, D.C.

9. **Adjournment**

There being no further business, the meeting was adjourned at 1:53 p.m.

Respectfully submitted,



Robert K. Rozanski
Assistant Secretary