

MINUTES OF THE JANUARY 16, 1987,
SPECIAL MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A special meeting of the Board of Directors was held on January 16, 1987, at 1:30 p.m. at the City Hall Building of the City of Glendale, 613 E. Broadway, Personnel Department, Room 100, Glendale, California 91205. The agenda is attached.

The meeting was called to order at 1:58 p.m. by Mr. Gale A. Drews, President. All members were present with the exception of the representatives from the cities of Anaheim, Azusa and Banning.

1. Palo Verde 1987 Refunding
Series A Bond Sale

Mr. Arthur T. Devine discussed the presently existing circumstances which support the decision of a bond sale, including a good market, no negative arbitrage and a favorable supply picture.

Mr. Devine introduced Mr. Michael W. Giffard of James J. Lowrey & Co., who gave a brief history of the negotiations which led up to the present Palo Verde refunding sale.

Mr. John O'Brien and Ms. Margaret L. Chan of Salomon Brothers passed out bid booklets to Board members and explained its contents.

Mr. Michael W. Giffard recommended acceptance of the bid from the underwriters. Members of the Finance Committee concurred with Mr. Giffard's evaluation of the bid.

Resolution Nos. 1987-1 and 1987-2

Mr. Edward W. Long briefly explained Resolution Nos. 1987-1 and 1987-2 to the Board.

Resolution No. 1987-1

A motion was made by Mr. Norman E. Nichols, seconded by Mr. James Harmon approving a Ninth Supplemental Indenture of Trust and authorizing the issuance of \$352,645,000 aggregate principal amount of Power Project Revenue Bonds, 1987 Refunding Series A; authorizing the execution and delivery of a Purchase Contract and Official Statement in connection therewith; appointing a paying agent; authorizing certain related actions; directing the requisition of certain moneys from the Construction Fund and the transfer of certain moneys from the Note Fund; and authorizing the Officers of the Authority to do all other things deemed necessary or advisable, be adopted. A roll call vote was held and all present voted unanimously that the resolution be adopted.

Resolution No. 1987-2

A motion was made by Mr. Henry C. Lee, seconded by Mr. Lewis Adams and unanimously carried with respect to registration and qualification of Power Project Revenue Bonds, 1987 Refunding Series A, under Blue Sky laws of various states.

Copies of both Resolution Nos. 1987-1 and 1987-2 were furnished to Board members.

Financial Advisor's Fee

Included in today's meeting folders were copies of a memorandum and revised executed agreement concerning financial compensation for James J. Lowrey & Co. for services rendered regarding the Palo Verde 1987 refunding bond sale. This written agreement, which is subject to ratification by the entire Board, was unanimously approved.

2. Other Business

Mr. Arthur T. Devine reminded Board members there will be a regular meeting of the Board of Directors on February 4, 1987.

There being no further business, the meeting was adjourned at 2:38 p.m.

Respectfully submitted,



FRANK SALAS
Assistant Secretary
Southern California Public Power Authority

Attachments

cc: Board of Directors

MINUTES OF THE FEBRUARY 4, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The regular meeting of the Board of Directors was held on February 4, 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 10:10 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.

The meeting began with a request from Mr. Drews that each member of the assembly introduce himself inasmuch as newly appointed alternate Board members were present for the first time.

1. Approval of the Minutes
for the Meetings of
October 1, 1986, November 20,
1986, and January 16, 1987.

A motion was made by Mr. W. E. Cameron, seconded by Mr. Bruce V. Malkenhorst, and unanimously carried that the minutes of the regular meeting of October 1, 1986; the special meeting of November 20, 1986; and, the special meeting of January 16, 1987; be approved.

2. Matters relating to
the Palo Verde Project.

Project Report

Mr. Eldon A. Cotton introduced Mr. Robert C. Burt, Engineer of System Services for the Los Angeles Department of Water and Power, who reviewed the Palo Verde Project Report using the handout he furnished Board members.

U. S. Committee for
Energy Awareness

Mr. Devine referred to the annual membership and contribution of \$3,261.00 for calendar year 1987 and recommended participation by the Authority with funds to come from the Palo Verde Project. Information regarding the USCEA was included in the last mailing received by Board members.

A motion was made by Mr. Bruce V. Malkenhorst, seconded by Mr. William D. Carnahan, and unanimously carried that participation by the Authority for the year 1987 be approved and the ensuing assessment of \$3,261.00 be paid from the Palo Verde Project Operating Fund.

California Radioactive
Materials Management Forum

Mr. Arthur T. Devine recommended the Authority not continue membership in the California Radioactive Materials Management Forum primarily because the proposed pact between Arizona and California for disposal of low-level nuclear waste has never materialized and Arizona now appears headed for a compact with South Dakota.

A motion was made by Mr. Henry C. Lee, seconded by Mr. Joseph F. Hsu, and unanimously carried that the Authority not renew membership in the California Radioactive Materials Management Forum at this time.

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

According to Mr. Arthur T. Devine, the Finance Committee is considering a possible refunding of \$150 to \$200 million. The refunding is contingent upon market conditions over the next few weeks.

4. Matters relating to
the Hoover Upgrading Project

Mr. Arthur T. Devine reported that each of the six Hoover Upgrading participants' contracts have been executed by both parties.

In addition, approximately \$4 million has been paid to the Trustee for use by the Bureau of Reclamation as advance payment for the cost of upgrading for 1987.

5. Matters relating to
the Mead-Phoenix Project

Mr. Arthur T. Devine referred to the Management Committee Meeting on January 9th, which most of the Board members attended regarding the Mead/Adelanto Project.

According to Mr. Devine, Mead/Adelanto and Mead-Phoenix reports have been completed in draft form.

At the January 9th meeting, it was requested the Authority take formal action on the Mead/Adelanto Project in order to indicate interest by the Authority in the Project. Mr. Devine recommended action be taken to declare Mead/Adelanto a study project.

A motion was made by Mr. W. E. Cameron, seconded by Mr. Dale Pohlman, and unanimously carried that the Authority adopt the Mead/Adelanto Project as a study project.

6. Revised Contract for Rourke & Woodruff

Appointment of Interim General Counsel

Mr. Arthur T. Devine discussed the memo and Amendment to Agreement from Mr. Alan Watts of Rourke & Woodruff, which had been furnished to Board members for examination. The memo designates Mr. Watts special counsel and defines his legal duties and obligations to the Authority.

The Amendment to Agreement presented by Mr. Watts for approval at the meeting will adjust the cost of hourly rates for legal services performed.

The second item Mr. Devine asked the Board to consider is his appointment as the interim general counsel for the Authority. Mr. Devine, who was asked to serve as an interim general counsel, has agreed to do so with the occasional use of outside legal counsel as required.

A motion was made by Mr. Dale Pohlman, seconded by Mr. Eldon A. Cotton, and unanimously carried that the Amendment to Agreement, dated February 1, 1987, between Rourke & Woodruff and the Southern California Public Power Authority and the appointment of Mr. Arthur T. Devine as interim general counsel utilizing occasional outside legal counsel, to be selected by the Executive Committee, be approved.

7. Election of Officers

The election of officers for the 1987 Board of Directors took place under the direction of Mr. Arthur T. Devine.

Mr. Gale A. Drews and Mr. W. E. Cameron were again unanimously elected to the offices of president and vice-president, respectively.

The following were again appointed by unanimous acclamation to serve as the Authority's officers:

Mr. Eldon A. Cotton - Secretary

Mr. Frank Salas - Assistant Secretary

Mr. Arthur T. Devine - Executive Director/
Treasurer/Auditor

8. Brown Act

Mr. Arthur T. Devine commented on the new requirements, which went into effect under the Brown Act.

9. President Drews provided an opportunity for members of the public to address the Board. No members of the public availed themselves of the opportunity.

There being no further business, the meeting was adjourned at 11:30 a.m. The next regular meeting will be held on March 4, 1987.

Respectfully submitted,



FRANK SALAS
Assistant Secretary
Southern California Public Power Authority

Attachments
cc: Board of Directors

MINUTES OF THE MARCH 4, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

At 10:00 a.m., March 4, 1987, the Regular Meeting of the Southern California Public Power Authority was adjourned due to a lack of a quorum.

Respectfully submitted,



FRANK SALAS
Assistant Secretary

cc: Board of Directors

MINUTES OF THE APRIL 1, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

At 10:00 a.m., April 1, 1987, the Regular Meeting of the Southern California Public Power Authority was adjourned due to a lack of a quorum.

Respectfully submitted,



FRANK SALAS
Assistant Secretary

cc: Board of Directors

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

MINUTES OF THE JUNE 3, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

At 10:00 a.m., June 3, 1987, the Regular Meeting of the Southern California Public Power Authority was adjourned due to a lack of a quorum.

Respectfully submitted,



FRANK SALAS
Assistant Secretary

cc: Board of Directors

MINUTES OF THE JULY 1, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The regular meeting of the Board of Directors was held on July 1, 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 10:13 a.m. by Mr. Gale A. Drews, President. All members were present with the exception of the representatives from the cities of Anaheim and Banning.

The meeting began with a request from President Drews that each member of the assembly introduce himself inasmuch as the newest Board member, Mr. David C. Plumb, General Manager of the Pasadena Water and Power Department, was in attendance for the first time.

1. Approval of the Minutes
for the May 6, 1987,
Regular Meeting

A motion was made by Mr. Eldon A. Cotton, seconded by Mr. Lewis Adams, and unanimously carried that the minutes of the May 6, 1987, regular meeting, be approved.

2. Matters Relating to
the Palo Verde Project

Project Report

Mr. James E. Helt of the Los Angeles Department of Water and Power reported that on June 28th at 6:00 p.m. one of Unit 1's large circulating water pipes ruptured in the turbine building resulting in massive flooding.

Neither plant personnel nor public health was threatened by the failure, which did not involve any nuclear system.

Estimates revealed this outage would take from two weeks to two months to resolve.

Mr. Helt reported Unit 2 was operating well and was in its 23rd consecutive day of full-power operations.

Unit 3, presently in a testing stage, is scheduled to become commercially operational in November of this year.

Handouts which dealt mostly with Unit 1's forced outage, were supplied to Board members.

Payment for Pre-Firm Operation
Energy from Unit 3

Mr. Arthur T. Devine recommended that the pre-firm energy charge for Unit 3 be the same as that charged for Units 1 and 2 -- 28 mils per kWh.

A motion was made by Mr. Eldon A. Cotton, seconded by Mr. Joseph F. Hsu, and a roll call vote unanimously carried approving a cost of 28 mils/kWh be charged Palo Verde Participants for Unit 3's pre-firm energy under the same terms and conditions as Units 1 and 2.

Distribution of Money Among
Trustee Funds and Accounts

Resolution No. 1987-7

Mr. Arthur T. Devine briefly discussed Resolution No. 1987-7.

A motion was made by Mr. Gale A. Drews, seconded by Mr. Dieter Wirtzfeld, and unanimously carried adopting Resolution No. 1987-7 regarding flow and use of moneys in the Operating Fund for the Palo Verde Project.

Escrow Restructuring for 1986B Bonds
and Financial Advisors Fee

Mr. Arthur T. Devine commented on escrow restructuring for 1986B Palo Verde bonds, which resulted in a profit of about \$1,000,000. The profit compensated for the approximate \$1,000,000 of negative arbitrage resulting from the 1986 Palo Verde Series B bond sale.

A motion was made by Mr. David C. Plumb, seconded by Mr. Dieter Wirtzfeld, and a roll call vote unanimously carried ratifying an agreement by the Finance Committee to pay a fee of \$25,000, plus computer expenses, to James J. Lowrey for services rendered in relation to the escrow restructuring of 1986B Palo Verde bonds.

Litigation Regarding the Sale
of Water to Arizona Public Service

Mr. Alan R. Watts of Rourke & Woodruff, commented on the John F. Long litigation and the efforts of Mr. Long, plaintiff in the action, in possibly moving the effluent controversy from the courts into the legislative and public opinion arenas utilizing the initiative voting process.

3. Matters Relating to the
Intermount Power Project-
Southern Transmission System

Project Report

Mr. Eldon A. Cotton reported that everything is progressing well with Intermountain Power Project with the line functioning satisfactorily.

4. Matters Relating to the
Hoover Uprating Project

Project Report

Mr. Arthur T. Devine reported that a meeting had been scheduled for July 9th at the Los Angeles Department of Water and Power's General Office Building at which Western would discuss billing procedures and scheduling for the Hoover Uprating Project.

5. Matters Relating to
the Mead-Phoenix Project

Project Report

Mr. Arthur T. Devine announced that the approximate \$9,000,000 portion of the Bank of America loan had again been participated out by the bank so that the charge to the Authority would be 67% of prime.

6. Executive Director's Report

Authority Budget for
Year Ending June '88

Mr. Arthur T. Devine and Mr. Frank Salas gave a detailed explanation of the Authority's fiscal year 1987-88 budget, including the Glendale Office budget, the R. W. Beck budget, the Authority Trustee costs and the budget for Los Angeles Billable Costs, respectively.

A motion was made by Mr. David C. Plumb, seconded by Mr. Kenneth S. Noller, and unanimously carried approving the Authority's fiscal year 1987-88 budget.

Allocation of General Expenses
Among Funded Projects

Resolution No. 1987-6

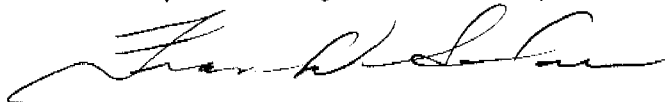
A motion was made by Mr. Eldon A. Cotton, seconded by Mr. Xavier G. Baldwin, that Resolution No. 1987-6 regarding allocation of General Expenses, be approved. The motion carried.

7. Opportunity for the Public to
Address the Board

President Drews gave the public an opportunity to address the Board of Directors, but no one did so.

There being no further business, the meeting was adjourned at 11:30 a.m. The next regular meeting of the Authority will be held on August 5, 1987.

Respectfully submitted,



FRANK SALAS
Assistant Secretary
Southern California Public Power Authority

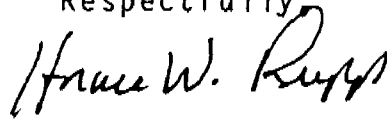
attachments

cc: Board of Directors

MINUTES OF THE AUGUST 5, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

At 10:00 a.m., August 5, 1987, the Regular Meeting of the Southern California Public Power Authority was adjourned due to a lack of a quorum.

Respectfully

A handwritten signature in cursive script that reads "Horace W. Rupp". The signature is written in dark ink and is positioned above the printed name.

HORACE W. RUPP
Assistant Secretary

cc: Board of Directors

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

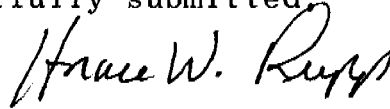
After distributing booklets, Mr. Bradford R. Higgins and Mr. Michael J. Mace of First Boston Corporation made a presentation regarding short-term financing.

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

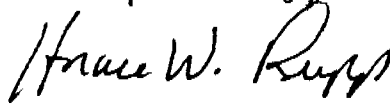
Attachments

cc: Board of Directors

MINUTES OF THE OCTOBER 7, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

At 10:00 a.m., October 7, 1987, the Regular Meeting of the Southern California Public Power Authority was adjourned due to a lack of a quorum.

Respectfully,

A handwritten signature in cursive script that reads "Horace W. Rupp".

HORACE W. RUPP
Assistant Secretary

cc: Board of Directors

**MINUTES OF THE NOVEMBER 4, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**

The regular meeting of the Board of Directors was held on November 4, 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 cities of Anaheim and Banning.

**1. Approval of the Minutes
for the September 2, 1987,
Regular Meeting**

A motion was made by Mr. Bill D. Carnahan, seconded by Mr. Eldon A. Cotton, and unanimously carried that the minutes of the September 2, 1987 regular meeting be approved.

**2. Matters Relating to
the Palo Verde Project**

Project Report

Mr. Eldon A. Cotton referred to the letter from Mr. Robert C. Burt, Engineer of Power System Services for the Los Angeles Department of Water and Power, to Mr. Arthur T. Devine and the attached information regarding the calendar-year 1988 budget for the Arizona Nuclear Power Project. He made pertinent comments. The letter and attachments were included in the meeting folders for Board members.

Regarding Unit 1, Mr. Cotton reported that because of fractures found in the reactor cooling pump shafts, the outage was extended beyond the originally planned 90 days.

Unit 2 has operated at approximately 70-percent capacity factor for 103 days and is scheduled for a refueling outage in late February of 1988.

Unit 3 attained criticality in late October and commercial operation of the unit is currently targeted for January 15, 1988.

**Budget Reconciliation
1986-1987 Fiscal Year**

Mr. Arthur T. Devine gave a detailed explanation of the Palo Verde budget comparison for the period July 1, 1986 through June 30, 1987, utilizing information included in the last mailing notebook to Board members.

Resolution No. 1987-11

A motion was made by Mr. David C. Plumb, seconded by Mr. Joseph F. Hsu, and unanimously carried that Resolution No. 1987-11, approving authorization of John D. Campbell and such of the partners of Appleby, Spurling & Kempe as designated by him to act as agent of the Authority as set forth in said Power of Attorney in connection with Policy No. X87-064 between the Authority and Nuclear Electric Insurance Limited and ratifying the action of the Secretary, Eldon A. Cotton, in executing said Power of Attorney, dated October 21, 1987, be approved.

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

Budget Reconciliation
1986-1987 Fiscal Year

Mr. Arthur T. Devine referred to and explained the budget reconciliation contained in the mailing notebooks.

Mr. Devine announced that the investment portfolio for the Debt Service Revenue Fund had been sold resulting in a profit of approximately \$9 million. Mr. Devine stated the profit could be used to cover a portion of the increase in the Construction Budget.

The possibility of additional monies being needed for the increased Construction Budget will be discussed at the next Board meeting.

Resolution No. 1987-12

A motion was made by Mr. Eldon A. Cotton, seconded by Mr. W. E. Cameron, and unanimously carried that Resolution No. 1987-12, authorizing the transfer of monies from the General Reserve Fund related to the Authority's Southern Transmission Project to the Initial Facilities Account in the Construction Fund related thereto, be approved. A roll call vote was held and all present voted unanimously that the resolution be adopted.

4. Matters Relating to the
Mead-Phoenix Project

Mr. Arthur T. Devine reported that at the Mead-Phoenix Management Committee meeting last week an extension of the Loan Agreement with Bank of America from December 1, 1987 to December 1, 1988 was approved, although negotiations are not as yet finalized.

Resolution No. 1987-10

A motion was made by Mr. David C. Plumb and seconded by Mr. Bill D. Carnahan that Resolution No. 1987-10, approving Amendment No. 3 to Loan Agreement and approving the exchange of loan notes as contemplated by such amendment, be approved. A roll call vote was held and all present voted unanimously that the resolution be adopted.

Resolution No. 1987-10 was passed contingent on the words "such other parties as may be approved by the President" being added to the first sentence of Item 1 of the resolution.

5. Executive Director's Report

Mr. Arthur T. Devine reported that the dues for the United States Counsel for Energy Awareness (U.S.C.E.A), a public relations agency, are presently due for payment. Mr. Devine offered the Board members for their persual an informational brochure sent to him from U.S.C.E.A. and told the Board that the dues, which were also paid last year, are included in the present budget.

A motion was made by Mr. W. E. Cameron, seconded by Mr. Bill D. Carnahan, and unanimously carried that the annual dues for membership in the U.S.C.E.A. be continued for the year 1988.

Computer Programming for
Authority Investments

Mr. Arthur T. Devine referred to a letter, dated October 23, 1987, from Mr. B C Monk, Director of Financial Planning and Administration at the Los Angeles Department of Water and Power, in which he requested that the Authority purchase two computer programs in order to more efficiently manage the Authority's investments. One program, developed by the Technical Data Corporation, has been approved by the Investment Committee and would cost approximately \$19,200 for the first year. These costs are not presently in the budget. The Los Angeles Department of Water and Power has agreed to pay the first year's cost of a second program and service called the Bloomberg MarketMaster and, thereafter, the cost of this investment software system would be paid for by the Authority, if it is found to be useful.

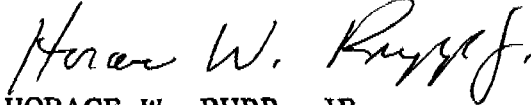
A motion was made by Mr. W. E. Cameron, seconded by Mr. Eldon A. Cotton, and unanimously carried that the Authority invest in a computer software system in the amount of approximately \$19,200 for use in managing the Authority's investments and that the budget be increased accordingly.

6. Opportunity for the Public
to Address the Board

President Gale A. Drews gave the public an opportunity to address the Board. There were no comments from the public.

There being no further business, the meeting was adjourned at 11:35 a.m. The next regular meeting of the Authority will be held December 2, 1987.

Respectfully submitted,



HORACE W. RUPP, JR.

Assistant Secretary

Southern California Public Power Authority

Attachments

cc: Board of Directors

The following documents were included in the meeting folders for the Authority's Board meeting of November 4, 1987.

1. Copy of revised agenda.
2. Copy of a letter from the Los Angeles Department of Water and Power to Arthur T. Devine, dated November 2, 1987, regarding "Reconciliation of 1986-87 Operating Budget for the Palo Verde Project".
3. Copy of a letter, with attachments, from the Los Angeles Department of Water and Power to Arthur T. Devine, dated October 27, 1987, regarding "1988 Budget for Arizona Nuclear Power Project".
4. A copy of "Palo Verde Budget Comparison - July 1, 1986 through June 30, 1987", from R. W. Beck and Associates.
5. A copy of "Palo Verde Schedule of Adjustment for Fiscal Year Ended June 30, 1987", from the Los Angeles Department of Water and Power.
6. Copy of the Power of Attorney related to NEIL Insurance.
7. Copy of Resolution No. 1987-12, regarding the transfer of monies from the General Reserve Fund related to the Southern Transmission Project to the Construction Fund.

MINUTES OF THE NOVEMBER 4, 1987,
REGULAR MEETING OF THE
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The regular meeting of the Board of Directors was held on November 4, 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 cities of Anaheim and Banning.

1. Approval of the Minutes
for the September 2, 1987,
Regular Meeting

A motion was made by Mr. Bill D. Carnahan, seconded by Mr. Eldon A. Cotton, and unanimously carried that the minutes of the September 2, 1987 regular meeting be approved.

2. Matters Relating to
the Palo Verde Project

Project Report

Mr. Eldon A. Cotton referred to the letter from Mr. Robert C. Burt, Engineer of Power System Services for the Los Angeles Department of Water and Power, to Mr. Arthur T. Devine and the attached information regarding the calendar-year 1988 budget for the Arizona Nuclear Power Project. He made pertinent comments. The letter and attachments were included in the meeting folders for Board members.

Regarding Unit 1, Mr. Cotton reported that fractures were found in the reactor cooling pump shafts resulting in an extension of the outage to approximately 90 days beginning September 1, 1987.

Unit 2 has operated at approximately 70-percent capacity factor for 103 days and is scheduled for a refueling outage in late February of 1988.

Unit 3 attained criticality in late October and commercial operation of the unit is currently targeted for January 15, 1988.

Budget Reconciliation
1986-1987 Fiscal Year

Mr. Arthur T. Devine gave a detailed explanation of the Palo Verde budget comparison for the period July 1, 1986 through June 30, 1987, utilizing information included in the last mailing notebook to Board members.