



TO: Board of Directors
FROM: Bill D. Carnahan
SUBJECT: Finance Committee Report
DATE: December 3, 2013

A meeting of the Finance Committee was held on December 2, 2013 at the SCPPA office in Glendora.

Committee members present were: Brian Beelner (*Anaheim*); Bob Liu (*Burbank*); Rebecca Gallegos (*Colton*); Sondra Ainsworth (IID); Mario Ignacio (LADWP); Shari Thomas (*Pasadena*); Laura Nomura (*Riverside*); and Bill Fox (*Vernon*).

Others present were: Stephen Cole (*Norton Rose Fulbright*); Mike Berwanger and Dan Hartman and Will Frymann (via teleconference) (*Public Financial Management*); Therese Savery (LADWP/SCPPA); Bill Carnahan, Robert Rozanski and Richard Morillo (SCPPA).

The following are the business matters transacted by the Committee:

1. Investment Report

The Committee reviewed the Investment Report for the month ended October 31, 2013. The Committee recommended forwarding the report to the Board for receipt and filing.

2. Palo Verde Nuclear Generation Station Termination Funding Status Report

Mario Ignacio presented the Palo Verde Project Termination Annual Funding Status Report for 2012 to the Committee, which indicates, among other things, that the level of funding by SCPPA continues to be sufficient. The Committee recommended forwarding the report to the Board for receipt and filing.

3. Market and VRDO Update

The Committee received a market and VRDO status report from PFM. All variable resets continue to be at very low levels. The Committee also discussed the extensions of certain liquidity facilities and will discuss further such extensions at the January meeting.

4. Unsolicited Proposals

The Committee reviewed unsolicited proposals from J.P. Morgan and Wells Fargo Securities. The Committee took no action with respect to such proposals.

**THE NEXT REGULARLY SCHEDULED
FINANCE COMMITTEE MEETING WILL BE JANUARY 6, 2014.**