

MINUTES OF THE FEBRUARY 19, 2009, MEETING OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A meeting of the Board of Directors was held on February 19, 2009, at the offices of the Los Angeles Department of Water and Power, 111 North Hope Street, Room 1514, Los Angeles, California.

The meeting was called to order at 12:35 p.m. by President Marcie Edwards.

The following Board members (M) and alternates (A) were present and acting in their capacity as representative for their utility: Marcie L. Edwards, Anaheim (M); Joseph F. Hsu, Azusa (M); Ronald E. Davis, Burbank (M); Vince Brar, Cerritos (A); Glenn O. Steiger, Glendale (M); Brian J. Brady, Imperial Irrigation District (M); LeiLani Johnson Kowal, Los Angeles (M); Phyllis E. Currie, Pasadena (M); David H. Wright, Riverside (M).

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

Attorneys and consultants present included: Stephen Cole of Fulbright & Jaworski, Norman Pedersen of Hanna and Morton, and Lori Pickford of Morgan Meguire.

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

President Edwards 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 15, 2009. The motion was seconded by Mr. Wright, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including efforts to acquire renewable resources, and the Request for Qualifications and Proposals for Renewable Energy Project Underwriting Services.

4. Finance and Accounting Manager's Report

Mr. Koehler reported on the February meeting of the Finance Committee, and presented the Investment Reports for the month and quarter ended December 31, 2008, and the unaudited Financial Statements for the quarter ended December 31, 2008. The reports were received and filed.

Mr. Koehler reported on the status of refinancings for the STS and Magnolia Projects.

Mr. Koehler presented Resolution No. 2009-12, authorizing the appointment of a lead underwriter for the Leaning Juniper Wind Project Revenue Bonds. Ms. Kowal moved that Resolution No. 2009-12 be approved. The motion was seconded by Ms. Currie and unanimously approved.

Mr. Koehler presented Resolution No. 2009-13, authorizing the refunding of Magnolia Power Project Revenue Bonds and related documents and actions. Mr. Davis moved that Resolution No. 2009-13 be approved. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Banning, Colton, and Vernon absent, and Azusa, Imperial, Los Angeles, and Riverside present but not voting.

Mr. Koehler presented Resolution No. 2009-14 authorizing the First Amendment to the Milford I Wind Project Power Purchase Agreement, a First Amended and Restated Milford Wind Corridor Phase I Project Power Sales Agreement, and related documents. Mr. Davis moved that Resolution No. 2009-14 be approved. The motion was seconded by Ms. Currie and approved by Project Roll Call Vote, with Banning, Colton, and Vernon absent, and Anaheim, Azusa, Cerritos, Glendale, Imperial, and Riverside present but not voting.

Mr. Koehler presented Resolution No. 2009-15, authorizing selection of a Senior Underwriter for the Northwest Wind Project bonds. Mr. Steiger moved that Resolution No. 2009-15 be approved. The motion was seconded by Ms. Kowal and unanimously approved.

Mr. Koehler presented Resolution No. 2009-16, authorizing documents related to a tender offer of Palo Verde bonds. Ms. Currie moved that Resolution No. 2009-16 be approved. The motion was seconded by Ms. Kowal and approved by Project Roll Call Vote, with Banning, Colton, and Vernon absent, and Anaheim and Cerritos present but not voting.

Mr. Koehler presented Resolution No. 2009-17, authorizing a Commodity Swap Schedule and related documents for the Prepaid Gas Project. Ms. Currie moved that Resolution No. 2009-17 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Banning, Colton, and Vernon absent, and Azusa, Cerritos, Imperial, Los Angeles, and Riverside present but not voting.

Mr. Koehler presented Resolution No. 2009-18, authorizing selection of a group of underwriters from which firms will be selected for renewable energy project financings. Ms. Currie moved that Resolution No. 2009-18 be approved. The motion was seconded by Mr. Wright and unanimously approved.

Mr. Koehler presented Resolution No. 2009-19, authorizing the appointment of a senior underwriter for the Windy Point Project. Mr. Davis moved that Resolution No. 2009-19 be approved. The motion was seconded by Mr. Steiger and unanimously approved.

5. Energy Systems Manager's Report

Mr. Walden referenced the written report, which discussed efforts relating to renewable energy projects, including wind, solar, geothermal, and small hydro projects; and the meetings of the Public Benefits Committee, the member resource planner group, and the Natural Gas Committee.

Mr. Walden presented Resolution No. 2009-20, authorizing an agreement with Green Allowance for an educational program. Mr. Steiger moved that Resolution No. 2009-20 be approved. The motion was seconded by Ms. Kowal and unanimously approved.

Mr. Walden presented Resolution No. 2009-21, authorizing an agreement with RKS Research and Consulting for customer research services. Ms. Currie moved that Resolution No. 2009-21 be approved. The motion was seconded by Ms. Kowal and unanimously approved.

Mr. Walden presented Resolution No. 2009-22, authorizing renewal of an agreement with Ventyx for power market advisory services. Ms. Kowal moved that Resolution No. 2009-22 be approved. The motion was seconded by Mr. Steiger and unanimously approved.

6. Government Affairs Manager's Report

Ms. Brown presented her written report, and discussed legislative activities in Sacramento. Ms. Pickford updated the Board on legislative and regulatory activities in Washington, D.C.

7. Project Administrator's Report

Mr. Homer referenced the written reports, and updated the Board on issues at the projects.

Mr. Homer presented Resolution No. 2009-23, making certain findings regarding compliance with Greenhouse Gas Emission Performance Standards as they relate to routine maintenance replacement of turbine rotors in Unit 3 of San Juan Unit 3. Mr. Brady moved that Resolution No. 2009-23 be approved. The motion was seconded by Mr. Hsu and approved by Project Roll Call Vote, with Banning, Colton, and Vernon absent, and Anaheim, Burbank, Cerritos, Los Angeles, Pasadena, and Riverside present but not voting.

8. Closed Session

At this point, the Board went into closed session to discuss pending and potential litigation. No action was taken.

9. Adjournment

There being no further business, the meeting was adjourned at 1:45 p.m.

Respectfully submitted,

Mario C. Ignacio
Assistant Secretary