

MINUTES OF THE OCTOBER 15, 2009, MEETING OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on October 15, 2009, at the offices of the Authority, 225 South Lake Avenue, Suite 1250, Pasadena, California.

The meeting was called to order at 10:35 a.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: Edward P. Zacherl, Anaheim (A); George Morrow, Azusa (M); Fred Mason, Banning (M); Ronald Davis, Burbank (M); Jeannette Olko, Colton (M); Steven Lins, Glendale (A); David X. Kolk, Imperial (A); Jeffery L. Peltola, Los Angeles (A); Eric Klinkner, Pasadena (A); David H. Wright, Riverside (M).

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

Attorneys and consultants present included: Stephen T. Cole, Fulbright & Jaworski, and Julie Desimone, Moss Adams.

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

Past President David Wright was asked to chair the meeting in the absence of the President and Vice President. Mr. Wright afforded the public an opportunity to address the Board.

2. Approval of Minutes

Mr. Davis moved to approve the minutes of the meeting held September 17, 2009. The motion was seconded by Mr. Kolk, and unanimously approved.

3. Executive Director's Report

Mr. Carnahan referenced his written report and discussed the highlights, including discussion of procurement code issues, the California Air Resources Board (CARB), and plans for the Board's strategic planning session in November.

Mr. Carnahan presented Resolution No. 2009-112, authorizing an agreement with the University of Wisconsin for supplemental electrical engineering training. Mr. Klinkner moved that Resolution No. 2009-112 be approved. The motion was seconded by Ms. Olko and unanimously approved.

4. Annual Financial Report and Financial Statements

Ms. Desimone presented the Audited Financial Statements for the fiscal year ended June 30, 2009.

5. Finance and Accounting Manager's Report

Mr. Rozanski reported on the October meeting of the Finance Committee, and presented the Investment Report for the month of August 2009. The report was received and filed.

Mr. Rozanski discussed the status of upcoming project financings, including Leaning Juniper, Milford I, Raser Geothermal, and Canyon.

Mr. Rozanski presented Resolution No. 2009-113, approving a Material Events Disclosure relating to the financing of the Canyon Power Project. Mr. Zacherl moved that Resolution No. 2009-113 be approved. The motion was seconded by Mr. Lins and approved by Project Roll Call Vote, with Cerritos, Los Angeles, and Vernon absent, and Azusa, Banning, Burbank, Colton, Glendale, Imperial, Pasadena, and Riverside present but not voting.

Mr. Rozanski presented Resolution No. 2009-114, authorizing the Executive Director to negotiate and finalize a Memorandum of Understanding related to the Imperial Valley Geothermal Project. Mr. Lins moved that Resolution No. 2009-114 be approved. The motion was seconded by Ms. Olko and unanimously approved.

Mr. Rozanski presented Resolution No. 2009-115, approving agreements and documents relating to the restructuring of the Prepaid Natural Gas Project No. 1. Mr. Davis moved that Resolution No. 2009-115 be approved as amended. The motion was seconded by Mr. Klinkner and approved by Project roll Call Vote, with Cerritos, Los Angeles, and Vernon absent, and Azusa, Banning, Imperial, and Riverside present but not voting.

Mr. Rozanski presented Resolution No. 2009-116, authorizing documents relating to the acquisition of the Tieton Hydropower Project. Mr. Lins moved that Resolution No. 2009-116 and Resolution No. 2009-106 be approved. The motion was seconded by Mr. Davis and approved by Project Roll Call Vote, with Cerritos, Los Angeles, and Vernon absent, and Anaheim, Azusa, Banning, Burbank, Colton, Imperial, Pasadena, and Riverside present but not voting.

Mr. Rozanski presented Resolution No. 2009-117, authorizing billing pursuant to the Joint Powers Agreement related to the Windy Point Project for transmission rights assignment. Mr. Lins moved that Resolution No. 2009-117 be approved. The motion was seconded by Mr. Peltola and approved by Project Roll Call Vote, with Cerritos and Vernon absent, and Anaheim, Azusa, Banning, Burbank, Colton, Imperial, Pasadena, and Riverside present but not voting.

6. Energy Systems Manager's Report

Mr. Walden referenced the written report, which discussed efforts relating to renewables, including wind, solar, and geothermal projects, small hydro, and the meetings of the Public Benefits Committee, the Resource Planning Committee, the Ad Hoc Natural Gas Committee, and the Ad Hoc Smart Grid Committee, and the Ad Hoc Transmission Committee.

Mr. Walden presented Resolution No. 2009-118, authorizing an agreement with ASW Engineering Management Consultants to provide on-site education relating to energy efficiency and demand-side technologies.

Mr. Walden presented Resolution No. 2009-119, authorizing an agreement with Resource Action Programs to provide energy and water efficiency education programs to elementary schools.

Mr. Walden presented Resolution 2009-120, authorizing an agreement with Ryerson, Master and Associates to provide analysis and certification reporting relating to power plant emissions.

Mr. Walden presented Resolution No. 2009-121, authorizing an agreement with Michael Bell Management Consulting for engineering consulting services.

Mr. Walden presented Resolution No. 2009-122, authorizing an agreement with Platts, for long-term energy forecasting services.

Mr. Morrow moved that Resolution Nos. 2009-118, 2009-119, 2009-120, 2009-121, and 2009-122, be approved. The motion was seconded by Ms. Olko and unanimously approved.

7. Government Affairs Manager's Report

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

8. Project Administrator's Report

Mr. Homer referenced the written reports, and updated the Board on issues at the projects, including the status of efforts to develop a legislative approach to renewal of Hoover Upgrading contracts.

Mr. Homer presented the Project Budget Reconciliations for all the operating projects for the period ended June 30, 2009.

Mr. Homer presented Resolution No. 2009-123, approving the initial budget for the Milford I Wind Project. Mr. Klinkner moved that Resolution No. 2009-123 be approved. The motion was seconded by Mr. Peltola and approved by Project Roll Call Vote, with Cerritos and Vernon absent, and Anaheim, Azusa, Banning, Colton, Glendale, Imperial, and Riverside present but not voting.

Mr. Homer presented Resolution No. 2009-124, approving the revised budget for the Prepaid Natural Gas Project No. 1. Mr. Davis moved that Resolution No. 2009-124 be approved. The motion was seconded by Mr. Zacherl and approved by Project Roll Call Vote, with Cerritos, Los Angeles, and Vernon absent, and Azusa, Banning, Imperial, and Riverside present but not voting.

9. Adjournment

There being no further business, the meeting was adjourned at 11:59 a.m.

Respectfully submitted,

Mario C. Ignacio
Assistant Secretary