

**MAGNOLIA POWER PROJECT**  
**MINUTES OF COORDINATING COMMITTEE MEETING NO. 70**  
**APRIL 20, 2006**

**In Attendance:**

Ron Davis	Burbank W&P	818-238-3550
Fred Fletcher	Burbank W&P	818-238-3557
Greg Simay	Burbank W&P	818-238-3559
Bob Liu	Burbank W&P	818-238-3723
Bill Hutchings	Burbank W&P	818-238-3660
Dennis Moran	Burbank W&P	818-238-3699
Bruno Jeider	Burbank W&P	818-238-3651
Rick Morillo	Burbank W&P	818-238-5715
Steve Sciortino	Anaheim Public Utilities	714-765-5177
Vince Brar	Cerritos	562-916-1222
Ignacio Troncoso	Glendale W&P	818-548-2107
Ruwen Liu	Glendale W&P	818-548-4851
Jeannette Olko	Colton Electric Utility	909-370-6196
Phyllis Currie	Pasadena W&P	626-744-4425
Bill Carnahan	SCPPA	626-793-9364
Steve Homer	SCPPA	626-793-9364
Richard Helgeson	SCPPA	626-793-9364
Gary Rose	Consultant - SCPPA	909-860-1818
Carl Haase	Consultant - SCPPA	626-396-3524
Tom Roth	Consultant - SCPPA	213-622-6700
Glenn Turner	Gibbs, Giden, Locher & Turner	310-552-3400
Gaye Mains	Burbank W&P	818-238-3658

The meeting was called to order at 9:12 a.m. at SCPPA Offices, 225 South Lake Avenue, Suite 1250, Pasadena, California.

**PUBLIC COMMENT**

Any member of the public may address the Committee on any item of interest to the public before or during the Committee's consideration of the item, provided the item is within the subject matter jurisdiction of the Committee. No comments were received.

**ADMINISTRATIVE AND REPORTING ITEMS**

**Minutes** – The December 15, 2005, meeting minutes of the Coordinating Committee were approved.

**Operating Agent's Report** – Fred Fletcher reported that during January 2006, MPP operated at 100% availability factor, however, on February 1<sup>st</sup> at 1:00 am, the unit tripped off; with

staff's recommendation it was decided to combine this trip with a scheduled outage. The outage is expected to conclude by May 15, 2006. Problems with the steam seals were found and repaired. Steve Sciortino asked if most of the expenses are under warranty. Fred Fletcher responded yes, they are, and it seems unlikely that we will have more problems during the summer.

## **ACTION ITEMS**

**Approve the Operating Agent Budget for Fiscal Year 2006-07** – The MPP Operating Agent Budget for FY 2006-07 was presented. It was noted that in order to reduce overtime, additional operators will be hired, resulting in a net savings to the plant. Steve Sciortino asked if the once a month washing/three day outage is absolutely necessary. Fred responded no, it is not, and GE has agreed that we shouldn't have to do it if we are not cleaning out dirt, so we will conduct washings only as necessary. Bob Liu stated that the Budget will not match participant billings because the capital expenses will be funded by financing. Steve Sciortino moved to approve the Operating Agent Budget for Fiscal Year 2006-07. Ignacio Troncoso seconded. Motion carried.

**Approve Resolution 2006-1 Approving Magnolia Power Project Scheduling Procedures to be carried forth in conjunction with the administration of the January 1, 2005 "Base Contract for Sale and Purchase of Natural Gas Between Southern California Public Power Authority and Occidental Energy Marketing Inc."**

Richard Helgeson stated that the Coordinating Committee has the ability to determine scheduling protocols, and if fuel bills are paid promptly there is no reason for SCPPA to collect more than 30 days of reserves. If a participant fails to replenish the fuel reserve, participants can still schedule MPP, however, they would need to get their gas from a company other than Occidental. This will allow SCPPA to refund participants. Participants need to notify Bill Carnahan regarding how to handle their refund, such as placing it in the Project Stabilization Fund. Ignacio Troncoso moved to approve Resolution 2006-1. Vince Brar seconded. The Motion was unanimously carried and the Resolution was approved by the affirmative vote of all of the Magnolia Power Project participants.

## **CLOSED SESSION**

**Conference with Legal Counsel – Anticipated Litigation (SCPPA as potential defendant), pursuant to Govt. Code §54956.9(b)(1)** – Glenn Turner of Gibbs, Giden, Locher & Turner, gave a PowerPoint presentation and explained the status of anticipated litigation.

Phyllis Currie and Jeanette Olko arrived at 10:30 am.

Meeting adjourned at 10:38 a.m.