

MAGNOLIA POWER PROJECT
MINUTES OF COORDINATING COMMITTEE MEETING NO. 68
NOVEMBER 17, 2005

In Attendance:

Ron Davis	Burbank W&P	818-238-3550
Richard Corbi	Burbank W&P	818-238-3724
Bob Liu	Burbank W&P	818-238-3725
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
Evilia Waloejo	Burbank W&P	818-238-3725
Steve Sciortino	Anaheim Public Utilities	714-765-5177
Vince Brar	Cerritos	562-916-1222
Jeannette Olko	Colton Electric Utility	909-370-6196
Jim Earhart	Colton Electric Utility	909-370-5178
Anthony Siegfried	Colton Electric Utility	909-370-5178
Ignacio Troncoso	Glendale W&P	818-548-2107
Ruwen Liu	Glendale W&P	818-548-4851
Phyllis Currie	Pasadena W&P	626-744-4425
Eric Klinkner	Pasadena W&P	626-744-4478
Bill Carnahan	SCPPA	626-793-9364
Steve Homer	SCPPA	626-793-9364
Dick Helgeson	SCPPA	626-793-9364
Craig Koehler	SCPPA	626-793-9364
Gary Rose	Consultant - SCPPA	909-860-1818
Carl Haase	Resident Engineer	818-238-3631
Tom Roth	Consultant - SCPPA	213-622-6700
Bruce McLaughlin	Braun & Blaising	916-326-5812
Gaye Mains	Burbank W&P	818-238-3658

The meeting was called to order at 9:40 a.m. at SCPPA, 225 S. 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 September 15, 2005 meeting minutes of the Coordinating Committee were approved.

Operating Agent's Report – Fred Fletcher reported that the Operating Agent's Report dated November 17, 2005, covers July 1 to September 30, 2005. Our safety record has remained in good shape, however, in September we had a Power Plant Maintenance Trainee suffered second-degree burns while working on the Zero Liquid Discharge (ZLD) unit. The worker was able to come to work the next day, therefore, it was not considered a lost time accident.

Regarding the performance of the unit, the operating range has been problematic. During the current outage, it has been determined that thermocouples that were supposed to be installed in the high-pressure steam line were instead installed in the intermediate pressure steam section. In addition, we are inspecting the valves and spray nozzles associated with the HP superheater to determine if any blockages exist or if spray nozzles should be replaced with larger sized ones. Overall, performance of the plant has been pretty good and only the ability to operate over a range of output settings has affected operations. The heat rate came in at 6900 which is an efficiency improvement over the design valve. Everyone has been trained on the scheduling system.

Some major contracts we have entered into are:

- Two contracts with Aquatech - for operation of the ZLD system, and ZLD spare parts
- Integrated Technical Solutions – Operational Consulting Services
- Control Components – CTG and STG spare parts
- Bibb Engineering – An engineering contract will be in place soon

Gary Rose stated that we still have issues related to the main steam and reheat flow. We are trying to control the temperature.

Estimate to Complete – Ron Davis stated that the Estimate to Complete for construction and start-up fuel costs still needs to be reviewed by the Finance Committee. It has a challenge to get all three committees (Legal, Finance and Operating) to agree, however, we are making progress. We have two to three times more money in reserves than is needed. The goal is to cut the gas reserves significantly.

Contract Close-Out - Ron Davis discussed confidential contract close-out issues.

NEXT MEETING

Coordinating Committee Meeting – Thursday, December 15, at 9:30 a.m. in Pasadena.

Meeting adjourned at 10:32 a.m.