



FOR IMMEDIATE RELEASE
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**Southern California Public Power Authority and the
Turlock Irrigation District Purchase Additional Natural Gas
Reserves; Secure Long-Term Supply of Natural Gas
at Stable Prices for Power Generation**

PASADENA, CA — October 26, 2006 (BUSINESS WIRE) – Southern California Public Power Authority (SCPPA) (representing the cities of Anaheim, Colton, Burbank and Pasadena) and the Turlock Irrigation District (TID) today announced that it acquired certain oil and gas properties of Collins & Young Holdings, L.P., with an effective date of April 1, 2006. The purchased assets are located in one of the most active and largest natural gas fields in North America, the Newark East Field targeting the prolific Barnett Shale Formation. The operator of the properties will be Devon Energy Corporation. Devon is by far the largest acreage holder and producer in the Barnett Shale, and currently has over 22 drilling rigs operating in the field.

This acquisition represents the successful completion of Phase II of the Gas Initiative. The Gas Initiative is an effort to secure long-term, stabilized supplies of natural gas to fuel power generating plants through the purchase of non-operated real property interests.

Phase I, completed in June 2005, was the \$300 million purchase of select properties from Anschutz Pinedale Corporation of the company's natural gas reserves in Sublette County, Wyoming.

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SCPPA's Executive Director Bill D. Carnahan stated, "For economic, environmental and reliability reasons, SCPPA members have invested heavily in base-load natural gas generation. This acquisition will help ensure the firm delivery of natural gas at stable prices – in a highly volatile natural gas market. This initiative will further enhance the participants' ability to achieve its goal of maintaining stable retail electric rates for their customers." Carnahan also stated the importance of partnering with Devon as operator. "As the largest and most active E&P company in the field, SCPPA's participants will benefit from their extensive experience, technical workforce and service-vendor relationships."

The acquisition by SCPPA and TID is expected to yield approximately 67 billion cubic feet of equivalent proven reserves.

The SCPPA Southern California cities are expected to use the majority of the natural gas for the new 300 Megawatt SCPPA Magnolia Power Project located in Burbank as well as other local generating plants within their cities.

Petrie Parkman & Co., Inc. advised SCPPA and TID on the transaction.

The Southern California Public Power Authority is a Joint Powers Authority (formed under the Joint Powers Act of the California Legislature in 1980) and has twelve public power agency members. SCPPA was formed to finance the construction or acquisition of large scale energy projects. For more information, visit www.scppa.org.

SOURCE: Southern California Public Power Authority

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