

**San Joaquin Valley Power Authority
Minutes
Executive Committee Meeting
April 29, 2008**

Minutes of the San Joaquin Valley Power Authority (Authority) Executive Committee held April 29, 2008.

Authority Board Chair Thomas Haglund, City of Hanford, called the meeting to order at 2:25 p.m.

ROLL CALL

Chair Haglund took roll of the Executive Committee Members and noted for the record that all members were present for a quorum.

MEMBERS PRESENT

CITY OF CLOVIS

Alternate Director Robert Ford

CITY OF HANFORD

Chair Thomas J. Haglund

CITY OF KERMAN

Director Ron Manfredi

KINGS COUNTY

Director Larry Spikes

CITY OF KINGSBURG

Director Don Pauley

OTHERS PRESENT

Jeff Adolff, Pacific Gas & Electric

Marc Benjamin, The Fresno Bee

Lisa Bischel, Madrid Salazar PT & Marketing

Margaret Clayton, Kings River Conservation District

Jane Luckhardt, Downey Brand LLP

Patrick Mealoy, Navigant Consulting

David Orth, Kings River Conservation District

Cristel Tufenkjian, Kings River Conservation District

ADDITIONS TO OR DELETIONS FROM THE AGENDA

There were no additions to or deletions from the agenda.

PUBLIC PRESENTATIONS

There were no public presentations made.

ELECTRIC SUPPLY AGREEMENT (ESA) AND ELECTRICITY REMARKETING AGREEMENT (ERA)

David Orth, Kings River Conservation District, stated that after providing three public hearings, the Authority Board referred the ESA and ERA to the Executive Committee for consideration pursuant to Section 8.2.3 of the Power Services Agreement (PSA) dated October 23, 2007. Mr. Orth made available a handout of a memo dated April 29th reviewing the ESA, and provided a staff report and PowerPoint presentation. Orth stated that staff recommends a three step approval process.

Step 1 – Approve as to form, subject to finalization of Schedule H (costs) and Exhibit D (resources)

Step 2 – Approve final Schedule H and Exhibit D

Step 3 – Authorize KRCD to sign the ESA and ERA

Mr. Orth and Authority General Counsel, Jane Luckhardt, Downey Brand LLP, described the legal and regulatory determinations relating to emission performance standards and resource adequacy compliance requirements as they pertain to the ESA.

Mr. Orth continued with his oral report on the ESA, addressing PG&E's analysis of the documents supplied to the Authority Board just prior to the April 24, 2008 meeting. Orth pointed out that many of PG&E's comments have been addressed in staff reports and supplemental analysis provided back in February, plus at each of the three public hearings. Mr. Orth stated that staff will prepare a written summary response to the PG&E analysis that will be reviewed by legal counsel within the next few weeks.

Patrick Mealoy, Navigant Consulting, addressed potential risks and the reason for going with an ESA on a seven year fixed price contract to mitigate those risks. Ms. Luckhardt pointed out that Citigroup, the company with whom the Authority is negotiating the ESA, actually takes on more risk.

Chair Haglund stated that the recommended action would be for the Committee to approve the ESA as to form. Director Ron Manfredi, City of Kerman, made a motion that the Executive Committee approve the ESA and ERA as to form pursuant to Section 8.2.3 of the PSA dated October 23, 2007, with only non-substantive changes, subject to finalization of Schedule H and Exhibit D, seconded by Alternate Director Robert Ford, City of Clovis. Discussion among committee members continued.

Chair Haglund consented to the request of Jeff Adolff, PG&E, to make a brief statement prior to the vote. As required in the Settlement Agreement between SJVPA and PG&E, Mr. Adolff read the disclaimer prior to his comments relative to the ESA and ERA.

Chair Haglund called for a vote on the motion to approve the ESA and ERA as to form, subject to the finalization of Schedule H and Exhibit D, and it passed unanimously.

CLOSED SESSION

There was no reason to adjourn to Closed Session.

ADJOURNMENT:

There being no further business, Board Chair Haglund adjourned the meeting at 3:47 p.m.

Respectfully submitted,

Secretary

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