



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Board of Directors Meeting

Thursday, February 19, 2026



EXECUTIVE DIRECTOR REPORT

Daniel E Garcia | *Executive Director*

CONSENT CALENDAR

A. Minutes of the Board of Directors Meeting

- Regular Meeting Minutes: January 15, 2026

B. Receive and File:

1. Finance Committee Meeting Minutes: January 12, 2026
2. Monthly Investment Report: December 2025
3. Quarterly Investment Report: December 2025
4. SCPPA A&G Budget Comparison Report: December 2025
5. Working Group Update: February 2026
6. Magnolia Power Project Operations Report: January 2026
7. Palo Verde Nuclear Generating Station Status Report: December 2025
8. Federal Legislative Report: January 2026



SCP PA

FINANCE REPORT

*Aileen Ma | Chief Financial &
Administrative Officer*

**MAGNOLIA POWER PROJECT A
REFUNDING REVENUE BONDS, 2020-3
LIQUIDITY FACILITY**

MAGNOLIA PROJECT A

Project A Participants

- ▶ Anaheim, Burbank, Colton, Glendale, and Pasadena

Magnolia Power Project A, Refunding Revenue Bonds, 2020-3

- ▶ \$121.845 million outstanding
- ▶ Variable rate demand obligations
- ▶ Interest rate resets daily
- ▶ Secured by a Standby Bond Purchase Agreement (“SBPA”) issued by Bank of America, N.A. (“BANA”)
 - ▶ Expires April 3, 2026

MAGNOLIA PROJECT A

RFP issued in November 2025 for a replacement liquidity facility

- ▶ Four proposals received
- ▶ BANA's proposal for a 5-year SBPA - most favorable
 - ▶ Extending the existing SBPA to 6/30/2031 with amended pricing and terms
 - ▶ Annual commitment fee - one basis point higher than existing, approximately \$12,500 in additional fees annually

Estimated fees for amended documents - \$41,500

MAGNOLIA PROJECT A

- ▶ February 2nd - Finance Committee recommended approval of the Resolution

Recommendation:

Adopt Resolution No. 2026-008 authorizing the execution and delivery of First Amendment to the Standby Bond Purchase Agreement and a First Amendment to the Fee Agreement

SOUTHERN TRANSMISSION SYSTEM (STS)
RENEWAL PROJECT REVENUE BONDS
(FOURTH TRANCHE)

STS RENEWAL PROJECT REVENUE BONDS

- ▶ STS Renewal Project
 - ▶ Capital improvements to existing Southern Transmission System
 - ▶ Multiple components with various in-service dates through April 2028
 - ▶ Total estimated cost - \$2.8 billion
- ▶ Project Participants
 - ▶ LADWP, Glendale, and Burbank

STS RENEWAL PROJECT REVENUE BONDS

Financing Plan

- ▶ Multiple tranches to reduce capitalized interest and debt service
 - ▶ Three tranches - covering \$1.7 billion in project costs
 - ▶ First tranche issued in May 2023 for \$686 million
 - ▶ Second tranche issued in May 2024 for \$563 million
 - ▶ Third tranche issued in July 2025 for \$554 million
 - ▶ Balance of \$1.1 billion to be funded with two additional tranches
 - ▶ Fourth tranche - approx. \$600 million to \$700 million
 - ▶ Fifth/final tranche - anticipated to be next year
- ▶ Fixed rate tax-exempt with final maturity in 2053

STS RENEWAL PROJECT REVENUE BONDS

- ▶ February 2nd - Finance Committee recommended approval of Resolution authorizing the preparation of all necessary documents

Recommendation:

Adopt Resolution No. 2026-009 authorizing the preparation of financing documents for the sale and issuance of project revenue bonds for the STS Renewal Project

MEAD-ADELANTO PROJECT (MAP) &
MEAD-PHOENIX PROJECT (MPP)
AUTHORITY INTEREST (LADWP ONLY)
BOND REFUNDING

MAP & MPP (LADWP only) BOND REFUNDING

February 18th Competitive Sale Results

- ▶ Received bids from 15 banks
- ▶ Winning bid - TD Financial Products LLC
- ▶ Bond Par Amount - \$18,205,000
- ▶ All-In True Interest Cost - 2.68%
- ▶ Par amount of refunded bonds - \$21,660,000
- ▶ Percentage savings of refunded par - 5.47%
- ▶ Total cashflow savings - \$1.26 million through 7/1/2030
- ▶ Closing date - 3/3/2026

MUNICIPAL ADVISORY SERVICES

MUNICIPAL ADVISORY SERVICES RFP

- ▶ RFP issued on 11/3/2025; closed on 12/4/2025
- ▶ Received 2 proposals
- ▶ Evaluation Team - SCPPA, Anaheim, LADWP, Pasadena, and Vernon
- ▶ Evaluation Criteria:
 - ▶ Capability and experience of the firm
 - ▶ Experience of personnel assigned to SCPPA account
 - ▶ Methodology and approach to municipal advisory work
 - ▶ Creativity and innovation in financing structures
 - ▶ Understanding of SCPPA's requirements
 - ▶ Competitive pricing
 - ▶ Exceptions to SCPPA's contract terms and conditions

AWARD RECOMMENDATION

- ▶ PFM Financial Advisors LLC and PFM Swap Advisors LLC (“PFM”)
- ▶ Term: 5 years with an option to extend for 3 years
- ▶ Scope of work - annual based level municipal advisory services, financing transaction services, swap advisory services, other non-transaction services as needed
- ▶ Compensation and Fees
 - ▶ Annual retainer fee of \$144,000
 - ▶ Fixed transaction-based fees for bond refunding and new credit facility
 - ▶ All other financing and non-transaction work - subject to negotiation
 - ▶ SwapViewer valuation software - \$15,000
 - ▶ Annual swap report for financial reporting - \$1,000 fee per swap
 - ▶ Transaction not closing - lesser of hours or 50% of bond fee

AWARD RECOMMENDATION

- ▶ Fees and hourly billing rates - remain the same for 5 years
- ▶ Not-to-exceed amount over the 5-year term
 - ▶ PFM Financial Advisors LLC - \$2.9 million
 - ▶ PFM Swap Advisors LLC - \$450,000
- ▶ 3-year extension option
 - ▶ Fees and rates adjusted by CPI
 - ▶ Adjusted rates - remain the same for 3 years

February 2nd - Finance Committee recommended awarding the contracts to PFM

AWARD RECOMMENDATION

Recommendation:

Adopt Resolution No. 2026-010 awarding and authorizing the execution of the Professional Services Agreements with PFM

THANK YOU



SCPPA

PROGRAM DEVELOPMENT

MARIO DE BERNARDO | *Government Affairs Director*

BRANDON CZWORNIAK | *Utility Analyst*

NEHA MALHOTRA | *Senior Utility Analyst*

SHADE TREE ENERGY EFFICIENCY PROGRAM RFP

PURPOSE

- Procurement of *Shade Tree Energy Efficiency Program* designed to allow SCPPA Members to implement strategic tree planting to reduce building energy use leading to lowering overall electricity demand.

OUTREACH & RESPONSES

- SCPPA Staff conducted extensive outreach to local and national arborist organizations
- SCPPA received two proposals in response to the solicitation

EVALUATION PROCESS

- Evaluated by Staff of Burbank, Colton and IID
- Final Selection Based on RFP Scoring



SHADE TREE ENERGY EFFICIENCY PROGRAM RFP

RECOMMENDED AWARD



Arbor Day
Foundation™

ARBOR DAY FOUNDATION

RESOLUTION 2026-011

PRODUCT & SERVICE OFFERINGS

- Tree sourcing and species selection
- Tree delivery and distribution
- Website for customer program enrollment
- Website for planting guidance for optimal energy savings
- Provide data reports and analytics on energy savings

ARBOR DAY FOUNDATION

RESOLUTION 2026-011

CONTRACT TYPE:

- Master Goods and Services Agreement

AMOUNT NOT TO EXCEED:

- \$250,000 over the three-year term of the Agreement

TERM:

- 3 Years with 3-Year Extension Option
- February 19, 2026 - February 19, 2029

PARTICIPATING MEMBERS:

- Burbank, Colton and IID
- Other Members can participate as each may choose*

RECOMMENDATION

APPROVAL OF RESOLUTION

- ***2026-011 - SCPPA Master Goods and Services Agreement with *Arbor Day Foundation****

The logo for SCP PA features the letters 'SCP PA' in a bold, dark blue font. Behind the letters is a light blue outline of the state of Louisiana. A thick, orange-to-yellow gradient brushstroke sweeps across the letters from the bottom left to the top right.

SCP PA

GOVERNMENT AFFAIRS

MARIO De BERNARDO | *Director, Government Affairs*

ELISABETH de JONG | *Manager, Regulatory Affairs*

NATALIE SEITZMAN | *Manager, Legislative Affairs*

Policy Principles Annual Update

- Guiding principles for Reg. and Leg. Working Groups
- Reviewed and Developed through Reg & Leg Working Groups
- Lists Position on 24 Issue Areas
- Includes SCPPA Principles on Trending Issues
 - Cap and Trade
 - Advanced Clean Fleets
 - Wildfires
 - **New Issue: Defend POU's' exclusive authority to manage its own system**

Recommendation:

Approval of Resolution 2026-012

- ▶ Approving and Adopting the Annual Update to the Authority's Guiding Policy Principles for Legislative and Regulatory Activities

State Regulatory Update

CARB: Cap-and-Invest

- ▶ Cap-and-Invest and MRR Rulemaking Status:
 - Draft posted January 13
 - Board hearing May 28
- ▶ Recent Engagement:
 - JUG meeting with CARB January 27
 - SCPPA Meeting with Chair's Office
- ▶ Next Steps:
 - SCPPA drafting comments (due March 9)
 - Encouraging POUs to submit comments



SB 254 Wildfire Liability Reform Report

- ▶ SCPPA SB 254 Workshop, 2/11
 - LADWP presentation
 - Takeaways:
 - Opportunities to highlight POUs' unique considerations
 - Liability limitation is top issue
 - Perspectives on wildfire fund vary
- ▶ SCPPA interview with report writers, 2/13
 - Questions followed two themes: liability and risk mitigation
 - Emphasized differences of POUs
 - Shared questions with Regulatory Working Group
- ▶ SCPPA will formulate Wildfire Liability Principles

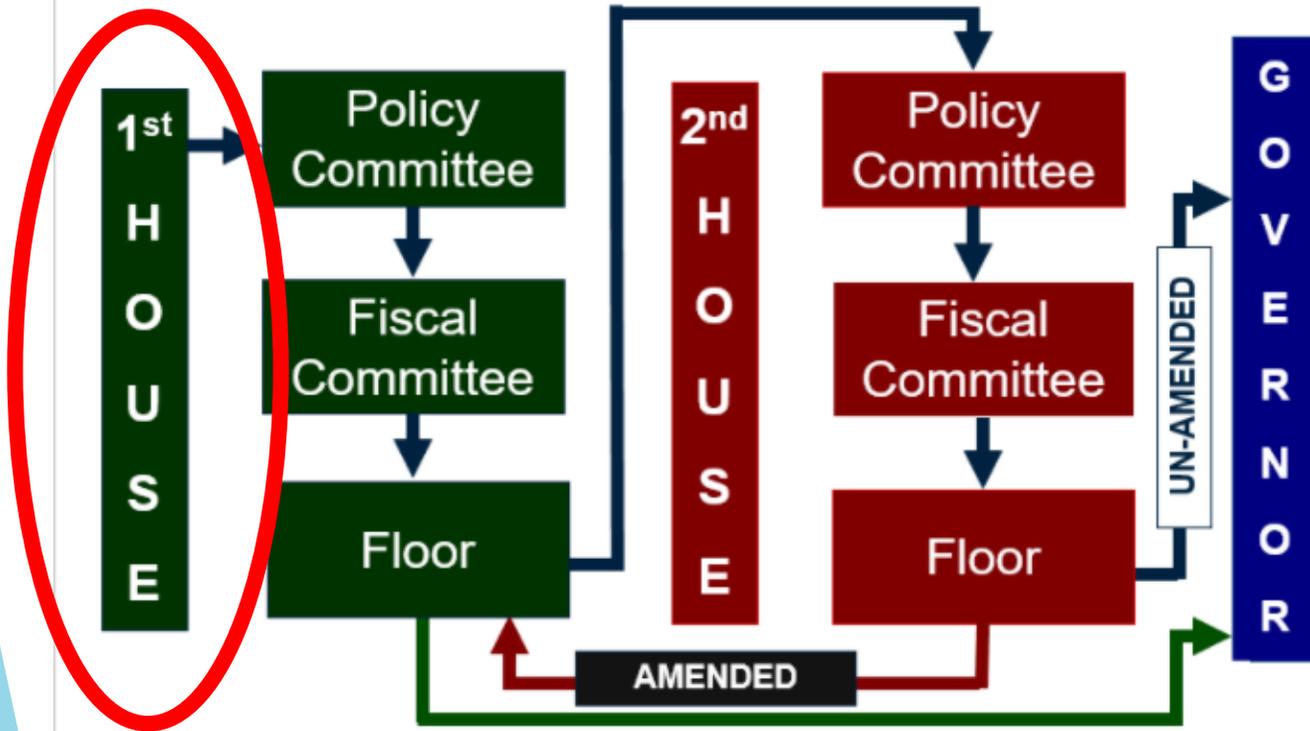


State Legislative Update

State Legislative Calendar

Legislative Process

“How a Bill Becomes a Law”



Notable Dates:

Feb 20 - Policy Bill Introduction Deadline
(A bill must be in print for 30 days before first committee hearing)

Cap-and-Invest Legislative Strategy

- ▶ **SCPPA Deploying an Aggressive Multi-prong Leg and Reg Strategy**
- ▶ **SCPPA will testify at AB 1207 Oversight Hearing on February 23rd**
 - Utilities in Cap-and-Invest
 - Difference between IOUs and POUs
 - Long-term planning inherent to Cap-and-Invest
 - How SCPPA Members relied on CARB's projection to accelerate decarbonization (e.g., IPP)
 - Disruptive affordability impact of the allowance claw back
- ▶ **Timeline for follow-up action dependent on Oversight Hearing**
 - Sign-on letter for legislative consideration



Asm. Irwin, author
of AB 1207 and
chair of Joint
Climate Change
Committee

Capitol Day (January 26)

- ▶ 10 SCPPA Member POUs Attending
- ▶ Meetings
 - SCPPA Legislators
 - Senate pro Tem's Office
 - Speaker's Office
 - Senate Energy Committee Chief
 - Assembly Appropriations Chief
- ▶ Key Takeaways
 - Affordability, Affordability, Affordability
 - Heavy Interest in Cap-and-Invest Oversight
 - New Senate Energy Chair Focused on Wildfires
 - Highspeed Rail Streamlining



Federal Rally/SCPPA Fly-in (February 23-25)

▶ Schedule

- Monday (2/23) - APPA Program and SCPPA Dinner
- Tuesday (2/24) - APPA Program, Advocacy Meetings, California Dinner
- Wednesday (2/25) - Advocacy Meetings

▶ SCPPA Issues

- Permitting Reform
- Pole Attachments
- Nuclear Issues
- Wildfires
- LIHEAP
- FEMA Reform

▶ SCPPA Briefing: Today @ 2:30pm



Federal Rally/SCPPA Fly-in

Burbank

Mayor Nikki Perez
Mandip Samra
Richard Wilson
Armando Casillas
Anthony D'Aquila
Frank Messineo
Jason Maruca

Colton

Charles Berry

Glendale

Scott Mellon
Steve Nersesyan
Christopher Khachadour

IID

Director Alex Cardenas
Director Karin Eugenio
Director Lewis Pacheco
Director Gina Dockstader
Matt Smelser
Antonio Ortega

LADWP

Dave Hanson
Jason Rondou
Zoraya Oliver Griffin
Paul Habib
Zenay Hayward
John Gregory

Pasadena

David Reyes
Stacie Takeguchi
Jennifer Guess Mayo
Kathleen Chen

Riverside

Robin Glenney
Tracy Sato
Robert Ennis

Vernon

Todd Dusenberry
Margie Otto