



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Board of Directors Meeting

Thursday, May 21, 2026



EXECUTIVE DIRECTOR REPORT

Aileen Ma | *Acting Executive Director*

CONSENT CALENDAR

A. Minutes of the Board of Directors Meeting

- Regular Meeting Minutes: April 16, 2026

B. Receive and File:

1. Finance Committee Meeting Minutes: April 6, 2026
2. Monthly Investment Report: March 2026
3. Quarterly Investment Report: March 2026
4. SCPPA A&G Budget Comparison Report: March 2026
5. 2025 San Juan Reclamation and Decommissioning Annual Funding Status Reports
6. Investment Committee Meeting Minutes: May 4, 2026
7. Working Group Update: May 2026
8. Magnolia Power Project Operations Report: April 2026
9. Palo Verde Nuclear Generating Station Status Report: March 2026
10. Federal Legislative Report: April 2026

CONSENT CALENDAR

C. Resolution 2026-027

Authorize Amendment of Legal Services Agreement with Arent Fox Schiff to Extend the Term for Three Years

D. Resolution 2026-028

Arizona Nuclear Power Project: First Amendment to Hassayampa Switchyard Interconnection Agreement between the Arizona Nuclear Power Project Participants and Arlington Valley Solar Energy II LLC; finding such action exempt from the California Environmental Quality Act

E. Resolution 2026-029

Tieton Hydropower Project: Ratify the Award to and Execution of a Scheduling Coordinator Services Agreement with Tenaska Power Services Co.

F. Resolution 2026-030

Approving and Adopting a Revised Investment Policy for the Authority



FINANCE REPORT

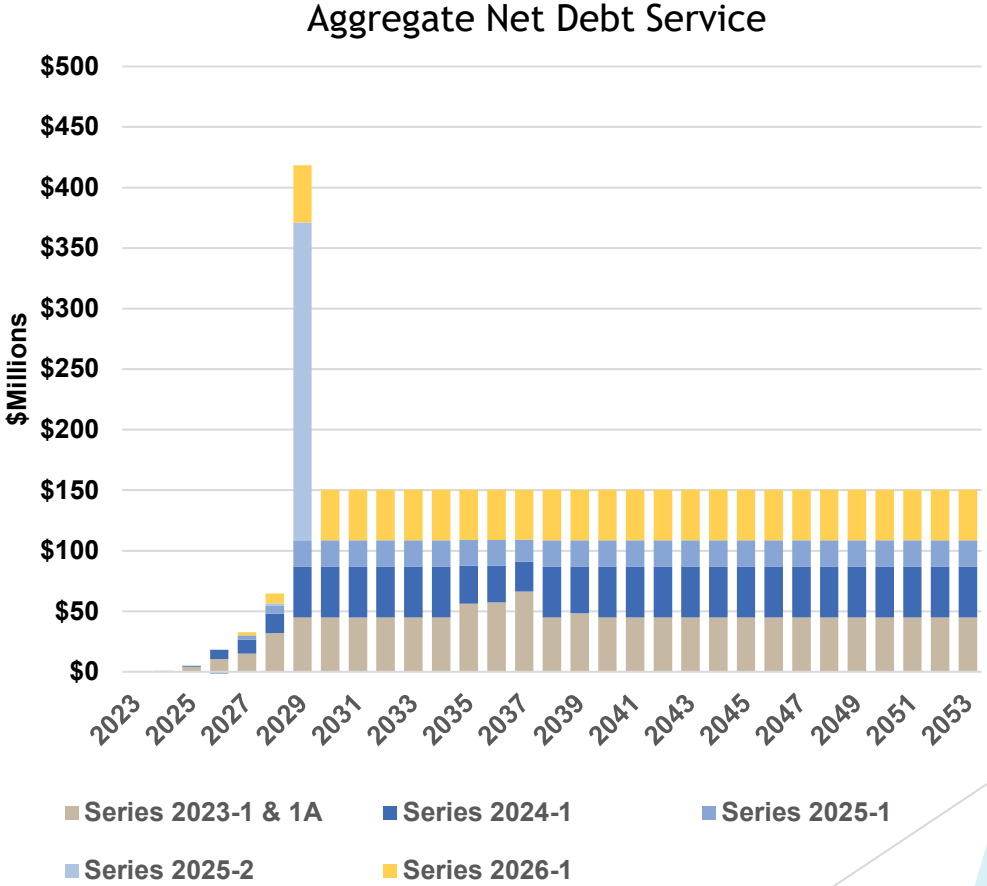
Aileen Ma | *Chief Financial & Administrative Officer*

Anna Mendoza | *Senior Utility Analyst*

SOUTHERN TRANSMISSION SYSTEM (STS)
RENEWAL PROJECT
REVENUE BONDS, 2026-1 UPDATE

STS RENEWAL PROJECT REVENUE BONDS

Bonds Issued	2026-1
Pricing Date	5/6/2026
Closing Date	5/20/2026
Par Amount Issued	\$589,145,000
Premium	\$44,104,710
Final Maturity	7/1/2053
All-In True Interest Cost	4.44%



LINDEN WIND ENERGY PROJECT
REFUNDING REVENUE BONDS, 2024 SERIES A
ALTERNATE CREDIT FACILITY AND
REMARKETING AGENT

LINDEN WIND ENERGY PROJECT

Project Participants

- ▶ LADWP (90%) and Glendale (10%)
 - ▶ Glendale sold 100% of its entitlement to LADWP through a separate layoff agreement

Linden Wind Energy Project, Refunding Revenue Bonds, 2024A

- ▶ \$74.756 million outstanding
- ▶ Variable rate demand obligations
- ▶ Letter of credit expires 7/17/2026 - PNC Bank, National Association
- ▶ Remarketing agent - PNC Capital Markets LLC

LINDEN WIND ENERGY PROJECT

RFP issued in March 2026 for new letter of credit (LOC)

- ▶ Five proposals received
- ▶ Royal Bank of Canada (RBC) for a 3-year LOC - most favorable
 - ▶ Annual fee - approximately \$61,500 lower than existing LOC

Remarketing Agent

- ▶ Beneficial to move remarketing agent role to the same bank
- ▶ Recommend the role be moved to RBC Capital Markets LLC

Estimated fees for the transaction - \$273,500

- ▶ Municipal advisor, bond/disclosure counsel, tax counsel, bank counsel and rating agencies

LINDEN WIND ENERGY PROJECT

- ▶ May 4th - Finance Committee recommended approval of the Resolution

Recommendation:

Adopt Resolution No. 2026-031 authorizing

- ▶ An alternate credit facility (LOC) to be issued by RBC
- ▶ Replacing the remarketing agent with RBC Capital Markets LLC
- ▶ Negotiation, execution, and delivery of related documents

THANK YOU



SCPPA

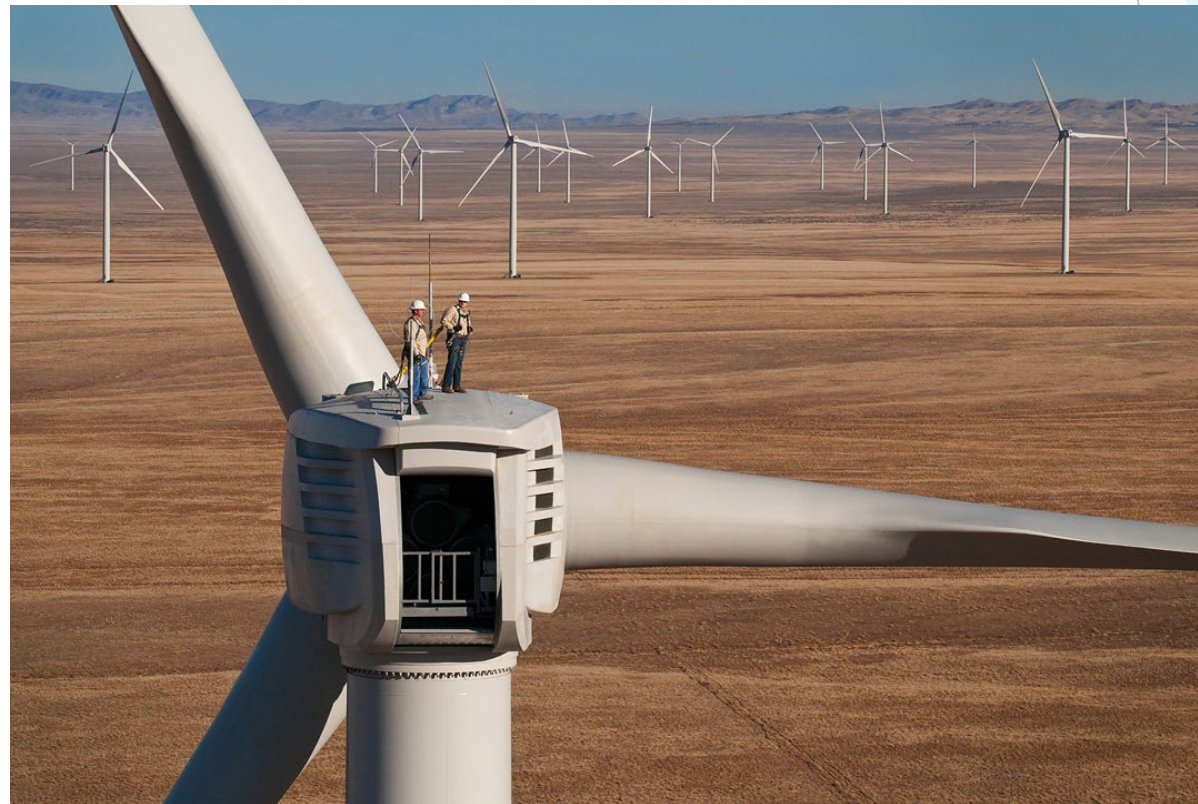
ASSET MANAGEMENT

CHARLES GUSS | *Senior Asset Manager*

BRIAN LEUNG | *Senior Utility Analyst*

Linden Wind Operation and Maintenance, and Beginning of Construction (BOC) Agreements

- ▶ Resolution 2026-032
- ▶ Resolution 2026-082



Linden Wind O&M Services RFP

- ▶ Linden Wind is 50 MW wind generation facility located in Klickitat County, Washington
 - ▶ Purchased by SCPPA in 2009 from Northwest Wind Partners, LLC
 - ▶ SCPPA Participants: LADWP (90%) and Glendale (10%)
- ▶ Request For Proposals for O&M services re-issued in December 2025 and closed on January 2026.
 - ▶ Three proposals received
 - ▶ Evaluation Criteria included price, service offering, completeness, references, and experience
 - ▶ Confirmation of Domestic Content Compliance required
 - ▶ LADWP evaluation panel
- ▶ DWT, Inc. successful respondent


Linden Wind O&M and BOC Agreements

- ▶ O&M Agreement is intended to replace existing agreement with Vestas
- ▶ O&M Agreement with DWT, Inc. includes:
 - ▶ Scheduled Maintenance, Repair Services, System Monitoring and Control Services, Remote Monitoring Services, Service Order Reports, Monthly Performance Reports, and Emergency Notifications
 - ▶ Agreement Term is three (3) years with two (2) successive (2) year renewals
 - ▶ Fixed Fee Agreement
- ▶ Beginning of Construction (BOC) Agreement is intended to ensure that repowered project qualifies for PTCs
- ▶ BOC Agreement with DWT, Inc. includes:
 - ▶ Replacement of up to fifteen (15) blade bearings across 5 Senvion MM92 turbines
 - ▶ Agreement Term is three (3) years
 - ▶ Fixed Fee Agreement



**RECOMMENDATION
APPROVAL OF:
Resolution
2026-032; and
2026-082**

**Award of Linden Wind O&M
and BOC Agreements to
DWT, Inc.**



FY 26/27 Project Budgets

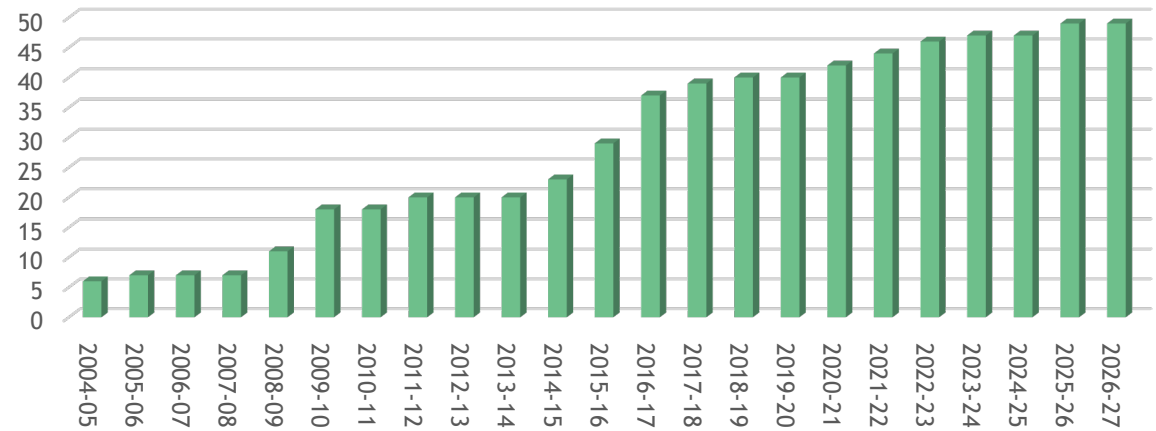
- ▶ Resolution 2026-033
- ▶ Resolution 2026-081

Submitted For Approval

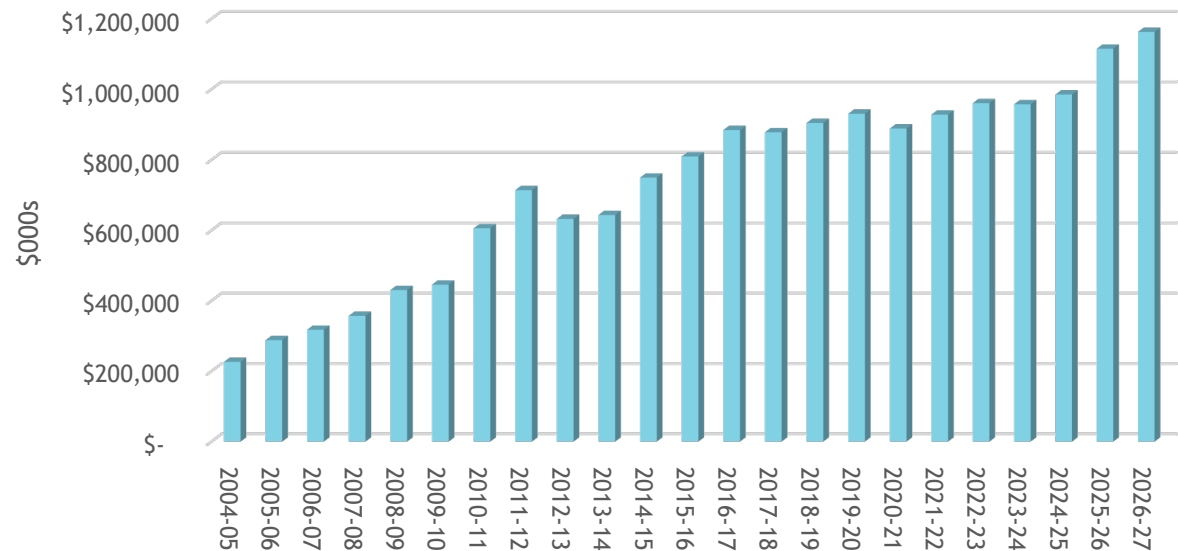
Final Project Budgets Fiscal Year 2026-2027

- ▶ 49 Project Budgets
- ▶ 1 New Project
 - ▶ Geysers Geothermal
- ▶ Totaling \$1.163 Billion
- ▶ Up 4.3% from FY 25-26

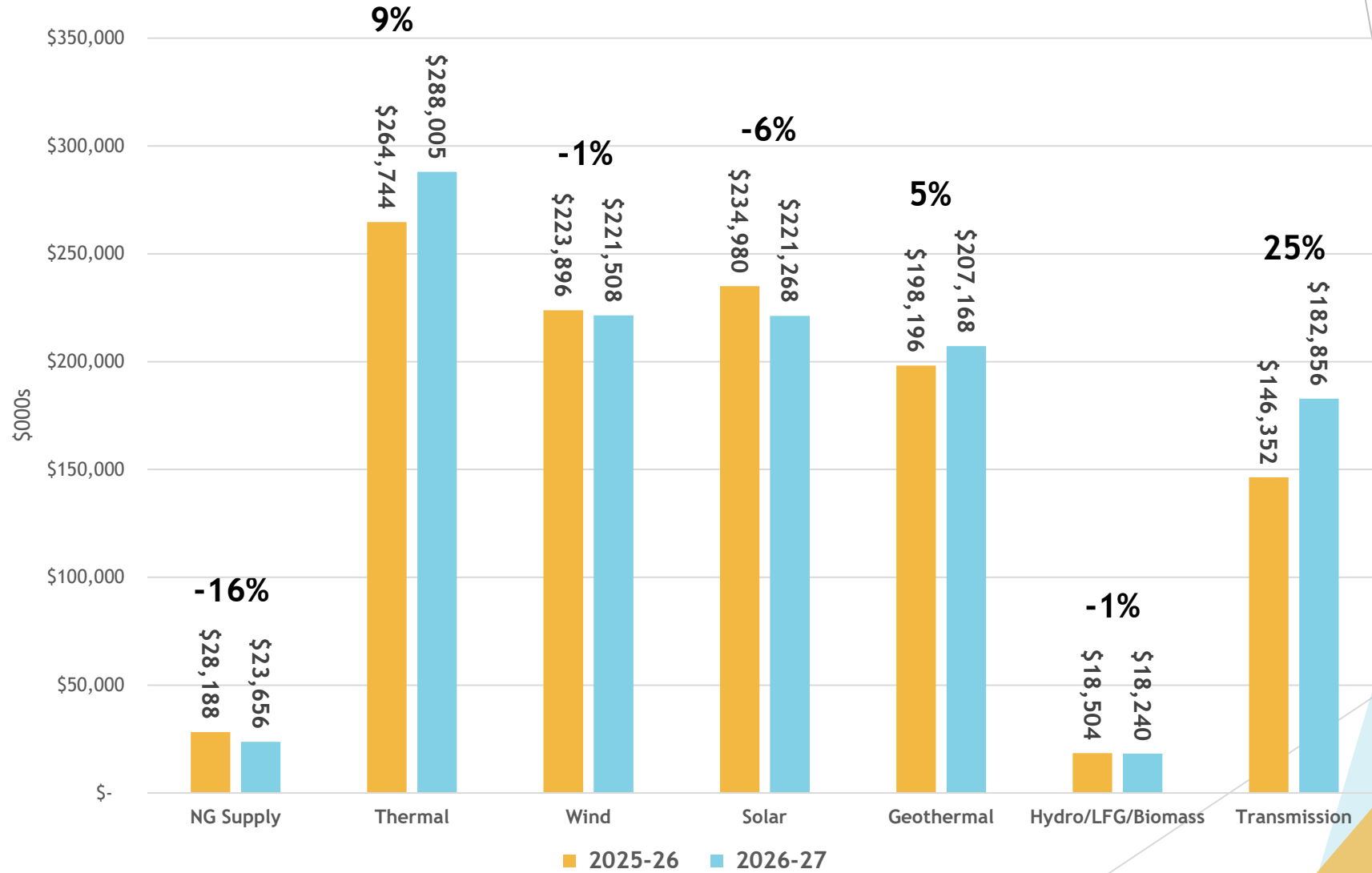
of Projects



Annual Budget Total



Project Budgets Year-Over-Year Comparison



FY 26/27 Project Budgets

Natural Gas

- Prepay: Decrease in the expected Cost of Gas
- Barnett and Pinedale: No expected drilling

Thermal

- Apex: Increases in Debt, and O&M
- Canyon: Decrease in O&M
- Magnolia: Increases in Major Maintenance
- Palo Verde: Proposed increase in Decommissioning Contributions, Renewals/Replacements and APS A&G
- San Juan: Increase in Reclamation Trust Contributions

Wind

- Pebble Springs terminates in February 2027
- Milford I and Windy Flats: Includes Excess Energy
- Red Cloud: Increase in estimated PPA Payments

Solar

- Eland 1 and 2: Reduction in estimated PPA Payments

Geothermal

- New Project: Geysers Geothermal
- Coso Geothermal: Increase in PPA Capacity
- Heber 1: Decrease in expected PPA Payments
- NNGP: Decrease in expected PPA Payments

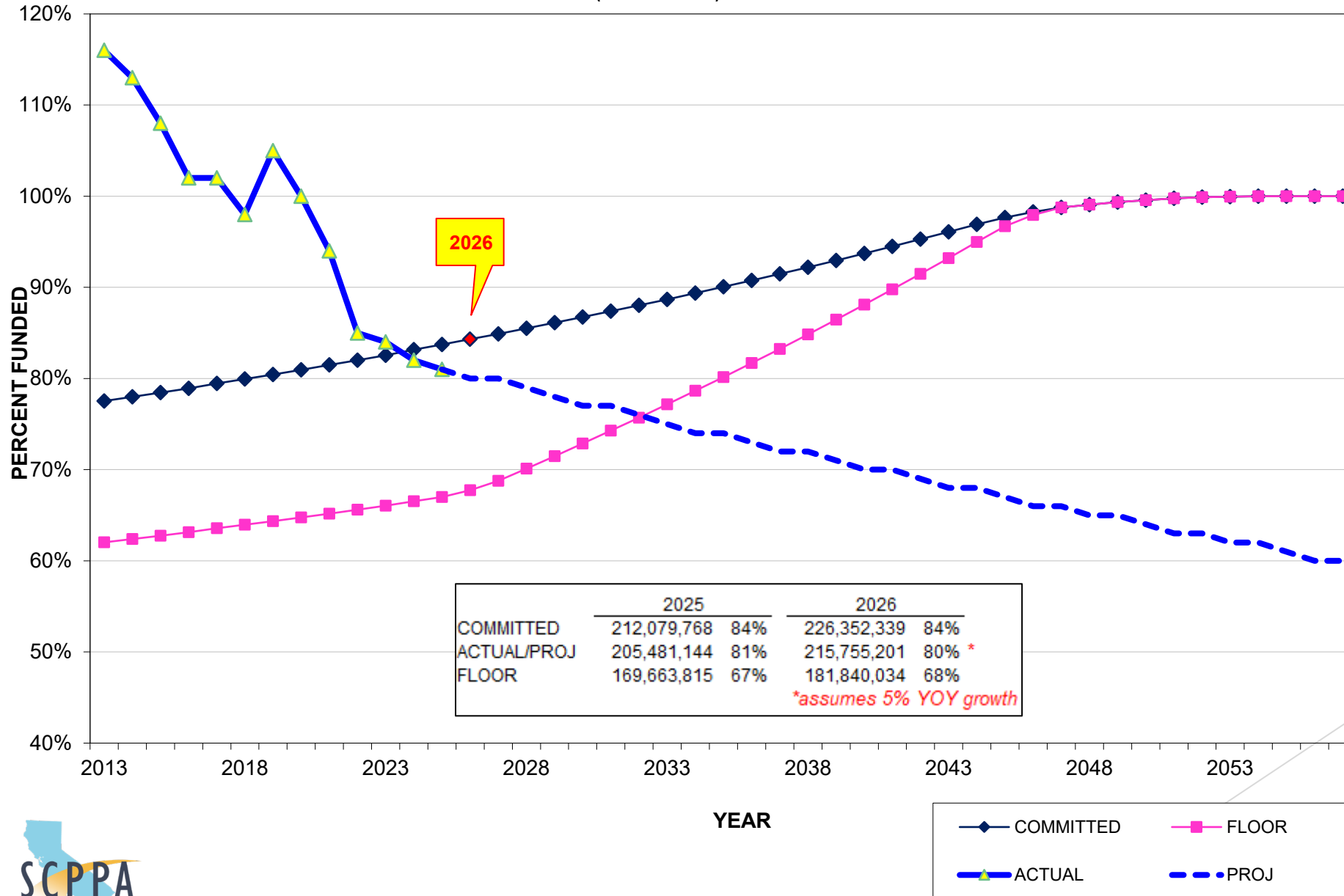
Hydro/Landfill Gas/Biomass

- Chiquita Canyon: Continues offline
- Tieton: Increase in Capital and Operating Expenses

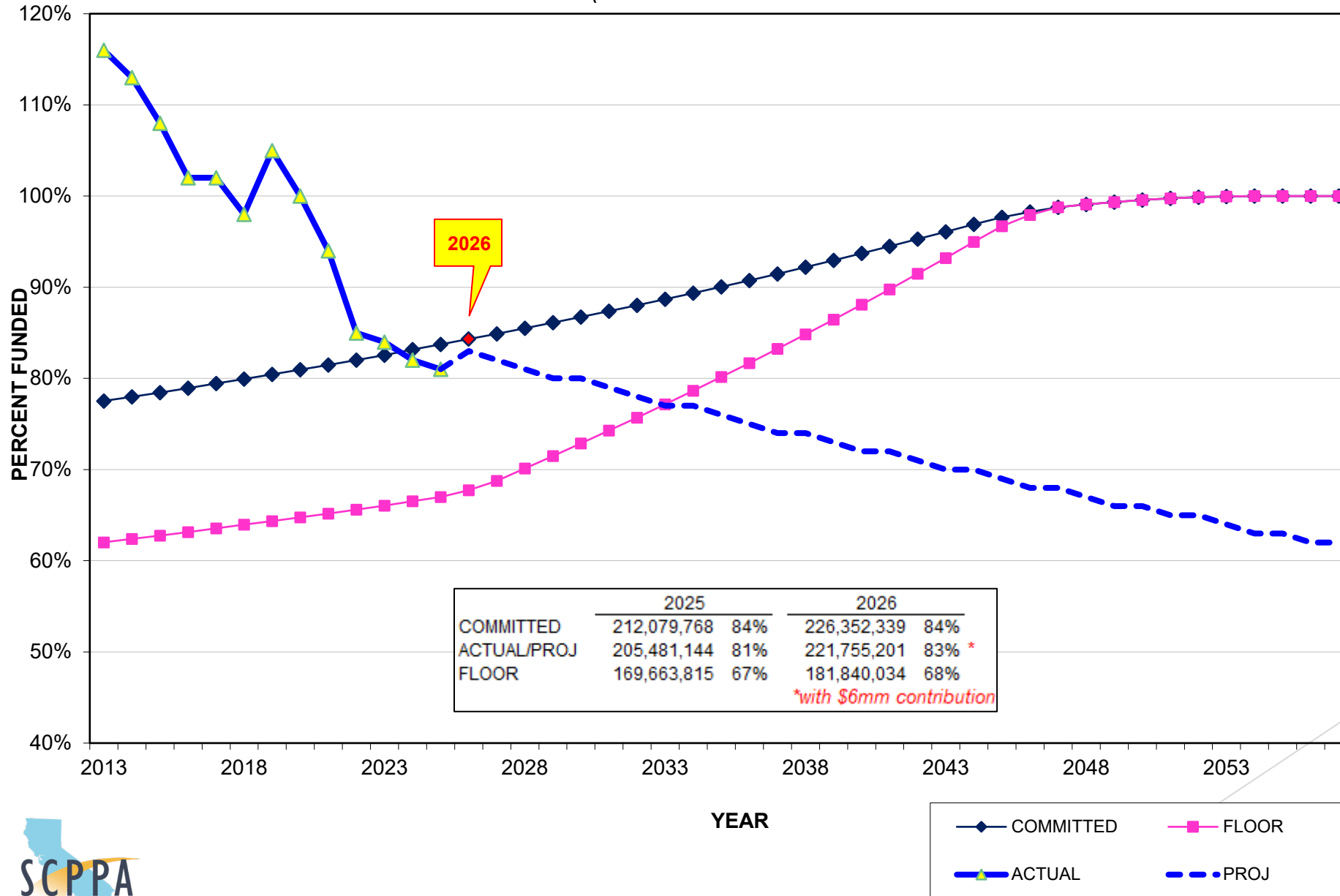
Transmission

- Mead-Adelanto and Mead Phoenix: Increase in Capital Improvement Costs
- STS: Increase in IPA Billings
- STS: Return of \$10.93 million advance from IPA applied to STS Debt Service
- STS Renewal: Increase in Debt Service

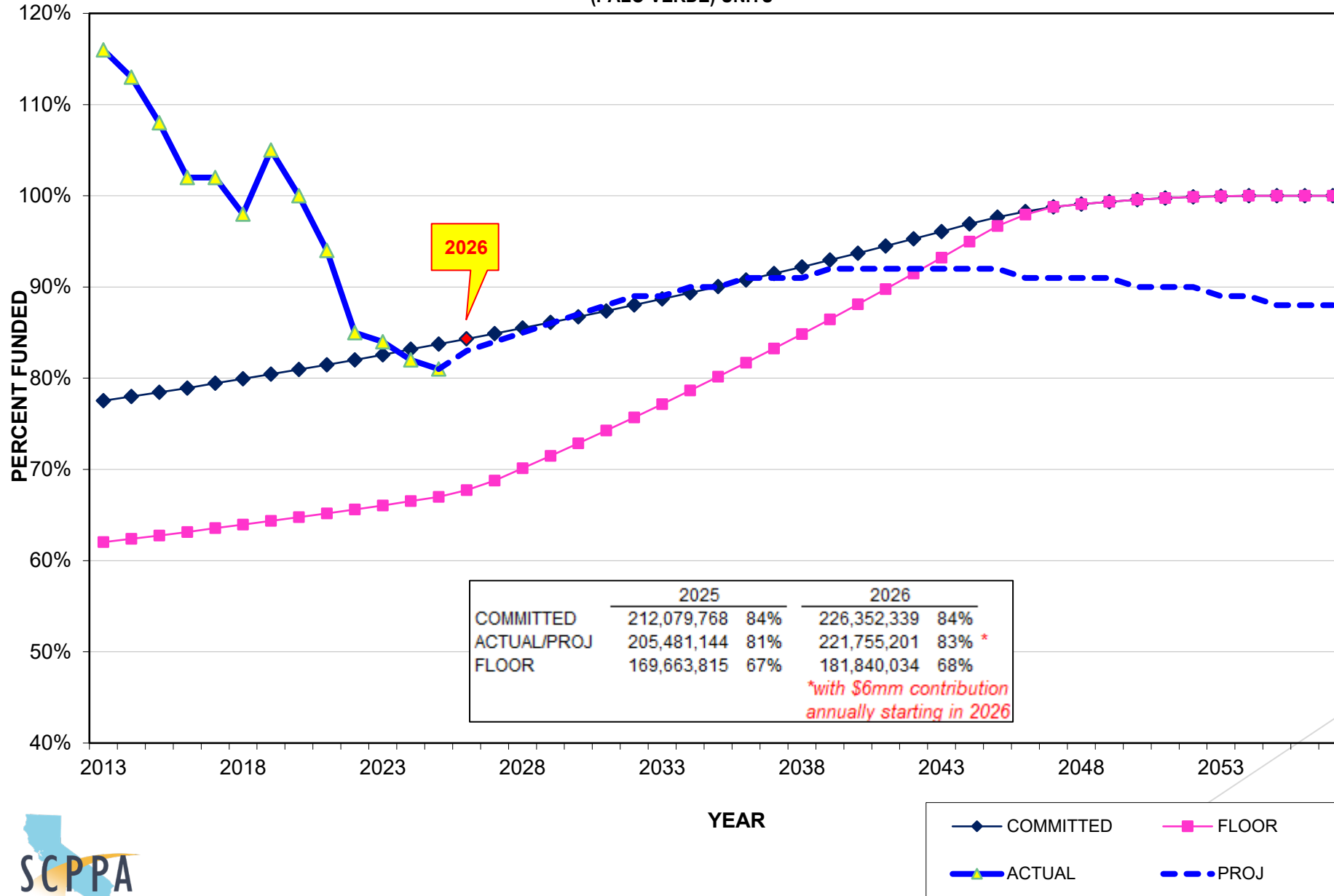
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
3.2 CHART OF COMPOSITE PERCENT FUNDED CURVE, FUNDING FLOOR CURVE, & ACTUAL ACCUMULATIONS FOR ALL
(PALO VERDE) UNITS



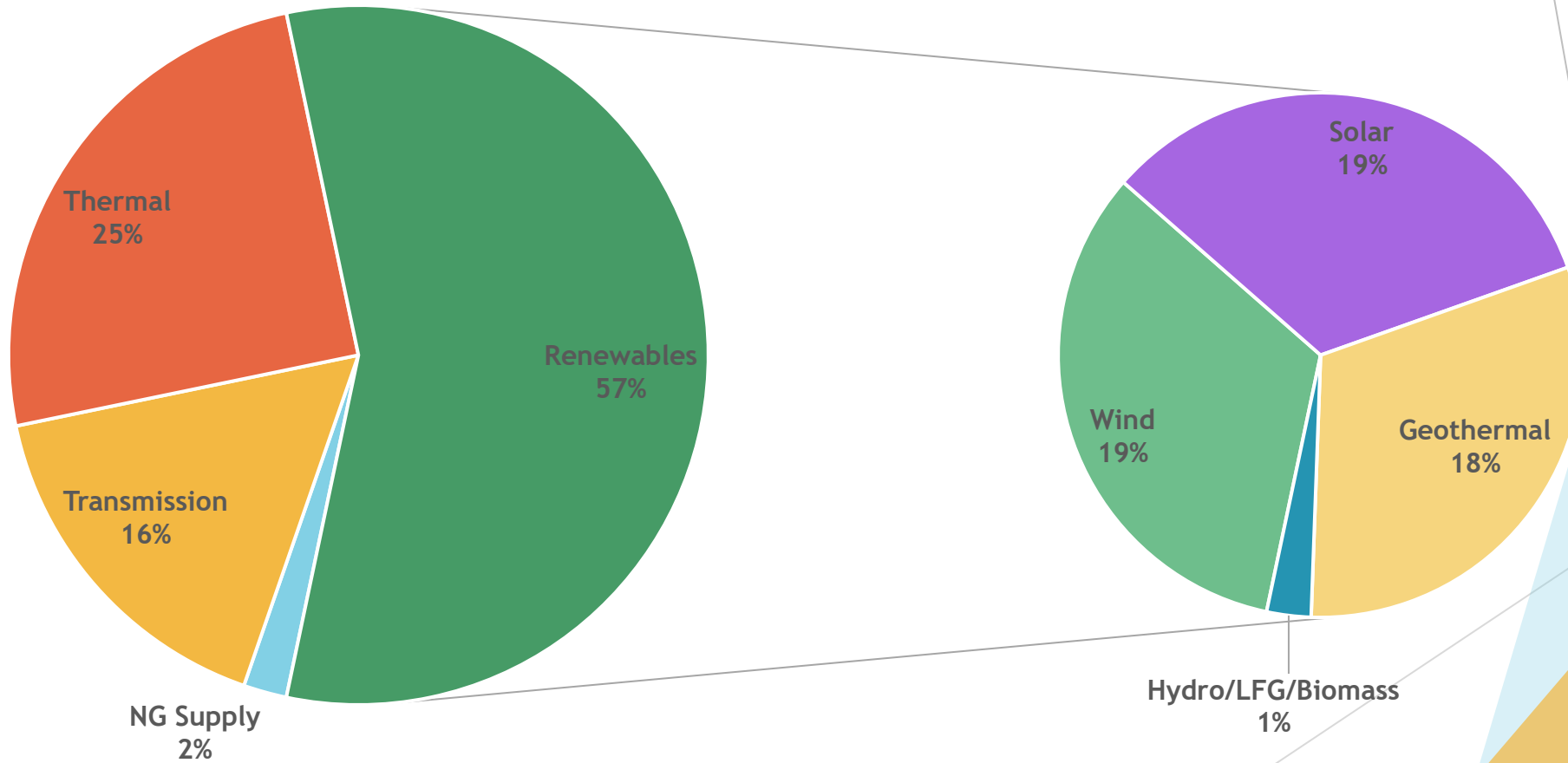
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
3.2 CHART OF COMPOSITE PERCENT FUNDED CURVE, FUNDING FLOOR CURVE, & ACTUAL ACCUMULATIONS FOR ALL
(PALO VERDE0 UNITS)



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
3.2 CHART OF COMPOSITE PERCENT FUNDED CURVE, FUNDING FLOOR CURVE, & ACTUAL ACCUMULATIONS FOR ALL (PALO VERDE) UNITS



SCPPA Project Budgets by Resource Type



**Budget
Resolutions
2026-033
to
2026-081**

Submitted For Approval





Thank You



SCP PA

GOVERNMENT AFFAIRS

MARIO De BERNARDO | *Director, Government Affairs*

ELISABETH de JONG | *Manager, Regulatory Affairs*

NATALIE SEITZMAN | *Manager, Legislative Affairs*

State Regulatory Update

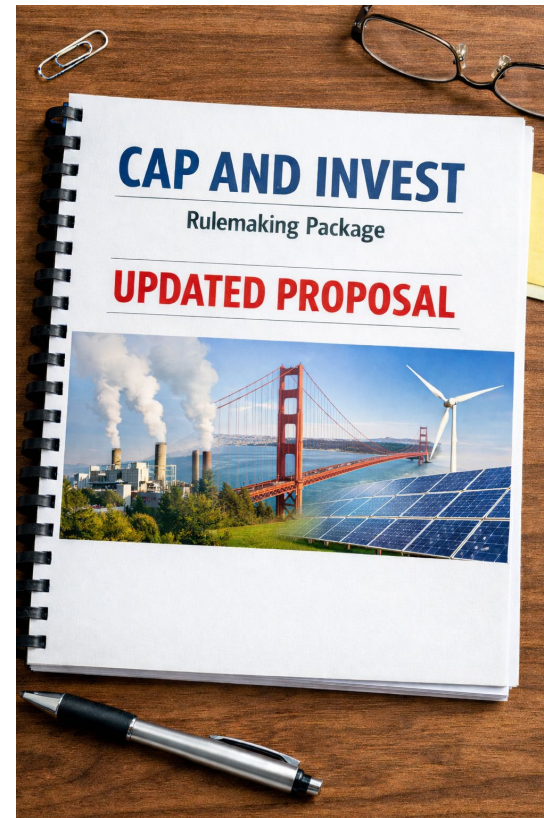
CARB: Cap-and-Invest

▶ SCPPA Member's 2027-2030 Allowances

- ▶ CARB's January Proposal
 - \$550 Million Reduction
- ▶ CARB's April Proposal
 - \$212 Million Reduction

▶ CARB Vote Expected May 28th

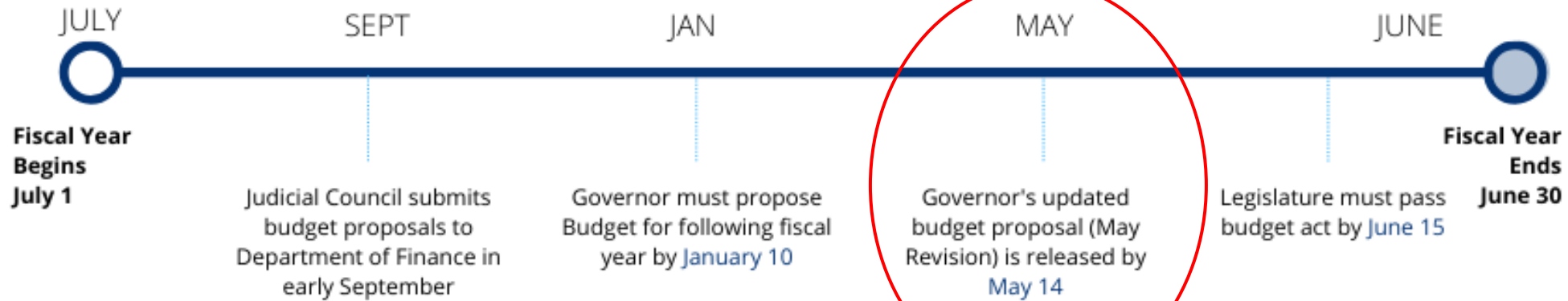
▶ SCPPA's Position & Next Steps



State Legislative Update



California's Budget Process Timeline



Governor's May Revise Budget

- Governor's Press Release:

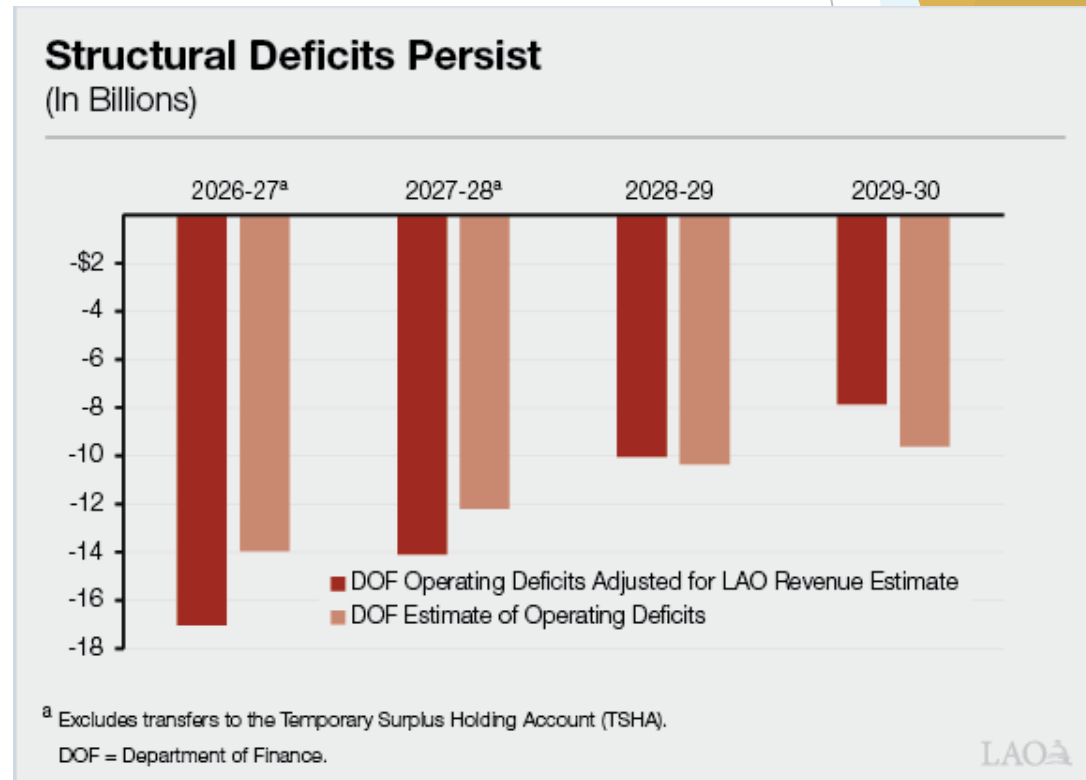
The revised budget delivers a \$1.8 billion reduction in General Fund spending and:

- \$0 deficit this budget year
- \$0 deficit next budget year
- \$0 structural deficit *through* July 2028

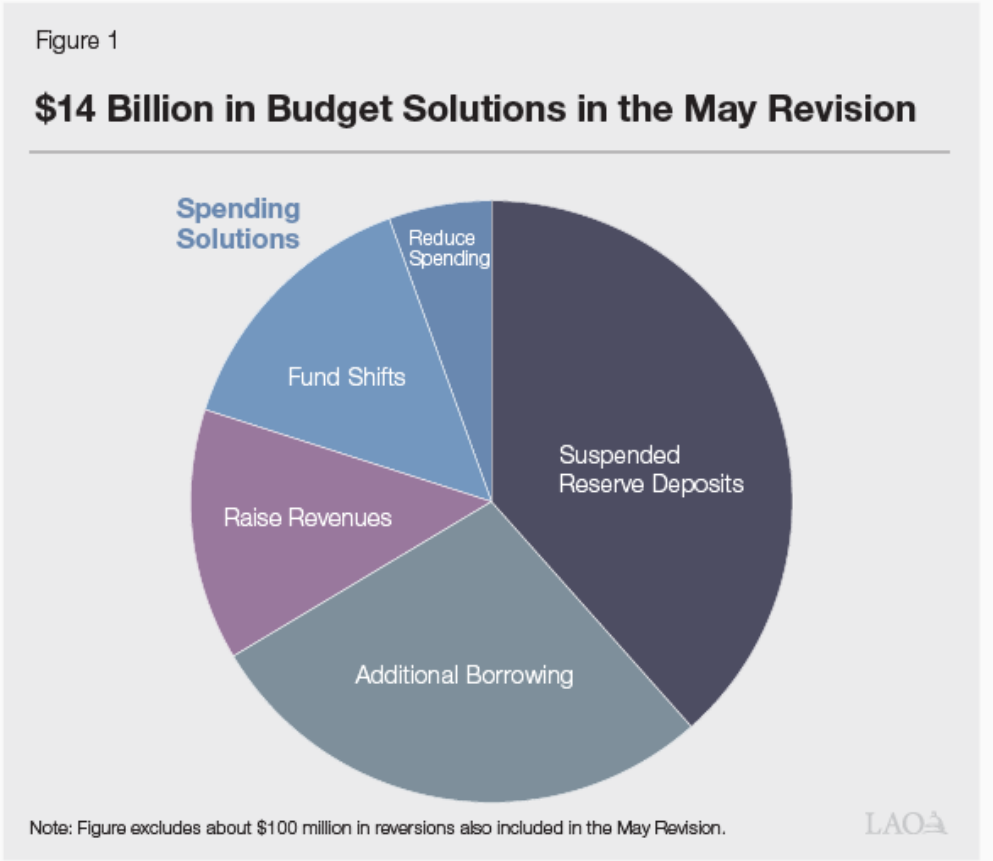
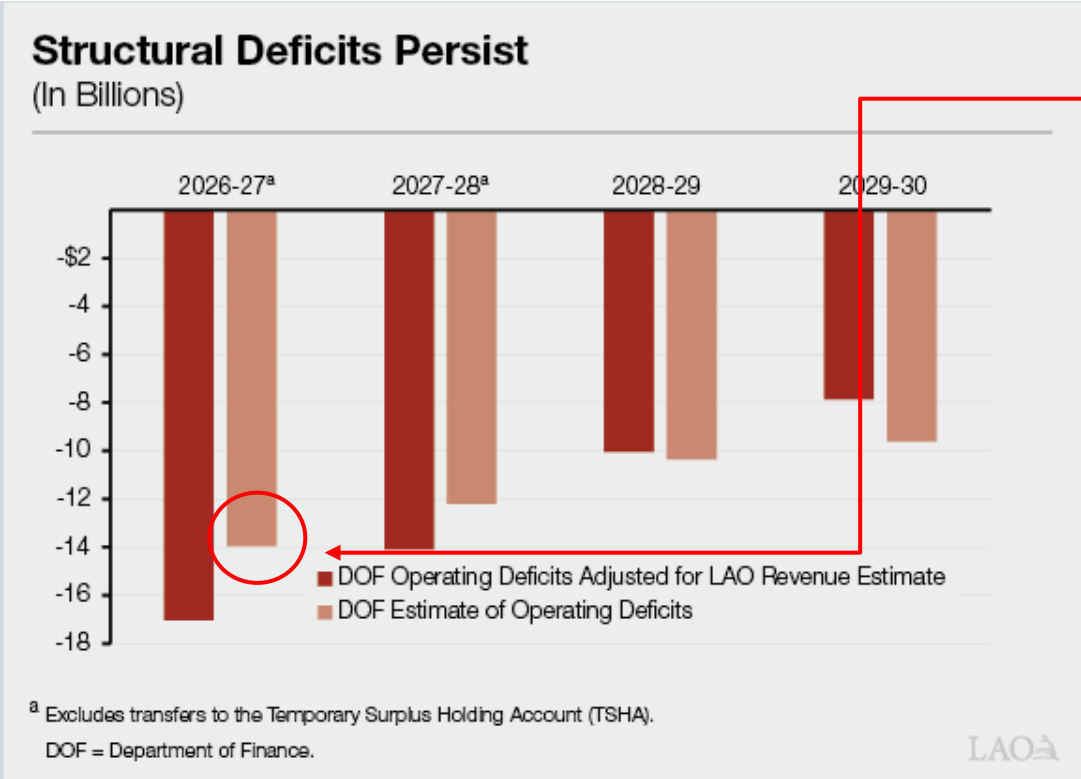


Legislative Analyst Office

- “The underlying budget condition is not sound”
- “Ongoing revenues are insufficient to support ongoing expenditures”
- Budget Relies on \$24 Billion in Reserves & Borrowing
- **Recommendation**: \$24 billion in new budget capacity/solutions



Legislative Analyst Office



Wildfire Liability Reform

▶ SB 254 (Becker, 2025)

- Requires Report from California Earthquake Authority (CEA)
- Evaluate New Models to Equitably Socialize Risk that Balance the State's Goal
- Report Due April 2026

Senate Bill (SB) 254 Rationale for the Study: *"To address the emerging climate-fueled economic crisis, California must evaluate new models to equitably socialize risk that balance the state's goals..."*

Provide Californians with safe, affordable, and reliable energy

Maintain progress toward climate goals

Mitigate the incidence of and harm from wildfires and other disasters

Stabilize insurance markets to protect both access and affordability

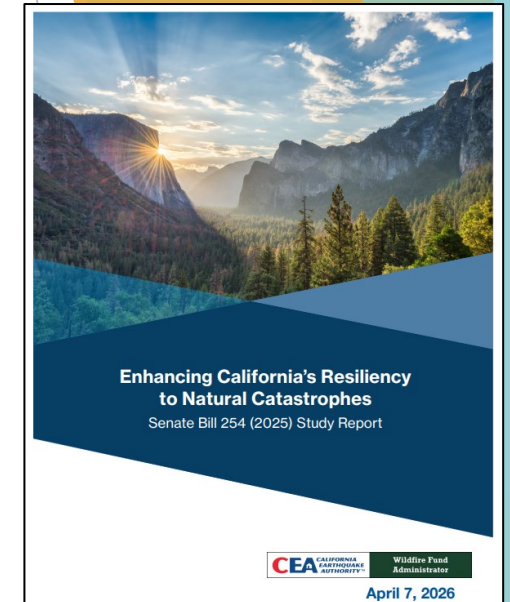
Provide swift and fair compensation to those harmed



Wildfire Liability Reform

▶ SB 254 Report (April 2026)

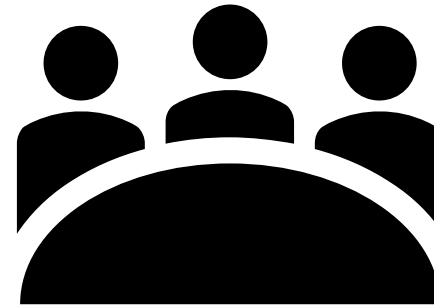
- Emphasizes Cost of Inaction
- Lists Pathways, Strategies, and Options
 - ❖ Pathway 1 - Commit to Community Wildfire Risk Reduction
 - ❖ Pathway 2 - Equitably Allocate Catastrophe Burdens
 - Eliminate Inverse
 - Modify Utility Damages in Negligence Cases
 - ❖ Pathway 3 - State Roles for Addressing Catastrophe Resiliency
 - Establish a State Backstop for Electric Utility Wildfire Liability



Wildfire Liability Reform

▶ CMUA's Position

- ❖ Distinguishes POUs from IOUs
- ❖ Highlights Threats to Utility and City Solvency
- ❖ Supports
 - Inverse Reform
 - State-funded Backstop
 - CEQA Streamlining for Mitigation



▶ LADWP's Position

Wildfire Liability Reform

Latest News

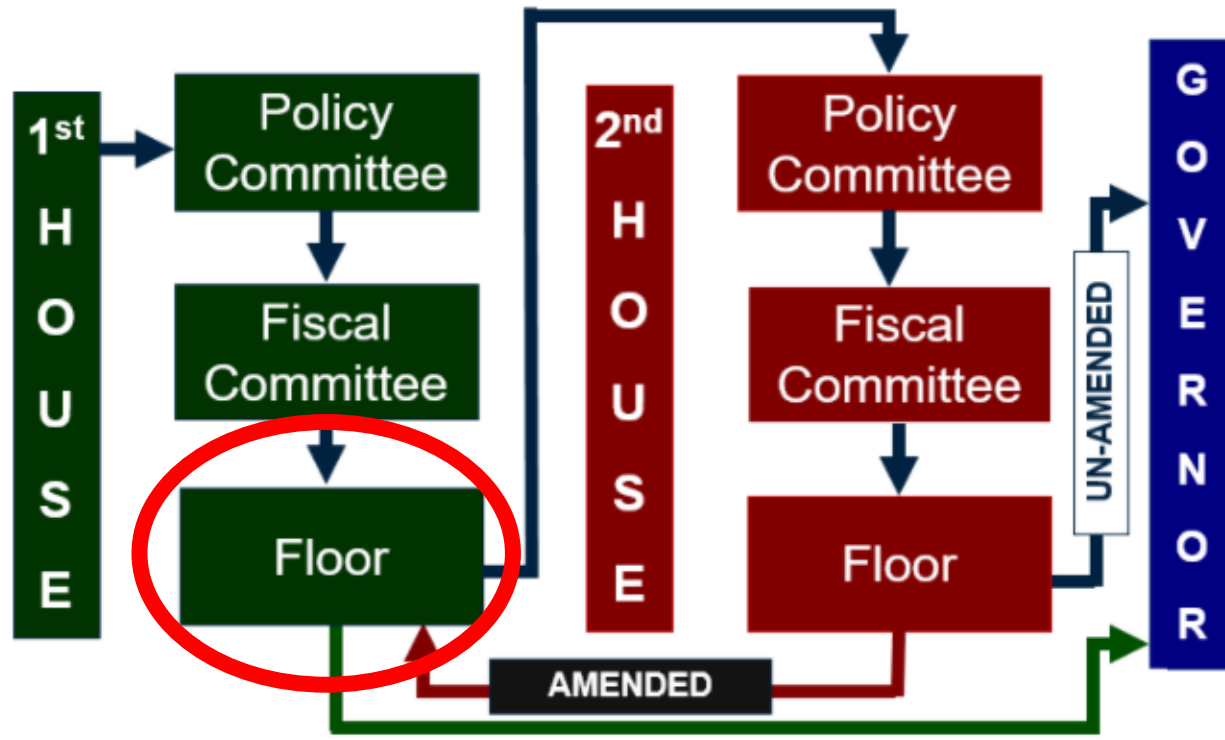
- ▶ No Substantive Bills Introduced Yet
- ▶ Last Week: Three SB 254 Info Hearings
- ▶ Senate Working Group Established
- ▶ Assembly Dynamics
- ▶ IOUs Focused on State-Funded Insurance Backstop



State Legislative Calendar

Legislative Process

“How a Bill Becomes a Law”



Notable Dates:

May 29: 1st House Floor Deadline

June 1: 2nd House Policy Comm Process Starts

July 2: 2nd House Policy Comm Deadline

Appropriations Results Overview

Support Bills Passed

- Hydrogen in RPS (SB 1350)
- Advanced Nuclear Study (AB 2647)
- Metal Theft (AB 1941 and SB 1266)

Problem Bills Passed

- High-Speed Rail (SB 1425)
- Utility Use of AI (SB 1011)
- Balcony Solar (SB 868)

Dead Bills

- CEQA Exemption for Reconductoring (SB 1097)
- Taxpayer Funding for Utility Programs (SB 905)



Regulating Grid Automation

SB 1011 (McNerney)

- ▶ Requires CPUC to set AI Policies
- ▶ Requires POUs to adopt policy “consistent with CPUC”
- ▶ Recent amendments increase flexibility for CPUC, do not address POUs
- ▶ Strategy: negotiate to remove “consistent with CPUC” language, POUs would have to adopt policy for use of AI
- ▶ **SCPPA Position: Oppose**



Hydrogen Combustion SB 1350 (McNerney)

- ▶ Expands RPS eligibility to hydrogen used in turbines capable of using at least a 20% hydrogen blend
- ▶ Amendments:
 - CEC determines resource shuffling, not CARB
 - Requires hourly matching of renewable generation to hydrogen production
- ▶ **SCPPA Position: Support**



High-Speed Rail SB 1425 (Cortese)

- ▶ Gives High-Speed Rail Authority permitting authority to issue encroachment permits
- ▶ Amendments:
 - Limits to new crossings and “new work”
 - Commits to agreements and permits issued related to utility relocations, utility service, transfer of real property to HSR
- ▶ Continued concern that “new work” is too broad
- ▶ **SCPPA Position: Oppose**



Federal Update

Dept. of Interior

Judge blocks Trump admin's actions targeting wind and solar

By Kelsey Tamborrino | 04/21/2026 01:19 PM EDT

The wide-ranging order said opponents of the administration's actions are likely to succeed in legal challenges.

DOI Sec. Burgum to Congress

- **4/29 Senate Energy and Natural Resources Committee Hearing**
 - **Burgum**
 - ❑ Administration “vehemently disagrees” with court
 - **Sen. Sheldon Whitehouse (D-R.I.)**
 - ❑ “No sense” to pass bipartisan permitting reform legislation without a commitment from the executive branch to stop its attempts to halt renewable energy development.
- **5/13 House Natural Resources Committee Hearing**
 - **Burgum**
 - ❑ Announced he is appealing court decision



Federal Renewable Permitting

- ▶ **Trump Administration Taking One-Off Approach**
- ▶ **Feb 2026 - Nevada Gov. Lombardo Met with Trump**
- ▶ **Lombardo Advocated for NV Solar Projects**
- ▶ **Trump: “I’m glad you brought it up. I’ll call Burgum and tell him it’s allowable in Nevada.”**



SCPPA Advocacy Events

Upcoming SCPPA Events

□ June 4th Mini-Capitol Day

□ July 29-31 SCPPA Policy Staff Tour

- ❖ Stops
 - LADWP - Pacific Palisades & Power Yard
 - Vernon - Clean Hydrogen & Data Centers
 - Anaheim - Park Station & OCVibe
 - Hoover Dam
- ❖ SCPPA Board Dinner: Wed, July 29th DTLA

□ August 27th: CEC/SCPPA Field Trip

- ❖ CEC Vice Chair Gunda, Commissioner Gallardo, CEC Senior Staff
- ❖ Features: Vernon, LADWP
- ❖ SCPPA Board Dinner in Burbank