

DISCUSSION CALENDAR

- 14 UPDATE ON THE DECOMMISSIONING STATUS OF SAN ONOFRE NUCLEAR GENERATION STATION, USE OF SETTLEMENTS AND COST RECOVERIES OF \$11,244,000 TO PARTIALLY DEFEASE EXISTING DEBT, RETENTION OF FINANCE TEAM FOR DEBT DEFEASANCE TRANSACTION, AND TRANSFER OF \$11,244,000 FROM UNDESIGNATED RESERVES TO A BOND DEFEASANCE DESIGNATED RESERVE

Assistant General Manager Danny Garcia gave an update on the decommissioning status of San Onofre Nuclear Generation Station (SONGS) and Assistant General Manager Laura Chavez-Nomura followed with a financial overview of using settlement and cost recovery monies received to pay down existing SONGS debt.

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Receive and file the update on the status of the decommissioning of San Onofre Nuclear Generation Station;
2. Authorize the use of settlements and cost recoveries received of \$11,244,000 to partially defease existing debt;
3. Retain the various financing team members for the debt defeasance transaction, as outlined in the report below;
4. Authorize the City Manager, or his delegate, to execute individual agreements with each financing team member that will be negotiated closer to the actual defeasance of the bonds, for not to exceed \$65,000; and
5. Establish a bond defeasance designated reserve account within the Electric Fund, as determined by the Finance Department, and authorize the transfer of settlements and cost recoveries received of \$11,244,000 to the designated reserve for bond defeasance.

Motion – Crohn. Second – Ocegüera.

Ayes: Austin, O’Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, and Walcker.

Absent: Sanchez-Monville (left the meeting early)