

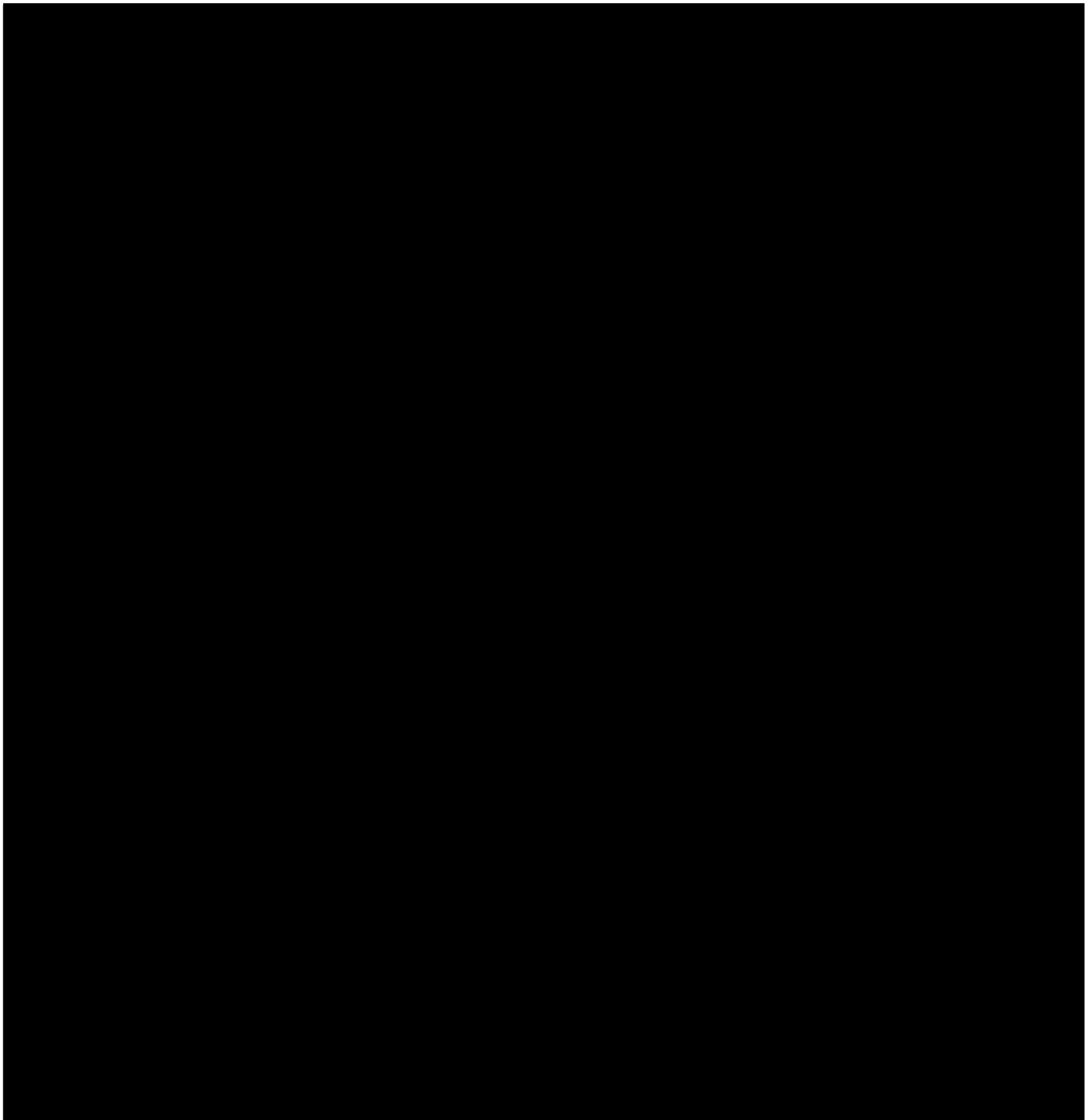
SAN ONOFRE NUCLEAR GENERATING STATION

May 13, 2004

BOARD OF REVIEW

MEETING MINUTES

A meeting of members of the Board of Review (BOR) convened May 13, 2004, 9:30 a.m., in the Mezzanine Conference Room, San Onofre. A description of the items discussed and actions taken is provided.



Proposed 2004 Capital Budget for Approval and Five Year Capital Forecast

**Board of Review
Committee Meeting
May 13, 2004**

SONGS 2 & 3 Capital Projects

Proposed 2004 Capital Budget

(\$ in Millions, 100% Level, with Corp. OH)

Base Capital	5.9
Capital Replacements	7.8
SIPC Capital Projects	64.8
Marine Mitigation	4.6
DBT Security Upgrades	61.7
Steam Generator Replacement	<u>15.4</u>
Subtotal	160.2
Contractual Overheads	
Labor A&G	4.4
Labor P&B	3.7
Payroll Taxes	1.3
Non-Labor A&G	<u>1.4</u>
TOTAL CAPITAL	<u>171.0</u>

SONGS 2 & 3 Capital Forecast

(Nominal \$ in Millions, 100% Level, without Overheads)

	2004	2005	2006	2007	2008
Base Capital	5.9	6.1	6.5	6.8	7.8
Outage Replacements	7.8	5.1	10.3	10.7	9.6
Site Incremental Project Committee (SIPC)					
U2/3 Spent Fuel Storage	16.8	10.8	7.9	19.6	18.8
RPV Head Replacement	0.0	0.0	2.0	9.9	21.6
Main Generator Rotor	2.5	5.0	4.0	7.6	8.0
Reliability	30.6	25.5	28.4	19.3	8.9
Betterment/Infrastructure/Obsolescence	13.0	7.8	9.4	12.6	14.8
Additional Security Upgrades	1.9	5.0	0.0	0.0	0.0
SIPC Subtotal	64.8	54.1	51.7	69.0	72.1
Subtotal	78.5	65.3	68.5	86.5	89.5
Marine Mitigation	4.6	19.0	24.0	12.2	2.4
DBT Security Upgrades	61.7	0.0	0.0	0.0	0.0
Steam Generator Replacement	15.4	61.5	62.4	74.1	65.3
Capital Projects Total	160.2	145.8	154.9	172.8	157.2

SONGS 2 & 3 Capital Forecast

(Nominal \$ in Millions, 100% Level, without Overheads)

Forecast Cash Flow by Project

	2004					2005				
	Capital	SGRP	DBT	MM	Total	Capital	SGRP	DBT	MM	Total
January	2.206	0.397	1.243	0.385	4.231	5.441	5.121	0.000	1.583	12.145
February	4.276	0.427	1.178	0.385	6.266	5.441	5.121	0.000	1.583	12.145
March	6.760	0.583	3.642	0.385	11.370	5.441	5.121	0.000	1.584	12.146
April	6.783	0.515	2.950	0.385	10.633	5.441	5.121	0.000	1.583	12.145
May	7.093	0.320	6.935	0.385	14.733	5.441	5.121	0.000	1.583	12.145
June	5.774	0.325	10.577	0.385	17.061	5.441	5.121	0.000	1.584	12.146
July	7.291	0.281	9.115	0.384	17.071	5.441	5.121	0.000	1.583	12.145
August	3.902	0.282	6.016	0.384	10.584	5.441	5.121	0.000	1.583	12.145
September	7.382	1.396	4.614	0.384	13.776	5.441	5.121	0.000	1.584	12.146
October	3.056	2.269	2.545	0.384	8.254	5.441	5.121	0.000	1.583	12.145
November	3.394	2.617	2.000	0.384	8.395	5.441	5.121	0.000	1.583	12.145
December	20.459	6.013	10.922	0.384	37.778	5.440	5.121	0.000	1.584	12.145
Total	78.376	15.425	61.737	4.614	160.152	65.291	61.452	0.000	19.000	145.743

SONGS 2 & 3 Capital Forecast

(Nominal \$ in Millions, Cash Flow by Cost Component,
100% Level, without Overheads)

2004

SONGS Common (75.35%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.040	(0.015)	0.085	0.042	0.126	0.116	0.114	0.064	0.116	0.078	0.086	0.055	0.907
Non-Labor	0.361	(0.139)	0.764	0.380	1.138	1.045	1.023	0.574	1.040	0.703	0.776	0.494	8.159
Total	0.401	(0.154)	0.849	0.422	1.264	1.161	1.137	0.638	1.156	0.781	0.862	0.549	9.066

SONGS Units 2&3

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.345	0.603	1.014	0.983	1.308	1.552	1.555	0.956	1.224	0.709	0.715	3.685	14.647
Non-Labor	3.101	5.432	9.122	8.843	11.776	13.964	13.995	8.606	11.012	6.380	6.434	33.161	131.825
Total	3.445	6.035	10.136	9.826	13.084	15.515	15.550	9.562	12.236	7.089	7.149	36.845	146.472

Marine Mitigation

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Non-Labor	0.385	0.385	0.385	0.385	0.385	0.385	0.384	0.384	0.384	0.384	0.384	0.384	4.614
Total	0.385	0.385	0.385	0.385	0.385	0.385	0.384	0.384	0.384	0.384	0.384	0.384	4.614

Total SONGS Capital

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.385	0.588	1.099	1.025	1.435	1.668	1.669	1.020	1.339	0.787	0.801	3.739	15.554
Non-Labor	3.846	5.678	10.272	9.608	13.298	15.393	15.402	9.564	12.437	7.467	7.594	34.039	144.598
Total	4.231	6.266	11.370	10.633	14.733	17.061	17.071	10.584	13.776	8.254	8.395	37.778	160.152

2005

SONGS Common (75.35%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.071	0.847
Non-Labor	0.635	0.635	0.635	0.635	0.635	0.635	0.635	0.635	0.635	0.635	0.635	0.635	7.626
Total	0.706	0.706	0.706	0.706	0.706	0.706	0.706	0.706	0.706	0.706	0.706	0.706	8.473

SONGS Units 2&3

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.986	0.986	0.986	0.986	0.986	0.986	0.986	0.986	0.986	0.986	0.986	0.985	11.827
Non-Labor	8.870	8.870	8.870	8.870	8.870	8.870	8.870	8.870	8.870	8.870	8.870	8.869	106.443
Total	9.856	9.856	9.856	9.856	9.856	9.856	9.856	9.856	9.856	9.856	9.856	9.855	118.270

Marine Mitigation

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Non-Labor	1.583	1.583	1.584	1.583	1.583	1.584	1.583	1.583	1.584	1.583	1.583	1.584	19.000
Total	1.583	1.583	1.584	1.583	1.583	1.584	1.583	1.583	1.584	1.583	1.583	1.584	19.000

Total SONGS Capital

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Labor	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	12.674
Non-Labor	11.089	11.089	11.090	11.089	11.089	11.090	11.089	11.089	11.090	11.089	11.089	11.089	133.069
Total	12.145	12.145	12.146	12.145	12.145	12.146	12.145	12.145	12.146	12.145	12.145	12.145	145.743

BOR 5/13/2004