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 FACIL:50-361 San Onofre Nuclear Station, Unit 2, Southern Californ 05000361  
 50-362 San Onofre Nuclear Station, Unit 3, Southern Californ 05000362  
 AUTH.NAME AUTHOR AFFILIATION  
 DIETCH,R. Southern California Edison Co.  
 RECIP.NAME RECIPIENT AFFILIATION  
 EISENHUT,D.G. Division of Licensing

SUBJECT: Forwards Amend 1 to San Onofre Units 1 & 2 participation agreement among Southern CA Edison Co, San Diego Gas & Electric Co, City of Anaheim & City of Riverside whereby City of Anaheim purchased addl interest.

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NRR/DST/LGB 33	1 1	REG FILE 04	1 1
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EXTERNAL: ACRS 41	10 10	BNL(AMDTs ONLY)	1 1
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*Southern California Edison Company*



P. O. BOX 800

2244 WALNUT GROVE AVENUE

ROSEMEAD, CALIFORNIA 91770

ROBERT DIETCH

VICE PRESIDENT

TELEPHONE

213-572-4144

July 9, 1982

Director of Nuclear Reactor Regulation  
Attention: D. G. Eisenhut, Director  
Division of Licensing  
U. S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Gentlemen:

Subject: Docket Nos. 50-361 and 50-362  
San Onofre Nuclear Generating Station  
Units 2 and 3

In response to your letter of February 16, 1982, to Mr. Robert Dietch of Southern California Edison Company ("Edison") and Mr. D. W. Gilman of San Diego Gas & Electric Company regarding amendments to construction permits for San Onofre Units 2 and 3, enclosed are eight (8) copies of "Amendment No. 1 To San Onofre Units 2 and 3 Participation Agreement Among Southern California Edison Company, San Diego Gas & Electric Company, City of Riverside and City of Anaheim" pursuant to which Edison sold, and the City of Anaheim purchased, an additional undivided 1.5 percent co-tenancy interest in San Onofre Units 2 and 3, an additional undivided 1.25 percent co-tenancy interest in the San Onofre Units 2 and 3 common facilities and an additional undivided 1.5 percent co-tenancy interest in the nuclear fuel associated with San Onofre Units 2 and 3.

If you have any questions or comments, please call me.

Very truly yours,

Enclosures

cc: M. D Schuster (NRC, Region V)

BOO!

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M PDR

# CONFORMED COPY

## AMENDMENT NO. 1 TO SAN ONOFRE UNITS 2 AND 3

### PARTICIPATION AGREEMENT AMONG

SOUTHERN CALIFORNIA EDISON COMPANY,

SAN DIEGO GAS & ELECTRIC COMPANY,

CITY OF RIVERSIDE AND CITY OF ANAHEIM

1. PARTIES: The Parties to this Amendment No. 1 to the San Onofre Units 2 and 3 Participation Agreement are: Southern California Edison Company, a California corporation ("Edison"); San Diego Gas & Electric Company, a California corporation ("San Diego"); City of Riverside, a municipal corporation of the State of California ("Riverside"); and City of Anaheim, a municipal corporation of the State of California ("Anaheim"); individually ("Party"), collectively ("Parties").
2. RECITALS: This Amendment No. 1, to the San Onofre Units 2 and 3 Participation Agreement ("Participation Agreement"), is made with reference to the following facts, among others:
  - 2.1 The Parties entered into the Participation Agreement as of November 1, 1977 pursuant to which Anaheim and Riverside acquired ownership interests in the amounts of 1.66% and 1.79%, respectively, in San Onofre Nuclear Generating Station Units 2 and 3 ("Units 2 and 3").
  - 2.2 Pursuant to a letter dated July 28, 1981, Anaheim offered to purchase from Edison an additional 1.5 percent ownership interest in Units 2 and 3, including a 1.5 percent ownership interest in the nuclear fuel associated with Units 2 and 3, and a 1.25 percent ownership interest in the associated common facilities

1 ("Additional Ownership Interest"). Said letter ("Letter  
2 Agreement"), executed by both Anaheim and Edison,  
3 contains the terms and conditions under which the  
4 purchase of such Additional Ownership Interest would  
5 take place. Said Letter Agreement is attached hereto as  
6 Exhibit 1 and incorporated herein by this reference.  
7 Edison accepted such offer on August 13, 1981.

8 2.3 The Letter Agreement provides, among other things, that  
9 Edison and Anaheim shall cooperate fully in preparing an  
10 amendment to the Participation Agreement to reflect the  
11 transfer of the Additional Ownership Interest.

12 3. AGREEMENT: The Parties agree as follows:

13 4. The Participation Agreement is hereby amended as follows:

14 4.1 Section 4.9 is amended to read as follows:

15 "4.9 Generation Entitlement Share: The percentage  
16 entitlement of each Party to the Net Energy  
17 Generation and to the Current Operating  
18 Capacity. Each Party's such percentage  
19 entitlement to Units 2 and 3 shall be as  
20 follows:

21 4.9.1 Edison - 75.05 percent

22 4.9.2 San Diego - 20.00 percent

23 4.9.3 Riverside - 1.79 percent

24 4.9.4 Anaheim - 3.16 percent"

25 4.2 Section 4.32 is added to read as follows:

26 "4.32 Participation Agreement: The San Onofre Units  
27 2 and 3 Participation Agreement among Southern  
28 California Edison Company, San Diego Gas &

Electric Company, City of Riverside and City of  
Anaheim executed as of the first day of November,  
1977, as amended from time to time."

4.3 Section 5.2 and the subsections therein are amended to  
read as follows:

"5.2 Edison, San Diego, Riverside, and Anaheim shall  
own the Common Facilities as tenants-in-common as  
follows:

5.2.1 Edison shall own an undivided 75.87  
percent interest therein;

5.2.2 San Diego shall own an undivided 20.00  
percent interest therein;

5.2.3 Riverside shall own an undivided 1.49  
percent interest therein;

5.2.4 Anaheim shall own an undivided 2.64  
percent interest therein."

4.4 Section 5.3 and the subsections therein are amended to  
read as follows:

"5.3 Edison, San Diego, Riverside and Anaheim shall  
have the following interests in the Project  
Easements:

5.3.1 Edison shall have the following undivided  
co-tenancy interests therein:

5.3.1.1 Unit 1 Area 80.00%

5.3.1.2 Units 2 and  
3 Area 75.05%

5.3.1.3 Common Facil-  
ities Area 75.87%

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5.3.1.4 Switchyard

Area 80.00%

5.3.2 San Diego shall have the following undivided co-tenancy interests therein:

5.3.2.1 Unit 1 Area 20.00%

5.3.2.2 Units 2 and 3 Area 20.00%

5.3.2.3 Common Facilities Area 20.00%

5.3.2.4 Switchyard Area 20.00%

5.3.3 Riverside shall have the following undivided co-tenancy interests therein:

5.3.3.1 Unit 1 Area 0.00%

5.3.3.2 Units 2 and 3 Area 1.79%

5.3.3.3 Common Facilities Area 1.49%

5.3.3.4 Switchyard Area 0.00%

5.3.4 Anaheim shall have the following undivided co-tenancy interests therein:

5.3.4.1 Unit 1 Area 0.00%

5.3.4.2 Units 2 and 3 Area 3.16%

5.3.4.3 Common Facilities Area 2.64%

///

5.3.4.4 Switchyard

Area 0.00%

Where necessary, facilities associated with and incidental to a specific portion of San Onofre may be installed on or over any portion of the Plant Site."

4.5 Edison hereby sells, and Anaheim hereby purchases, the Additional Ownership Interest, for which Edison has paid as of September 1, 1981, pursuant to the Letter Agreement.

4.6 Edison hereby assigns to Anaheim an additional undivided 1.5 percent interest in the San Onofre Units 2 and 3 Construction Agreement ("Construction Agreement") as it pertains to Units 2 and 3, and an additional undivided 1.25 percent interest in the Construction Agreement as it pertains to the Common Facilities.

4.7 Pursuant to the Letter Agreement and commencing on September 1, 1981, Edison shall bear 75.05 percent and Anaheim shall bear 3.16 percent of Construction Costs, as described by Sections 4.2 and 6.1 of the Construction Agreement, associated with Units 2 and 3.

4.8 Pursuant to the Letter Agreement and commencing on September 1, 1981, Edison shall bear 75.87 percent and Anaheim shall bear 2.64 percent of Construction Costs associated with Common Facilities.

4.9 Pursuant to the Letter Agreement and commencing on September 1, 1981, Edison shall bear 75.87 percent and

1 Anaheim shall bear 2.64 percent of the costs of all  
2 Project Easements, except for the Plant Site easement,  
3 the Unit 1 Off-Shore Land easement-lease, and the Units  
4 2 and 3 Off-Shore Land easement-lease, all as described  
5 in the Participation Agreement.

6 4.10 Pursuant to the Letter Agreement and commencing on  
7 September 1, 1981, Edison shall bear 76.9758 percent  
8 and Anaheim shall bear 1.9321 percent of the Plant Site  
9 easement costs.

10 4.11 Pursuant to the Letter Agreement and commencing on  
11 September 1, 1981, Edison shall bear 75.05 percent and  
12 Anaheim shall bear 3.16 percent of the costs of Units 2  
13 and 3 Off-Shore Land easement-lease.

14 4.12 Pursuant to the Letter Agreement and commencing on  
15 September 1, 1981, Edison shall bear 75.05 percent and  
16 Anaheim shall bear 3.16 percent of the costs to be paid  
17 or shared as set forth in Sections 9.5 and 9.7 of the  
18 Construction Agreement.

19 4.13 Edison shall, within twelve (12) months after receipt  
20 of payment of the Purchase Price pursuant to the Letter  
21 Agreement, procure a release of the Additional  
22 Ownership Interest transferred pursuant to Section 4.5  
23 hereof from the lien of Edison's trust indenture and  
24 deliver to Anaheim a bill of sale covering the  
25 Additional Ownership Interest.

26 5. Except as expressly amended herein, all provisions of the  
27 Participation Agreement shall remain in full force and  
28 effect; provided, that, commencing on September 1, 1981, the



1 percentages set forth in the following subsections of the  
2 Participation Agreement, executed as of November 1, 1977,  
3 shall no longer apply: subsections 7.3.1, 7.3.4, 7.4.1,  
4 7.4.4, 7.5.1, 7.5.4, 7.6.1, 7.6.4, 7.7.1, and 7.7.4.  
5 6. This Amendment No. 1 to the Participation Agreement is solely  
6 intended to provide for the transfer from Edison to Anaheim  
7 of the Additional Ownership Interest described herein. The  
8 Parties recognize that other modifications or changes to the  
9 Participation Agreement may be required. However, the  
10 Parties have chosen to defer making such changes or  
11 modifications and agree that they are not precluded thereby  
12 from making such modifications or changes to the  
13 Participation Agreement, as mutually agreed upon.

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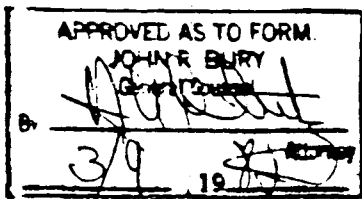
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1 7. The signatories hereto represent that they have been  
2 authorized to enter into this Amendment No. 1 on behalf of  
3 the Party for whom they sign. This Amendment No. 1 is  
4 effective as of September 1, 1981.

5 Executed as of March 15, 1982.

6  
7 SOUTHERN CALIFORNIA EDISON COMPANY



By [Signature]  
Date March 9, 1982

12 SAN DIEGO GAS & ELECTRIC COMPANY

13  
14 By [Signature]  
15 Date March 10, 1982

16  
17 ATTEST:

CITY OF RIVERSIDE

18  
19 [Signature]

By [Signature]  
20 Date March 15, 1982

21  
22 ATTEST:

CITY OF ANAHEIM

23  
24 [Signature]

By [Signature]  
25 Date March 15, 1982

26 APPROVED AS TO FORM:

27 ALAN R. WATTS  
Special Counsel

28 By Alan R. Watts  
March 15, 1982



## ANAHEIM PUBLIC UTILITIES DEPARTMENT

*Office of The General Manager*

July 28, 1981

Mr. William R. Gould  
Chairman of the Board  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, California 91770

Re: Purchase by the City of Anaheim of an Additional  
1.5 Percent Ownership Interest in San Onofre  
Nuclear Generating Station Units 2 and 3 from  
Southern California Edison Company

Dear Mr. Gould:

By letter dated January 22, 1981, Gordon W. Hoyt, Public Utilities General Manager of the City of Anaheim (Anaheim), inquired as to whether Southern California Edison Company (Edison) might wish to sell to Anaheim an additional Ownership Interest (hereinafter defined) in each of Units 2 and 3 at the San Onofre Nuclear Generating Station (SONGS 2 and 3). Such Ownership Interest would be in addition to the 1.66 percent interest already owned by Anaheim. Pursuant to that letter, the respective staffs of Anaheim and Edison have had further discussions with respect to the acquisition by Anaheim of such an Ownership Interest.

As a result of such discussions, Anaheim hereby offers to purchase from Edison a 1.5 percent Ownership Interest in SONGS 2 and 3, including a 1.5 percent ownership interest in the nuclear fuel associated with SONGS 2 and 3, and a 1.25 percent ownership interest in the associated common facilities, such total purchase being defined herein as the Ownership Interest. Upon completion of this transaction, Anaheim's undivided ownership interest as a tenant in common in SONGS 2 and 3 will be 3.16 percent.

This offer is made subject to the following terms and conditions:

1. It is understood and agreed that transfer to Anaheim of an ownership interest, as that term has been defined by the Nuclear Regulatory Commission (NRC), in SONGS 2 and 3 and the

Mr. William R. Gould  
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execution and delivery of the Amendment to the San Onofre Units 2 and 3 Participation Agreement (Participation Agreement) contemplated by Paragraph 9 hereof are subject to prior receipt of authorization for the transfer of such ownership interest from the California Public Utilities Commission (CPUC) and the NRC. It is intended that nothing contained in this agreement shall impose any obligations on either of the parties that would result in any violation of the Atomic Energy Act of 1954 or the regulations of the NRC.

2. At a special municipal election held on June 2, 1981, Anaheim received voter approval to issue electric revenue bonds and other securities pertaining to SONGS 2 and 3. Anaheim's obligations hereunder are subject to the issuance and sale of electric revenue bonds and/or other securities (Securities). Anaheim covenants and agrees that it will use its best efforts to issue and sell the Securities in an amount and at such time as will enable it to fulfill its agreement to pay Edison the Purchase Price (hereinafter defined) in accordance with this offer.

3. Anaheim shall pay Edison for such Ownership Interest an amount (Purchase Price) to be determined in accordance with the following formula:

$$PP = BC + CNF + ( (BC - TB) \times TR + ITCR ) \times \frac{1}{(1 - TR)}$$

Where:

PP = Purchase Price of the Ownership Interest.

BC = Book Cost, i.e., all recorded costs and expenses incurred by Edison in connection with the construction, ownership, and licensing of the Ownership Interest as of September 1, 1981, other than the cost of nuclear fuel associated with the Ownership Interest.

CNF = Cost of nuclear fuel for SONGS 2 and 3 associated with the Ownership Interest, including taxes arising from this transaction associated with the transfer of ownership of said nuclear fuel, as of September 1, 1981, as provided for in Section 11.2 of the Participation Agreement.

TB = The tax basis of the Ownership Interest exclusive of nuclear fuel prescribed by the Internal Revenue Code (IRC) for determining gain or loss in this transaction.

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TR = The weighted average of composite federal and state statutory tax rates applicable to the sales proceeds received by Edison from the sale of the Ownership Interest to Anaheim.

ITC = Investment tax credit (4 percent only) associated with the Ownership Interest which Edison has previously passed on to its ratepayers.

ITCR = The amount of ITC required to be recaptured pursuant to the applicable provisions of the IRC.

Edison shall make a good faith effort to avoid recapture of the ITC and shall make a good faith effort to include the matter of recapture of such ITC in rate cases filed using a 1983 test year. However, Edison shall take no position on either its federal or state income tax return inconsistent with treatment for tax purposes of the transaction contemplated hereby as a transfer of the Ownership Interest on the date of payment by Anaheim of the Purchase Price. If it is determined by the Internal Revenue Service or any other administrative body having jurisdiction or, if judicial review is sought, by the final order of a court of competent jurisdiction, that the ITC is not recaptureable, or if the ITC is no longer subject to recapture because of the passage of time, Edison shall adjust the Purchase Price by the amount of any ITC included in the Purchase Price recovered by Edison. Such adjustment, if any, shall be made by Edison within sixty (60) days following such final determination or the date that the ITC becomes no longer subject to recapture because of the passage of time, as the case may be. If Edison is able to recover any ITCR through rate relief, Edison shall adjust the Purchase Price by the amount of any ITCR included therein and recovered by Edison. Such adjustment, if any, shall be made ratably during the period for which the rate relief is made effective.

4. The Purchase Price shall be determined as of September 1, 1981 in accordance with the formula set forth in Paragraph 3. No later than October 15, 1981, Anaheim shall pay to Edison the Purchase Price in accordance with Edison's latest estimate of the Purchase Price that is available as of the date of payment. The Purchase Price shall be adjusted to reflect recorded costs when data regarding such costs become available. During regular business hours, Anaheim shall have the right, at its own expense, to audit the books and records of Edison directly pertaining to the costs included in the Purchase Price. Anaheim hereby agrees that the results of any such audit and any information obtained

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in connection herewith will be used solely for the purpose of verifying the costs included in the Purchase Price. Should such audit reveal errors, omissions or items not properly chargeable to the Purchase Price, each party shall pay to the other any amount found due and owing by it on the basis of such audit. Any such amount shall be paid within sixty (60) days after results of the audit are agreed upon by Edison and Anaheim. In the event that a dispute arises regarding the findings of such audit, Edison and Anaheim shall attempt in good faith to resolve the dispute between themselves.

5. If the Purchase Price is paid prior to September 1, 1981, Edison shall pay Anaheim interest on said Purchase Price from the date that Edison receives the funds to, but not including, September 1, 1981 at a rate equal to Anaheim's effective interest rate on the Securities. However, in no event shall such rate exceed the average of the one-month commercial paper rates published by the Board of Governors of the Federal Reserve System (such average being defined herein as the Commercial Paper Rate) during such period. If, pursuant to Paragraph 4, the Purchase Price is paid after September 1, 1981, and on or before October 15, 1981, Anaheim shall pay Edison interest on such Purchase Price during the period from September 1, 1981 to the date of Edison's receipt of payment at a rate equal to the Commercial Paper Rate during such period. If the Purchase Price is not paid to Edison by Anaheim on or before October 15, 1981, this agreement, unless extended by written agreement of Edison and Anaheim, shall terminate.

6. Anaheim shall commence making weekly progress payments associated with the Ownership Interest in accordance with Sections 6.7 and 6.9 of the San Onofre Units 2 and 3 Construction Agreement, as amended, and shall commence making payments for its share of nuclear fuel costs associated with the Ownership Interest on the first due dates for such payments after payment of the Purchase Price. However, if the Purchase Price is paid after September 1, 1981, the amount of any weekly progress payments and nuclear fuel payments due after September 1, 1981 but prior to the date of payment of the Purchase Price and not included in the Purchase Price shall be included in the first weekly progress payment made by Anaheim after payment of the Purchase Price. Such amounts shall bear interest at the Commercial Paper Rate from the date such payments were due to the date that Edison receives such funds, inclusive.

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7. Anaheim and Edison each hereby represents that it is unaware of any reasonable basis for the CPUC or the NRC to deny authorization for the transfer from Edison to Anaheim of the Ownership Interest and each of them also represents that, barring unreasonable regulatory delay, it expects each such authorization will be obtained prior to March 31, 1982. Anaheim and Edison shall jointly seek authorization from the CPUC and the NRC for the transfer from Edison to Anaheim of the Ownership Interest. Edison and Anaheim shall cooperate fully in seeking said authorizations, and all other approvals, contract amendments, assignments of interest, and consents necessary to effect transfer of the Ownership Interest. Anaheim shall be responsible for and shall pay all costs incurred in obtaining necessary authorizations, approvals, assignments, amendments, and consents associated with the transfer of the Ownership Interest. Each party shall bear its own costs of preparing the amendments specified in Paragraph 8.

8. Upon execution and delivery of this letter agreement, both parties shall cooperate fully in preparing and agreeing to amendments to the Participation Agreement, the Supplemental Agreement for the Integration of Anaheim's Entitlements in San Onofre Units 2 and 3, as modified (Supplemental Agreement), and the Edison-Anaheim San Onofre Transmission Service Agreement (Transmission Service Agreement) to reflect the transfer of the Ownership Interest, so that, prior to the time Anaheim first markets its Securities for the payment of the Purchase Price, such amendments shall be in final, agreed upon form suitable for execution. However, said amendments shall not be executed until authorizations for such transfer have been received from the CPUC and NRC and the Purchase Price has been paid to Edison. Anaheim and Edison each hereby agree to fully cooperate to obtain, prior to the time Anaheim first markets Securities for the payment of the Purchase Price, the written consents of San Diego Gas & Electric Company (SDG&E) and the City of Riverside (Riverside) to such amendment to the Participation Agreement. Neither party is aware of any reasonable basis for either SDG&E or Riverside to refuse to give such consent.

9. In the event that payment of the Purchase Price by Anaheim to Edison has been made on or before October 15, 1981, and the authorizations of the CPUC and NRC for the transfer of the Ownership Interest are obtained on or before March 31, 1982, then within five (5) business days after the later of such

authorizations is so obtained, Edison and Anaheim shall each execute and deliver the amendments to the Participation Agreement, the Supplemental Agreement and the Transmission Service Agreement referred to in Paragraph 8. Upon execution and delivery of the amendment to the Participation Agreement, Anaheim shall own the Ownership Interest as a tenant-in-common and shall be responsible for its share of all nuclear fuel costs, including sales and use taxes, associated therewith, in accordance with Section 11 of the Participation Agreement.

10. If Anaheim pays Edison the Purchase Price pursuant to Paragraph 3 before the authorizations of the CPUC and NRC for the transfer of the Ownership Interest are obtained, during the period between payment of the Purchase Price to Edison and the execution and delivery of the amendment to the Participation Agreement contemplated by Paragraph 8, Anaheim shall be entitled to any energy generated by SONGS 2 and 3 which is associated with the Ownership Interest during such period less the energy associated with the Ownership Interest required for operation of all process and auxiliary equipment and systems used in connection with the operation and maintenance of SONGS 2 and 3 and be responsible for all of the obligations associated with the Ownership Interest, including but not limited to: (i) the treatment of the Ownership Interest as property of Anaheim for property tax purposes; (ii) the naming of Anaheim as a named insured with respect to the Ownership Interest on all insurance maintained by Edison, as Project Director, for SONGS 2 and 3, and (iii) the payment of all nuclear fuel and other costs associated with the Ownership Interest.

11. If Anaheim pays Edison the Purchase Price pursuant to Paragraph 3 before the authorizations of the CPUC and NRC for the transfer of the Ownership Interest are obtained, and such authorizations are not obtained on or before March 31, 1982, unless such date is extended by mutual agreement of the parties in writing, said agreement not to be withheld unless the non-agreeing party suffers economic detriment or increased risk, Edison's obligations to execute and deliver the amendments described in Paragraph 8 shall, on April 1, 1982, become null and void and Edison shall pay to Anaheim, on or before July 1, 1982, an amount equal to (i) the Purchase Price, plus (ii) an amount equal to Anaheim's interest cost, from the date the Purchase Price was received by Edison to the date such amount is paid by Edison to Anaheim, on the Securities issued to fund the Purchase Price, but in no event shall such cost exceed the amount that would have obtained had the interest rate on the Securities been the Commercial Paper Rate plus (iii) the weekly progress



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payments made in accordance with Paragraph 6 and payments for nuclear fuel, plus (iv) an amount equal to Anaheim's interest costs, from the date such payments were received by Edison to the date such amounts are paid by Edison to Anaheim, on the Securities issued to fund the weekly progress payments and nuclear fuel payments but in no event shall such cost exceed the amount that would have obtained had the interest rate on the Securities been the Commercial Paper Rate, plus (v) an amount equal to the costs incurred by Anaheim in issuing, refunding, and redeeming the Securities; provided, that the amount to be paid pursuant to this clause (v) shall not exceed the sum of Four Hundred Thousand Dollars (\$400,000). In no event shall the date for obtaining regulatory authorizations described herein, March 31, 1982, be extended to later than December 31, 1982. In the event the March 31, 1982 date is so extended, a like extension shall be provided for the April 1, 1982 and July 1, 1982 dates.

12. If authorizations of the CPUC and NRC are not obtained by March 31, 1982, or such other date as may be agreed upon by the parties as provided for in Paragraph 11, the rights and obligations of Edison and Anaheim pursuant to this letter agreement, except for the obligation to pay money, shall terminate.

If the terms and conditions of this letter agreement are satisfactory, would you please indicate your acceptance hereof by having an appropriate officer of Edison execute this letter agreement on behalf of Southern California Edison Company in the place provided at the bottom of this letter and return such copy to Gordon W. Hoyt, Public Utilities General Manager, City of Anaheim. The signatory of the City of Anaheim hereto represents that he has been appropriately authorized by the Anaheim City Council to execute this agreement on behalf of Anaheim.

Very truly yours,  
CITY OF ANAHEIM

BY

Gordon W. Hoyt  
Public Utilities General Manager

AGREED AND ACCEPTED THIS  
13th DAY OF August, 1981.

SOUTHERN CALIFORNIA EDISON COMPANY

BY

William R. Gould

