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**Sent:** Friday, December 05, 2008 10:11 AM  
**To:** Coleen Balzarini; Lisa C. Kunz  
**Cc:** Greg Doyon  
**Subject:** Discussion Issues for ECP/Commission meeting

Here is the result of my homework assignment from the last ECP meeting. I just typed up the notes I used to make my comments.

The ECP Board does not function as a true Board of Directors:

- No budgetary authority
- No ability to hire or fire employees
- No access to confidential SME documents
  - Impossible to give best advice without access
  - City Commission can get access to these documents
  - We aren't allowed to know that happened in the Southern/SME asset transfer
- We should be an advisory board with the City Commission being the ECP Board of Directors
- People have unrealistic expectations of the ECP Board

Is relationship with Southern compatible?

- Conflict between Southern right to privacy and public right to know
- Is there another structure that might work better?

Should the City be in the power business?

- Situation has changed from original plan
  - What is our goal now?
- Do we have the expertise to be in the power business?
- Are we willing/able to take the business risk of the electrical business?
  - Biggest risk may have passed
  - Future economic conditions could have impact
- Substantial legislative risk to the City's power business
- If yes:
  - Hire consultant for advice?
  - Hire lobbyist?
  - Decide on return on investment needed to compensate for risk
  - Consider nature of entity relationship with Southern
- If no:
  - How do we get out?
  - ECP customer contracts may have higher value to SME than to City as collateral for HGS financing

What should City's involvement with HGS be?

- Should there be further investment?
- What does the City own now?
- What happened to City's share of the \$150 million value asserted in the Gregori affidavit?
- What is status of Coordination and Integration agreement?
- What is the best way to recover the investments made so far?

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