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October 26, 1999

Via Facsimile

Ms. Nicolle Billmyre
Senior Case Manager
American Arbitration Association
13455 Noel Road, Suite 1750
Dallas, Texas 75240-6636

Re: *Reliant Energy Power Generation, Inc., et al. v. California Independent System
Operator Corporation*

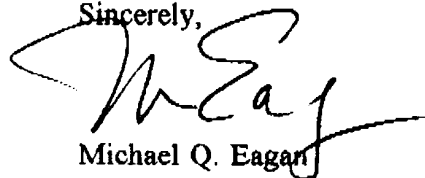
Dear Ms. Billmyre:

Reliant Energy and CAISO have been unable to agree upon a single arbitrator. Therefore, pursuant to section 13.3.1.2, Reliant hereby designates Ernest L. Edwards, Esq. as arbitrator. If for any reason, Mr. Edwards is unable or unwilling to serve, Reliant designates, in his stead, Lynn Hargis, Esq.

Reliant had proposed Mr. Edwards as the single, mutually-agreed-upon arbitrator, but CAISO declined. Were CAISO to revisit the issue, Reliant remains willing to have Mr. Edwards serve as the single arbitrator.

Please contact me should you have any questions.

Sincerely,



Michael Q. Eagan

MQE/jd

cc: J. Ferguson, Esq.
J. Golub, Esq.
Attached Distribution List

*Reliant Energy Power Generation, Inc., et al. v. California Independent System
Operator Corporation*

Distribution List:

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American Arbitration Association

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Baker & Botts

Stephen Morrison, Esq.
Beth Emery, Esq.
California ISO

John R. Ferguson, Esq.
Swindler, Berlin, Shereff, Friedman

James F. Walsh, Esq.
Beth Eagleson, Esq.
San Diego Gas & Electric Co.

Stuart L. Gardiner, Esq.
Alice L. Reid, Esq.
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TELECOMMUNICATIONS TRANSMITTAL SHEET

Date: October 27, 1999

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