## NOTICE OF SUBMISSION AND SUMMARY OF STATEMENT OF CLAIM PURSUANT TO ISO TARIFF § 13.2.2 BY PACIFICORP

PLEASE TAKE NOTICE THAT on or about August 11, 2004, PacifiCorp submitted to the California Independent System Operator (ISO) a Statement of Claim pursuant to ISO Tariff § 13.2.2.

PacifiCorp's Statement of Claim alleges that, from June 23, 2002 through July 9, 2002 (the "Trade Period") "PacifiCorp submitted schedules to the ISO for transactions across the McCullough Branch Group" that "exceeded the ATC . . . posted on OASIS" and, consequently, incurred Usage Charges of approximately \$7.3 million. PacifiCorp alleges that this sum was ultimately credited to the accounts of certain Scheduling Coordinators who had scheduled counterflows to relieve congestion ("Counterflow Schedulers").

PacifiCorp alleges that the posted ATC number during the Trade Period was "inaccurate" and a "mistake" because "PacifiCorp subsequently learned that the ETC amount for the Trade Period was actually" much lower – i.e., lower than the ETC number that the ISO had employed to calculate the posted ATC. The ISO has declined PacifiCorp's requests to re-run the congestion market model to calculate the Usage Charges that would have been incurred and credited had a different ATC number been posted on OASIS.

PacifiCorp alleges that it should not have been required to pay any Usage Charge, and that the Counterflow Schedulers were not entitled to receive corresponding credits, because no physical congestion existed on the McCullough Branch Group during the Trade Period.

PacifiCorp's Statement of Claim seeks to recover the \$7.3 million in Usage Charges, plus interest, costs and attorneys fees. PacifiCorp alleges as grounds for relief unjust enrichment, money had and received, and imposition of a constructive trust.

While nowhere expressly limiting the Counterflow Schedulers or other entities against whom relief is sought, the Statement of Claim does include the following statement: "The following Counterflow Schedulers are parties to the dispute: Sempra Energy Trading Corp., Coral Power L.L.C., and Powerex Corp."

Please address notices and communications regarding this claim to the following:

Michael S. Hindus Michael J. Kass Kristin M. Lefevre Pillsbury Winthrop LLP 50 Fremont Street P.O. Box 7880 San Francisco, CA 94120-7880 Telephone (415) 983-1000 Facsimile (415) 983-1200 Jeremy D. Weinstein Senior Counsel, PacifiCorp Office of the General Counsel 1512 Bonanza Street Walnut Creek, CA 94596 Telephone (925) 943-3103 Facsimile (925) 943-3105