

From: Woertz, Byron
Sent: Monday, February 12, 2001 5:32 PM
To: ISO Market Participants
Cc: Morrison, Stephen; Anders, John; Epstein, Michael
Subject: CAISO Notice - Additional Payments on November 2000 Invoice

ISO Market Participants:

On Friday, February 8, 2001, the ISO received payments from certain parties that had defaulted (either in part or whole) on their previous obligations to the ISO, due on February 2, 2001 (based on the November 2000 preliminary invoices).

As a result of these payments the total funds which became available for distribution to Market Participants were \$149,333,046.54. The ISO instructed its bank to distribute pro rata payments on Friday based on this amount.

The ISO distributed these payments in accordance with ISO Tariff Section 11 and Settlements and Billing Protocol ("SABP") Section 6.

A reconciliation of amounts received with the amount distributed follows:

Payments Received:	
California Power Exchange	\$ 149,349,573.52
Koch Energy Trading	\$ 331.73
Interest on ISO Reserve Account	\$ 793.35
Subtotal	\$ 149,350,698.60
Less:	
Interest Cost on Previous Borrowings on Market Line of Credit	\$ 17,652.06
Total Distributed 2/9/2001	\$ 149,333,046.54

The ISO applied payments due to Market Participants under this distribution to first extinguish any outstanding obligations, consistent with SABP 6.10.4 and 6.10.2:

SABP 6.10.4

The ISO shall apply payments received in respect of amounts owing to ISO Creditors to repay the relevant debts in the order of the creation of such debts.

SABP 6.10.2

The ISO is authorized to recoup, set off and apply any amount, which any defaulting ISO Debtor is or will be entitled, in or towards the satisfaction of any of that ISO Debtor's debts arising under the ISO Settlement and billing process. Each ISO Creditor and each ISO Debtor expressly acknowledges that the oldest outstanding amounts will be settled first in the order of the creation of such debts.

Michael K. Epstein
Controller

Byron Woertz
Director, Client Relations