

RAMCO, Inc.
NOTICE OF SUBMISSION AND SUMMARY OF STATEMENT OF
CLAIM PURSUANT TO TARIFF § 13.2.2
BY CALIFORNIA INDEPENDENT SYSTEM OPERATOR

Please take notice that on October 7, 2002, the California Independent System Operator Corporation ("ISO") submitted to RAMCO, Inc. a Statement of Claim pursuant to ISO Tariff § 13.2.2.

The ISO's Statement of Claim responds to the September 23, 2002 Statement of Claim made by RAMCO, Inc. RAMCO alleges that, pursuant to the Summer Reliability Agreements ("SRAs") executed between the ISO and RAMCO for its Chula Vista and Escondido Facilities ("Facilities"), RAMCO was entitled to test its ability to deliver Contracted Capability annually and that the ISO wrongfully refused to amend the contract on the basis of those tests. RAMCO also alleges that the ISO dispatched both Facilities as RMR units when neither statewide energy problems nor statewide capacity problems existed in violation of the SRAs' dispatch provisions, and further, that the ISO has improperly calculated the amounts still due to RAMCO for capacity payments and accrued interest for services provided under the SRAs during Summer 2001.

The ISO states that, to the extent it concerns payments for 2001, RAMCO's claims are not yet ripe for ADR under the ISO Tariff. The ISO contends that the remainder of RAMCO's claim is frivolous. The ISO seeks to recover all costs and fees it may incur in defending RAMCO's claims, including attorneys' fees.