

**CALIFORNIA INDEPENDENT SYSTEM OPERATOR  
NOTICE OF SUBMISSION AND SUMMARY OF STATEMENT OF CLAIM  
PURSUANT TO ISO TARIFF §13.2.2  
BY THE CITIES OF ANAHEIM, AZUSA, BANNING, COLTON, AND RIVERSIDE,  
CALIFORNIA**

Take notice that on October 30, 2000, the Cities of Anaheim, Azusa, Banning, Colton, and Riverside, California ("Southern Cities") submitted to the California Independent System Operator Corporation ("ISO"), the ISO Governing Board, the Chair of the ISO Governing Board and the American Arbitration Association ("AAA") a Statement of Claim pursuant to ISO Tariff §13.2.2.

The Statement of Claim alleges that the ISO improperly billed the Southern Cities for charges totaling \$1,552,882.57 for trading days during February and March of 2000. The ISO characterized the disputed charges as Intra-Zonal Congestion costs. The Southern Cities do not believe that the ISO's classification of the disputed charges as Intra-Zonal Congestion costs is valid under the ISO Tariff or that the ISO applied the proper mechanism for recovery of such costs. Furthermore, even if the ISO's classification of these costs is valid, the application of charges for Intra-Zonal Congestion to transactions scheduled under the terms of Existing Transmission Contracts is improper.

The Southern Cities seek reimbursement of the \$1,552,882.57 in disputed charges imposed by the ISO, plus interest from the dates such charges were paid by the Cities, plus such other relief as may be appropriate.

The Southern Cities request that the following individuals be designated for communications:

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