

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

El Segundo Power, LLC ) Docket No. ER05-363-000

**JOINT STATUS REPORT ON SETTLEMENT NEGOTIATIONS  
AND REQUEST FOR CONTINUED DEFERMENT OF  
THE APPOINTMENT OF A SETTLEMENT JUDGE**

**TO: The Honorable Curtis L. Wagner, Jr.  
Chief Administrative Law Judge**

Pursuant to the Order of Chief Judge Deferring Appointment of Settlement Judge, issued on February 22, 2005 in the above-captioned proceeding, the California Independent System Operator Corporation (“ISO”), El Segundo Power, LLC (“El Segundo”), Southern California Edison Company (“SCE”), the California Electricity Oversight Board (“EOB”), and the California Public Utilities Commission (“CPUC”) (collectively the “Parties”) 1/ submit this Status Report and request that the Chief Judge defer appointment of a settlement judge for another thirty (30) days. In support thereof, the Parties state as follows:

**I. BACKGROUND**

On December 21, 2004, El Segundo filed a proposed Reliability Must-Run Agreement (“RMR Agreement”) with the ISO for Contract Year 2005 for the El Segundo Units 3 and 4. Additionally, El Segundo filed worksheets supporting variable cost payments, annual revenue requirements and other operational

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1/ The Parties have authorized the ISO to file on their behalf this Joint Status Report and Request for Continued Deferment of the Appointment of a Settlement Judge.

parameters in the RMR Agreement. On January 11, 2005, the ISO, CPUC, SCE and EOB filed a Joint Protest raising several issues. On January 21, 2005, El Segundo filed an Answer to the Joint Protest.

On February 11, 2005, the Commission accepted for filing, and suspended filing of El Segundo's RMR Agreement. In addition, the Commission initiated settlement procedures pursuant to Rule 603 of the Commission's Rules of Practice and Procedure. On February 22, 2005, the Chief Judge granted the Parties' request to defer appointment of a settlement judge for 30 days to allow the Parties time to resolve the outstanding issues. The Chief Judge's Order requires the Parties to file a status report if no settlement had been reached by March 22, 2005.

## **II. STATUS**

During the past thirty days, the Parties have been actively engaged in settlement negotiations regarding the outstanding issues. At present, based on discussions thus far, the Parties believe they would benefit from additional time to continue independent settlement discussions.

## **III. CONCLUSION**

WHEREFORE, for the foregoing reasons, the Parties respectfully request that the Chief Judge defer appointment of a settlement judge in this proceeding for an additional thirty (30) days to allow the Parties to actively continue negotiations.

Dated: March 22, 2005

Respectfully submitted

/s/ Mary Anne Sullivan

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## CERTIFICATE OF SERVICE

I hereby certify that I have this 22<sup>nd</sup> day of March, 2005 caused to be served a copy of the forgoing Joint Status Report on Settlement Negotiations and Request for Continued Deferment of the Appointment of a Settlement Judge upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

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