



THE HYDRO COMPANY, INC.

DBA THE NEVADA HYDRO COMPANY, INC.

February 14, 2007

Manager of Infrastructure Policy and Contracts
California Independent System Operator
151 Blue Ravine Road
Folsom, CA, 95630

Attn: Mr. Phil Pettingill

RE: Notice of Intent to Obtain a PTO Status in the CAISO
LEAPS Project and TE/VS 500 kV Transmission Project
FERC P-11858-002, EIS-0191D, and ER06-278-001/002

Dear Phil,

In accordance with the requirements of Section 4.3.1.1 of the California Independent System Operator (CAISO) Tariff, The Nevada Hydro Company (TNHC) would like to re-submit this Notice of Intent to obtain a PTO status in the CAISO.

We have put together the PTO application according to the ISO Tariff and the "Applications for Participating Transmission Owner (PTO) Status" document revision 2 dated 8/22/2000, and the CAISO instruction in your letter dated December 20, 2006.

In addition, based on the CAISO instructions in your letter dated December 20, 2006, we have included a draft Transmission TO tariff and estimate of Transmission Revenue Requirement and (TRR) and transmission Revenue Balancing Account (TRBA) for the project.

Please contact me at 760.599.0086 or Jaleh Firooz, our consultant, at 858.229.0023 if you have any questions.

Sincerely,

Rexford J. Wait,
VP The Nevada Hydro Co

CC:
Daune Kirrene, CAISO Sr. Contracts Negotiator