

March 12, 1999

The Honorable David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Re: California Independent System Operator Corporation, Docket Nos.
ER98-1057-000, ER98-1058-000, ER98-2199-000, ER98-4106-000, ER98-
4107-000, ER99-189-000, and ER99-294-000**

Dear Secretary Boergers:

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. Section 385.602, enclosed for filing in this case on behalf of the California Independent System Operator Corporation ("ISO") are a signed original and 14 copies of an Offer of Settlement.

Copies of this letter and all enclosures were served today on all persons required to be served by Rule 602(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. Section 385.602(d). Those persons are hereby notified, pursuant to Rule 602(d)(2), that comments on the enclosed Offer of Settlement are due no later than April 1, 1999, and reply comments are due no later than April 12, 1999.

The Honorable David P. Boergers
March 12, 1999
Page 2

The ISO is aware that two parties, Southern California Edison Company (“Edison”) and the Los Angeles Department of Water and Power (“LADWP”) are reviewing the listing of LADWP’s agreements in Appendix A of the Responsible Participating Transmission Owner Agreement between the ISO and Edison. The ISO understands that both LADWP and Edison intend to resolve this issue in a mutually agreeable manner as expeditiously as possible. The ISO will assist the parties in resolving this issue by revising Appendix A, if necessary.

An additional copy of the enclosed documents is provided to be time-stamped and returned to our messenger. Thank you for your assistance in this matter.

Respectfully submitted,

Kenneth G. Jaffe
David B. Rubin
Sean A. Atkins
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W.
Washington D.C. 20007

Counsel for the California
Independent System Operator Corporation

Enclosures

cc: The Honorable Jacob Leventhal
Persons required to be served pursuant to Rule 602(d)