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November 3, 1999

VIA FACSIMILE

Ms. Nicole Billmyre
Senior Case Manager
American Arbitration Association
13455 Noel Road
1750 Galleria Tower
Dallas, TX 75240

Dear Ms. Billmyre:

Re: Reliant Energy Power Generation, Inc., et al. v. California Independent System Operator Corp., et al., Case No. 71 198 00295 99.

In his letter of November 1, 1999, Mr. Eagan, counsel for Reliant, takes the position that the six months within which an arbitration decision must be issued began to run with the selection of Ms. Hargis. This assertion cannot be supported. While the parties initially agreed upon the selection of Ms. Hargis, her disclosure statement raised issues that negated her appointment. Since Ms. Hargis was not actually appointed, the six month period did not begin to run and, indeed, has not yet begun to run.

n / 1

John R. Ferguson

99116/bl 15214.0032

cc: Attached Service List

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing letter to Ms. Billmyre dated Novemer 3, 1999, was transmitted on this 3rd day of November 1999, by Telecopy only, as indicated on the attached facsimile cover sheet.

John Feyn

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