

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

NEO California Power LLC

)

Docket No. EL02-18-000
EL00-95-000
EL00-98-000

FINAL EXECUTED REVISED SETTLEMENT AGREEMENT

Pursuant to Rule 602(f)(2) of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.602(f)(2) (2008), and as set forth in their April 10, 2009 Reply Comments, the California Independent System Operator Corporation (“CAISO”), on behalf of itself and the other settling parties, California Power Holdings, LLC (“CPH”), Harbor Cogeneration Company (“Harbor”), and MMC Energy North America, LLC (“MMC”) (collectively, the “Settling Parties”) hereby submit the final executed Revised Settlement Agreement. The Revised Settlement Agreement is uncontested. The Settling Parties respectfully request that the Commission approve the settlement, as revised.

Dated: April 20, 2009

Respectfully submitted on it own behalf and
on behalf of the Settling Parties,

/s/Roger E. Collanton

Daniel J. Shonkwiler
Roger E. Collanton
California ISO
151 Blue Ravine Road
Folsom, CA 95630

*Counsel to the California Independent
System Operator Corporation*

REVISED SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into by and among California Power Holdings, LLC (“CPH”), Harbor Cogeneration Company (“Harbor”), MMC Energy North America, LLC (“MMC”) and the California Independent System Operator Corporation (“CAISO”). CPH, Harbor, MMC and CAISO are each a “Party,” and collectively they are “Parties” to this Agreement.

RECITALS

Whereas, on August 24, 2000, CAISO issued a Request for Bids seeking proposals from new generation facilities to provide peaking capability in order to ensure the reliability of the CAISO's Control Area during the 2001, 2002 and 2003 summer periods;

Whereas, in response to CAISO's Request for Bids, NEO California Power LLC (“NEO”), Harbor, and RAMCO, Inc. (“RAMCO”) submitted proposals to construct new generating units and/or add generating capability to existing units;

Whereas, the CAISO accepted proposals from NEO and RAMCO to build two generating units each, and a proposal from Harbor to add to an existing generating unit. CAISO executed two separate Summer Reliability Agreements (“SRAs”) each with NEO and RAMCO, and one with Harbor. The contract terms of each of the SRAs extended through October 31, 2003.

Whereas, the SRA contracts expressly condition the CAISO's obligation to pay the SRA Owners on the CAISO's recovery of the costs from its Scheduling Coordinators under the terms of the CAISO tariff. To facilitate this recovery, the CAISO established the SRA Trust Account, treated the SRA Trust Account as a participant in its markets, and paid the SRA owners from the SRA Trust Account;

Whereas, under the terms of the SRAs, NEO, RAMCO, and Harbor issued invoices that were accepted by CAISO, which assessed corresponding credits to the SRA Trust Account and charges to Scheduling Coordinators. To the extent that any Scheduling Coordinators disputed the charges associated with the SRAs, those disputes have been resolved;

Whereas, the SRA Owners did not receive full payment on invoices that CAISO assessed to Market Participants for the trade months of July and August 2001, due to a default by the California Power Exchange Corporation (the “PX”) on its market invoices. These trade months included retroactive adjustments correcting invoices originally issued for November and December 2000, including adjustments affecting the PX. Due to its bankruptcy filing, the PX did not pay its invoices and thus the SRA Trust Account and other CAISO Creditors were paid only a portion of their receivables for July and August 2001. As a result of the shortfall in the SRA Trust Account, the CAISO paid the SRA Owners only a portion of what they were owed for those trade months;

Whereas, on November 13, 2001, NEO filed a complaint against CAISO with the FERC in Docket No. EL02-18-000, stating that the CAISO had not paid NEO the full amount due on its invoices;

Whereas, in response to NEO's complaint, CAISO explained that it would be unable to pay NEO until the funds controlled by the PX were distributed by the Commission pursuant to its authority under the PX's confirmed plan of reorganization;

Whereas, on May 20, 2003, the Federal Energy Regulatory Commission established hearing procedures and held the hearing in abeyance pending settlement judge procedures;

Whereas, on January 24, 2005, the Parties informed the Commission that settlement negotiations are continuing and that the payment dispute should be resolved with the pending clearing of accounts from the PX Bankruptcy and Refund Proceedings;

Whereas, on January 3, 2007, CPH acquired all NEO's interests in the SRAs and associated generating plants, including NEO's claims against CAISO under the SRAs;

Whereas, on January 9, 2006, MMC acquired all of RAMCO's interests in the SRAs and associated generating plants, including any claims that RAMCO may have against CAISO under the SRAs;

Whereas, the Parties have been committed to settling the disputes addressed herein rather than litigate or continue to litigate, as the case may be;

Whereas, FERC has on several occasions authorized the release of funds held by the PX to creditors who have resolved through agreement or otherwise resolved their overall financial position with respect to the ISO and PX markets during the refund period of October 2, 2000 through June 21, 2001;

Whereas, the SRA Owners are not subject to any pending refund cases pending before the Commission;

Whereas, upon approval of this Agreement by the Federal Energy Regulatory Commission ("FERC" or the "Commission"), the SRA Owners and the SRA Trust Account would have no unresolved issues with respect to the ISO and PX markets during the refund period of October 2, 2000 through June 21, 2001;

Now, therefore, in consideration of the exchange of promises and covenants contained in this Settlement Agreement, the legal sufficiency of which the Parties acknowledge, the Parties agree, subject to approval by the Commission, as follows:

Section 1: Definitions

“Business Day” means a calendar day falling within Monday through Friday except for Federal holidays.

“CAISO” means the California Independent System Operator Corporation, a California nonprofit public benefit corporation.

“Effective Date” shall have the meaning set forth in Section 3.1 of this Agreement.

“FERC” or “Commission” means the Federal Energy Regulatory Commission.

“FERC Interest Rate” shall have the meaning set forth in 18 C.F.R. § 35.19a(a)(2)(iii) or any successor thereto.

“Harbor Cogeneration Company” refers to the owner and operator of a combined-cycle facility located in Wilmington, California that had an output capability of 80 MW in 2000 (“the Harbor plant”).

“NEO California LLC” refers to the owner and operator of (i) a 48 MW natural gas-fired generation facility located in Chowchilla, California (the “Chowchilla plant”) and (ii) a 44 MW natural gas-fired generation facility located in Red Bluff, California (the “Red Bluff plant”) before California Power Holdings purchased a 100 percent direct membership interest in NEO and merged NEO into California Power Holdings, LLC.

“Parties” means the CAISO, California Power Holdings, LLC, Harbor Cogeneration Company, and MMC Energy North America, LLC, including their successors and assigns.

“Complaint Proceeding” means the proceeding conducted at the Commission in Docket No. EL02-18 concerning amounts owed under the Summer Reliability Agreements between CAISO and NEO California Power LLC.

“PX” means the California Power Exchange Corporation, a California nonprofit public benefit corporation.

“PX Settlement Clearing Account” means any and all accounts of the PX or the reorganized PX holding funds in trust pursuant to the terms of the PX tariff, the CAISO tariff, or a FERC or court order.

“RAMCO” refers to the owner and operator of (i) a 44 MW natural gas-fired generation facility located in Escondido, California and (ii) a 44 MW natural gas-fired generation facility located in Chula Vista, California, before MMC Energy North America, LLC purchased all of its assets.

“Refund Proceeding” means the FERC proceeding conducted in Docket Nos. EL00-95, et al. and EL00-98, et al. and related appeals of orders in that proceeding and any proceedings upon remand.

“SRA Owners” means California Power Holdings, LLC, Harbor Cogeneration Company, and MMC Energy North America, LLC, including their successors and assigns.

“SRA Interest Receivable Settlement Amount” has the meaning set forth in Section 2.2 of this Settlement Agreement.

“SRA Principal Receivable Settlement Amount” has the meaning set forth in Section 2.1 of this Settlement Agreement.

“SRA Interest” means the interest that has accrued to the SRA Owners under the terms of the SRAs, but in no event shall be accrued at a rate in excess of the FERC Interest Rate.

“Summer Reliability Agreements or SRAs” mean the Agreements between NEO, RAMCO, or Harbor, on the one hand, and CAISO, on the other hand. The two SRAs between the CAISO and NEO were executed initially on November 27, 2000, and filed on January 10, 2001 in FERC Docket No. ER01-0929, with amended and restated versions executed December 5, 2001, and filed on February 4, 2002 in FERC Docket No. ER02-0978. The SRAs between the CAISO and Harbor was executed December 4, 2000, and filed on January 10, 2001 in FERC Docket No. ER01-0929. The CAISO and RAMCO executed SRAs for the Chula Vista and Escondido facilities on November 27, 2000, and filed on January 10, 2001 in FERC Docket No. ER01-0929. This does not include two other SRAs between the CAISO and RAMCO for Pleasanton and East Livermore facilities, because those facilities were never constructed.

Capitalized terms that are not otherwise defined shall have the meaning set forth in the CAISO Tariff.

Section 2: Payment and Release

2.1. No later than thirty (30) Business Days after the Effective Date, the PX shall distribute the SRA Principal Receivable Settlement Amount identified in Exhibit A, which represents the principal amounts yet unpaid under the SRAs, exclusive of accrued interest (“SRA Receivable”).

The calculation of the SRA Principal Receivable Settlement Amount is set forth in Attachment A to this Settlement Agreement. The PX will pay the SRA Principal Receivable Amount out of the PX Settlement Clearing Account to the individual SRA Owners, via wire transfer instructions provided by the SRA Owners. The CAISO will adjust its books to credit this same amount of funds to the PX, thereby reducing amounts payable by the PX to the CAISO.

In the event of a principal shortfall in the CalPX Settlement Clearing Account at the conclusion of the Refund Proceeding, a pro rata portion of the principal shortfall will be allocated to the SRA Owners. Any principal shortfall will be deducted from the interest payments to be made to the CAISO, as set forth in Section 2.2.

2.2 The SRA Interest Receivable Settlement Amount is set forth in Exhibit B to this Settlement Agreement. Upon the distribution of the SRA Principal Receivable Settlement Amount by the PX, interest will cease accruing on the unpaid principal balances, but will continue to compound on unpaid SRA Interest. The SRA Interest Receivable Settlement Amount shall be reduced on a pro rata basis as a result of any interest shortfalls allocated among PX market participants, as well as by the amount of any principal shortfall, as set forth in Section 2.1. The PX shall pay to the CAISO an amount of interest to be determined by the Commission, subject to any shortfalls in interest or principal, as set forth above, at a time to be determined by the Commission, but no later than the date on which the PX makes the distribution of interest to its market participants as contemplated in the Commission's order issued October 19, 2007 in Docket No. EL00-95-164 (paragraph 58). Within 10 Business Days after receiving this payment, the CAISO shall distribute, on a pro rata basis such proceeds, to the SRA Owners. The SRA Owners shall not have any other claim for interest except as provided for in this Section 2.2

2.3. The approval of this Settlement Agreement and subsequent payment of the SRA Principal Receivable Settlement Amount and SRA Interest Receivable Settlement Amount resolves all issues with respect to NEO's November 13, 2001 complaint against CAISO in Docket No. EL02-18 ("Complaint") relating to the sufficiency of payments made under the Summer Reliability Agreements. Within thirty (30) Business Days after receipt of the SRA Principal Receivable Settlement Amount, CPH will request the Complaint be held in abeyance. Within thirty (30) days after receipt of the SRA Interest Receivable Settlement Amount, CPH will withdraw the Complaint.

2.4. The Parties agree that the SRA Principal Receivable Settlement Amount and the SRA Interest Receivable Settlement Amount described in Section 2.1 and 2.2 above will be the only payments made under this Settlement Agreement. The Parties further agree that this Settlement Agreement resolves all issues that were raised or that could have been raised by any person in the Complaint Proceeding, whether or not they are signatories to this Settlement Agreement.

2.5 In return for the consideration specified elsewhere in this Settlement Agreement and full performance by the Parties of their respective obligations hereunder, and subject to the occurrence of the Settlement Effective Date, all claims as between the SRA Owners, on the one hand, and the CAISO, on the other hand, relating to Summer Reliability Agreements for monetary or non-monetary Remedies, including attorney's fees, shall be deemed settled and resolved, subject only to the right of SRA Owners to contest the calculation of SRA Interest, as calculated in Attachment B.

2.6 The Parties acknowledge and agree that it is their intention that the releases granted pursuant to Sections 2.3 through 2.5 shall be effective as a bar to all causes of

action and demands for monetary relief, including costs, expenses, attorneys' fees, damages, losses, and liabilities of every kind, known or unknown, suspected or unsuspected. In furtherance of this intention, SRA Owners, on the one hand, and the CAISO, on the other hand, with respect to the specific matters released herein, each knowingly, voluntarily, intentionally, and expressly waives, as against each other, any and all rights and benefits conferred by California Civil Code Section 1542 and any law of any state or territory of the United States or principle of common law that is similar to Section 1542. Section 1542 provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

In connection with such waiver and relinquishment, the Parties each acknowledge that they are aware that they may hereafter discover facts in addition to or different from those that they know or believe to be true and with respect to the subject matter of this Agreement, but that it is their intention hereby to fully, finally, and forever settle and release all matters, disputes, differences, known or unknown, suspected or unsuspected, that are set forth in Sections 2.3 through 2.5. This Agreement is intended to include in its effect, without limitation, all claims encompassed within the settlement and releases set forth in Sections 2.3 through 2.5, including those that the Parties may not know or suspect to exist at the time of execution of this Agreement, and this Agreement contemplates the extinguishment of all such claims.

2.7 The releases set forth in Sections 2.3 through 2.5 shall run to, benefit and be enforceable by any individual who, as an officer, director, agent or employee of a corporate or organizational party that receives the benefits of such releases participated as an officer, director, agent or employee in or might be claimed to be liable for any of the actions or events of potential liability for which a party is released by Sections 2.3 through 2.5. The release and discharge of individuals effected by this Section 2.7 is not intended to expand the number or identity of corporate or organizational entities released or discharged by any of Sections 2.3 through 2.5.

Section 3: Effective Date and Termination

3.1. This Settlement Agreement shall become effective when the Commission by order accepts or approves this Settlement Agreement in its entirety without modifications or conditions or with such modifications or changes as are agreed to by the Settling Parties in accordance with the following provision (the "Effective Date"). If the Commission by order approves this Settlement Agreement conditioned on the modification of any of the terms of this Settlement Agreement (a "Conditional Approval Order"), the Settling Parties shall confer to determine whether they accept such

modifications, and if so, make any necessary compliance filing. If one or more Parties do not accept such modifications, the Parties will negotiate in good faith, if necessary, to restore the balance of risks and benefits reflected in this Settlement Agreement as executed; and any such renegotiated Settlement Agreement shall be filed with the Commission. If, within thirty calendar days of the date of the issuance of the Conditional Approval Order, the Parties do not either accept and file the Settlement Agreement as modified or agree to and file a renegotiated Settlement Agreement and unless the Parties agree to extend the time period for such negotiations, this Settlement Agreement shall terminate. Notwithstanding anything in this Section 3.1, if this Commission accepts this Settlement without modification with respect to one SRA Owner, the Settlement shall be binding on such SRA Owner.

Section 4: PX and CAISO Accounting

4.1 Upon approval of this Settlement, CAISO and PX will conform their books and records by reflecting the payment of the SRA Principal Receivable Settlement Amount to the SRA Owners as a credit against amounts due by the PX to the CAISO, thereby reducing amounts payable by the PX to the CAISO. The CAISO shall apply the PX payments, in order of the creation of such debt, in accordance with CAISO Tariff Section 11.12.5.

4.2 Upon distribution of the SRA Interest Receivable Settlement Amount, CAISO and PX will conform their books and records to reflect the payment of SRA interest to the SRA Owners.

4.2 Each Party shall reasonably and in good faith cooperate and take all reasonable steps to secure (i) the release of funds to the SRA Owners as contemplated by this Agreement, (ii) the accounting treatment contemplated under this Section 4, and (iii) any other acts of the PX or CAISO necessary to effectuate the terms of this Agreement. This duty of cooperation shall include making individual or joint requests to the PX, executing appropriate waivers, providing data, and providing other assistance to the PX and the CAISO as necessary to implement this Agreement.

4.4 The PX and the CAISO shall be held harmless for actions taken to implement the Settlement. Notwithstanding, this provision, CAISO shall continue to remain involved in the implementation of this Agreement.

4.5 FERC approval of this Agreement shall constitute a grant of such waivers of the CAISO and the PX tariffs as may be necessary for the CAISO and the PX to disburse such funds as required by this Agreement, to account for transfers, allocations, and distributions of funds as required by this Agreement, and to otherwise implement this Agreement.

Section 5: Scope and Limitations

5.1. For the sole purpose of settling the matters described herein, this Settlement Agreement represents a fair and reasonable negotiated settlement that is in the public interest. The terms of this Settlement Agreement shall not limit or restrict the arguments that the Parties may put forth or the positions that the Parties may take in any future proceeding before FERC, except as to the matters explicitly described herein. Nor shall the Parties be deemed to have approved, accepted, agreed, or consented to any concept, theory or principle underlying or supposed to underlie any of the matters provided for herein or to be prejudiced thereby in any future proceeding except as to the extent relied upon to settle the matters explicitly described herein.

5.2. This Settlement Agreement is made upon the express understanding that it constitutes a negotiated settlement and, except as otherwise expressly provided for herein, no settling Party shall be deemed to have approved, accepted, agreed to, or consented to any principle or policy relating to rate design, rate calculation, or any other matter affecting or relating to any of the rates, charges, classifications, terms, conditions, principles, issues or tariff sheets associated with this Settlement Agreement. This Settlement Agreement shall not be cited as precedent, nor shall it be deemed to bind any settling Party (except as otherwise expressly provided for herein) in any future proceeding, including, but not limited to, any FERC proceeding, except in any proceeding to enforce this Settlement Agreement or in the Complaint Proceeding.

5.3. The discussions among the Parties that have produced this Settlement Agreement have been conducted on the explicit understanding, pursuant to Rule 602(e) of the Commission's Rules of Practice and Procedures, that all offers of settlement and any comments on these offers are privileged and not admissible as evidence against any participant who objects to their admission and that any discussion of the Parties with respect to offers of settlement is not subject to discovery or admissible in evidence.

5.4 The Commission's review of any modifications to this Settlement Agreement, regardless of who proposes the modification, shall be based on the just and reasonable standard and not the public interest standard.

Section 6: Miscellaneous

6.1 This Settlement Agreement constitutes the Parties' complete and exclusive statement of the terms of this Settlement. All prior written and oral understandings, offers or other communications of every kind pertaining to the terms of this Settlement are hereby superseded.

6.2. This Settlement Agreement may be executed in any number of counterpart signature pages, each having the same force and effect as the original.

6.3. Commission acceptance of this Settlement Agreement shall constitute the requisite waiver of any and all otherwise applicable Commission regulations, to the extent necessary, to permit implementation of the provisions of this Settlement Agreement. This Settlement Agreement constitutes the full and complete agreement of

the Parties with respect to the subject matter addressed herein and supersedes all prior negotiations, understandings, and agreements, whether written or oral, between the Parties with respect to the subject matter described herein.

6.4 To the extent not governed by federal law, this agreement and the rights and duties of the Parties hereunder will be governed by and construed, enforced, and performed in accordance with the law of the State of California, without giving effect to principles of conflicts of laws that would require the application of laws of another jurisdiction.

6.5 This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their permitted successors and assigns.

6.6 This Agreement is not intended to confer upon any person or entity that is not a Party any rights or remedies hereunder, and no one, other than a Party, is entitled to rely on any representation, warranty, covenant, release, waiver or agreement contained herein.

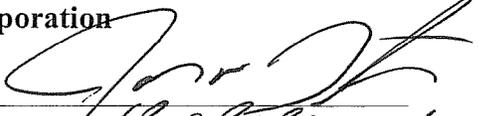
IN WITNESS WHEREOF, the Parties hereto, as of March 4, 2009, through their respective representatives who represent that they are fully authorized to execute on behalf of their principals, have hereunto set their hands and seals.

[COUNTERPART SIGNATURE PAGES APPEAR ON FOLLOWING PAGES]

SIGNATURE PAGE FOR OFFER OF
SETTLEMENT IN DOCKET NO. EL02-18-000

**California Independent System Operator
Corporation**

Date: 4/15/09

By 
Title VP OPERATIONS

EOS
AD
AW

SIGNATURE PAGE FOR OFFER OF
SETTLEMENT IN DOCKET NO. EL02-18-000

MMC Energy North America, LLC

Date: 4/9/09

By *Demetrius*
Title CFO

SIGNATURE PAGE FOR OFFER OF
SETTLEMENT IN DOCKET NO. EL02-18-000

Date: April 10, 2009

Harbor Cogeneration Company

By 

Title Maurice T. Klefeker

President & CEO

Exhibit A

SRA Principal Receivable Settlement Amount

The SRA Principal Receivable Amount is comprised of principal Capacity Payments owed under the SRA and does not include any accrued interest.

California Power Holdings, LLC: \$485,996.88

MMC Energy North America, LLC: \$38,356.26

Harbor Cogeneration Company: \$47,313.19

Attachment A
SRA Principal Receivable Settlement Amount Calculation

California Power Holdings, LLC:

Chowchilla	\$ 449,348.98
Red Bluff	\$ <u>36,647.90</u>
	\$ 485,996.88

MMC Energy North America, LLC:

Chula Vista	\$ 25,377.80
Escondido	\$ <u>12,978.46</u>
	\$ 38,356.26

Harbor Cogeneration Company: \$47,313.19

See Spreadsheet – Attachment B

Exhibit B

SRA Interest Receivable Settlement Amount

The SRA Interest Receivable Amount is comprised of the SRA Interest amount, accrued as of June 30, 2009, as calculated with the SRA Settlement Interest Rate.

California Power Holdings, LLC:

Chowchilla	\$390,350.43
Red Bluff	<u>\$ 65,127.25</u>
	\$455,477.68

MMC Energy North America, LLC:

Chula Vista	\$ 25,602.98
Escondido	<u>\$ 13,071.66</u>
	\$ 38,674.64

Harbor Cogeneration Company: **\$49,233.79**

See Spreadsheet – Attachment B

Attachment B
SRA Principal and Interest Summary

Attachment B
SRA Principal and Interest Summary

** Payment from Interest charged to Market

California Power Holdings, LLC -- Chowchilla -- Interest Calculation

Invoice #	Start Date	End Date	#days	#	Charges	Interest	Payment	Balance	Qtr	Interest Rate	FERC Interest	Interest to be Compounded
CHOW062001	8/9/2001	9/7/2001	29	1	Invoice Due							
CHOW072001	9/7/2001	9/14/2001	7	2	Invoice Due	524,968.40						
	9/14/2001	9/30/2001	16	3	Market Payment	874,844.00						
CHOW082001	9/30/2001	10/9/2001	9	4	3rd Quarter End							
	10/9/2001	10/11/2001	0	5	Invoice Due	874,844.00	9,843.81					
	10/11/2001	10/24/2001	13	6	Market Payment							
	10/24/2001	11/7/2001	14	7	Market Payment							
CHOW092001	11/7/2001	12/5/2001	23	8	Invoice Due							
CHOW102001	12/5/2001	12/14/2001	9	9	Invoice Due	874,844.00						
	12/14/2001	12/26/2001	12	10	Market Payment							
	12/26/2001	12/31/2001	5	11	Market Payment							
CHOW112001	12/31/2001	1/13/2002	13	12	4th Quarter End							
	1/13/2002	1/15/2002	2	13	Invoice Due	408,240.00	37,334.00					
	1/15/2002	1/30/2002	15	14	Market Payment							
	1/30/2002	1/30/2002	0	15	Market Payment							
	1/30/2002	2/7/2002	8	16	Market Payment							
CHOW2001F	2/7/2002	3/3/2002	52	**	Market Interest Payment							
	3/3/2002	3/3/2002	0	17	Invoice Due	3,888,308.42						
	3/3/2002	4/10/2002	10	18	1st Quarter End		7,064.77					
	4/10/2002	6/30/2002	81	19	Market Payment							
	6/30/2002	9/30/2002	92	20	2nd Quarter End							
	9/30/2002	10/2/2002	2	21	3rd Quarter End							
	10/2/2002	11/5/2002	34	22	Market Payment							
	11/5/2002	12/31/2002	56	23	Market Payment							
	12/31/2002	9/16/2003	90	24	4th Quarter End							
	9/16/2003	9/30/2003	80	25	1st Quarter End		14,505.03					
	9/30/2003	8/1/2003	11	26	Market Payment		10,844.20					
	8/1/2003	9/30/2003	60	27	2nd Quarter End							
	9/30/2003	12/31/2003	62	28	Market Interest Payment							
	12/31/2003	3/31/2004	91	29	3rd Quarter End							
	3/31/2004	6/30/2004	91	30	4th Quarter End		7,508.52					
	6/30/2004	9/30/2004	92	31	1st Quarter End		6,602.73					
	9/30/2004	12/31/2004	92	32	2nd Quarter End		8,657.50					
	12/31/2004	3/31/2005	90	33	3rd Quarter End		6,935.99					
	3/31/2005	6/30/2005	91	34	4th Quarter End		7,082.14					
	6/30/2005	8/5/2005	38	35	1st Quarter End		7,548.98					
	8/5/2005	8/31/2005	26	36	2nd Quarter End		8,388.55					
	8/31/2005	9/30/2005	30	37	Market Payment		9,588.11					
	9/30/2005	12/31/2005	92	38	Market Payment							
	12/31/2005	3/31/2006	90	39	3rd Quarter End		10,022.82					
	3/31/2006	6/30/2006	91	40	4th Quarter End		10,234.95					
	6/30/2006	9/30/2006	92	41	1st Quarter End		11,007.48					
	9/30/2006	12/31/2006	92	42	2nd Quarter End		12,255.74					
	12/31/2006	3/3/2007	90	43	3rd Quarter End		13,364.58					
	3/3/2007	6/30/2007	91	44	4th Quarter End		14,394.22					
	6/30/2007	9/30/2007	92	45	1st Quarter End		14,806.20					
	9/30/2007	12/31/2007	92	46	2nd Quarter End		14,895.75					
	12/31/2007	3/3/2008	91	47	3rd Quarter End		15,441.41					
	3/3/2008	6/30/2008	91	48	4th Quarter End		15,782.51					
	6/30/2008	9/30/2008	92	49	1st Quarter End		14,970.11					
	9/30/2008	12/31/2008	92	50	2nd Quarter End		13,312.94					
	12/31/2008	3/3/2009	80	51	3rd Quarter End		10,714.82					
	3/3/2009	6/30/2009	91	52	4th Quarter End		10,243.17					
	6/30/2009			53	1st Quarter End		9,172.68					
				54	2nd Quarter End		7,510.87					
					8,331,291.82	380,350.43	57,881,942.84					
						Principle	449,348.98					

California Power Holdings, LLC -- Red Bluff -- Interest Calculation

Invoice #	Start Date	End Date	#days	#	Charges	Interest	Payment	Balance	Qtr	Interest Rate	FERC Interest	Interest to be Compounded
REDB062001	10/8/2001	10/24/2001	18	1	Invoice Due							
REDB082001	10/24/2001	11/7/2001	14	2	Market Payment	674,708.68						
REDB102001	11/7/2001	12/5/2001	28	3	Invoice Due	968,000.00						
	12/5/2001	12/14/2001	9	4	Invoice Due	968,000.00						
	12/14/2001	12/26/2001	12	5	Market Payment							
	12/26/2001	12/31/2001	5	6	Market Payment							
	12/31/2001	1/30/2002	30	7	4th Quarter End							
	1/30/2002	2/13/2002	14	8	Market Payment		20,878.85					
REDB2001F	2/13/2002	3/3/2002	46	**	Market Payment & Interest							
	3/3/2002	3/3/2002	0	9	Invoice Due	1,223,589.39						
	3/3/2002	4/10/2002	10	10	1st Quarter End		3,469.07					
	4/10/2002	6/30/2002	81	11	Market Payment							
	6/30/2002	9/30/2002	92	12	2nd Quarter End							
	9/30/2002	10/2/2002	2	13	3rd Quarter End							
	10/2/2002	11/5/2002	34	14	Market Payment							
	11/5/2002	12/31/2002	56	15	Market Payment							
	12/31/2002	9/16/2003	90	16	4th Quarter End							
	9/16/2003	9/30/2003	80	17	1st Quarter End		1,408.97					
	9/30/2003	8/1/2003	11	18	Market Payment		1,323.12					
	8/1/2003	9/30/2003	60	19	2nd Quarter End							
	9/30/2003	12/31/2003	62	20	Market Interest Payment							
	12/31/2003	3/31/2004	91	21	3rd Quarter End		909.87					
	3/31/2004	6/30/2004	91	22	4th Quarter End		847.77					
	6/30/2004	9/30/2004	92	23	1st Quarter End		832.59					
	9/30/2004	12/31/2004	92	24	2nd Quarter End		840.89					
	12/31/2004	3/31/2005	90	25	3rd Quarter End		858.81					
	3/31/2005	6/30/2005	91	26	4th Quarter End		914.86					
	6/30/2005	8/5/2005	38	27	1st Quarter End		1,018.20					
	8/5/2005	8/31/2005	26	28	2nd Quarter End		1,182.18					
	8/31/2005	9/30/2005	30	29	Market Payment							
	9/30/2005	12/31/2005	92	30	3rd Quarter End							
	12/31/2005	3/31/2006	90	31	4th Quarter End		1,215.04					
	3/31/2006	6/30/2006	91	32	1st Quarter End		1,240.52					
	6/30/2006	9/30/2006	92	33	2nd Quarter End		1,341.43					
	9/30/2006	12/31/2006	92	34	3rd Quarter End		1,485.45					
	12/31/2006	3/3/2007	90	35	4th Quarter End		1,610.84					
	3/3/2007	6/30/2007	91	36	1st Quarter End		1,744.84					
	6/30/2007	9/30/2007	92	37	2nd Quarter End		1,758.21					
	9/30/2007	12/31/2007	92	38	3rd Quarter End		1,813.91					
	12/31/2007	3/3/2008	91	39	4th Quarter End		1,871.57					
	3/3/2008	6/30/2008	91	40	1st Quarter End		1,810.48					
	6/30/2008	9/30/2008	92	41	2nd Quarter End		1,814.44					
	9/30/2008	12/31/2008	92	42	3rd Quarter End		1,813.59					
	12/31/2008	3/3/2009	80	43	4th Quarter End		1,298.80					
	3/3/2009	6/30/2009	91	44	1st Quarter End		1,241.52					
	6/30/2009			45	2nd Quarter End		1,111.77					
					3,890,289.07	65,127.25	19,853,461.18					
						Principle	30,647.80					
							485,988.88					

Total California Power Holdings, LLC

**Attachment B
SRA Principal and Interest Summary**

Harbor Cogeneration Company - Interest Calculations

Invoice #	Start Date	End Date	#days	#	Charges	Interest	Payments	Balance	Qtr	Interest Rate	FERC Interest	Interest to be Compounded
HARB062001	8/10/2001	8/11/2001	1	Market Payment			-17,520.22	3Q01	7.79%	0.00	0.00	
HARB072001	8/11/2001	9/8/2001	29	Invoice Due	119,477.78		(17,520.22)	3Q01	7.79%	593.91	593.91	
	9/9/2001	9/30/2001	21	Invoice Due	212,770.80			3Q01	7.79%	1,393.70	1,393.70	
HARB082001	9/30/2001	10/8/2001	8	3rd Quarter End				4Q01	6.80%	347.31	347.31	
	10/9/2001	10/11/2001	5	Invoice Due	212,770.80	1,977.61		4Q01	6.80%	487.02	487.02	
	10/11/2001	10/11/2001	0	Market Payment				4Q01	6.80%	0.00	0.00	
	10/11/2001	10/24/2001	13	Market Payment			(613.63)	4Q01	6.80%	1,007.54	1,842.48	
HARB092001	10/24/2001	11/2/2001	9	Market Payment			(108,852.14)	4Q01	6.80%	0.00	0.00	
	11/2/2001	12/2/2001	30	Invoice Due	212,770.80		(68,834.87)	4Q01	6.80%	585.47	2,427.94	
HARB102001	12/2/2001	12/8/2001	4	Invoice Due	212,770.80			4Q01	6.80%	3,140.74	5,588.69	
	12/8/2001	12/14/2001	8	Market Payment				4Q01	6.80%	577.32	6,166.01	
	12/14/2001	12/15/2001	0	Market Payment			(52,093.76)	4Q01	6.80%	1,076.60	7,221.67	
	12/15/2001	12/29/2001	11	Market Payment			(16,581.41)	4Q01	6.80%	0.00	7,221.67	
HARB112001	12/29/2001	12/31/2001	1	Invoice Due	98,293.04		(94,801.76)	4Q01	6.80%	113.33	7,335.01	
	12/31/2001	1/15/2002	16	Market Payment				4Q01	6.80%	1,450.16	8,785.17	
	1/15/2002	1/23/2002	8	4th Quarter End				4Q01	6.80%	328.84	9,114.01	
	1/23/2002	1/23/2002	0	Market Payment			(354,818.00)	1Q02	5.84%	830.35	830.35	
	1/23/2002	1/30/2002	7	Market Payment			(97,339.86)	1Q02	5.84%	327.32	1,168.67	
	1/30/2002	1/31/2002	1	Market Payment			(73,878.06)	1Q02	5.84%	0.00	1,168.67	
	1/31/2002	2/13/2002	13	Market Payment			(558,025.55)	1Q02	5.84%	0.00	1,168.67	
	2/13/2002	2/13/2002	0	Market Payment			(419,897.38)	1Q02	5.84%	0.00	1,168.67	
HARB2001F	3/24/2002	3/31/2002	7	Invoice Due	335,642.40			1Q02	5.84%	0.00	1,168.67	
	3/31/2002	4/3/2002	3	1st Quarter End		1,168.67		1Q02	5.84%	0.00	1,168.67	
	4/3/2002	6/30/2002	88	Market Payment			-234,576.19	2Q02	4.78%	0.00	0.00	
	6/30/2002	9/30/2002	92	2nd Quarter End			-233,412.52	2Q02	4.78%	1,448.75	1,448.75	
	9/30/2002	10/2/2002	2	3rd Quarter End		1,448.75		2Q02	4.75%	1,522.44	1,522.44	
	10/2/2002	11/5/2002	34	Market Payment		1,522.44		2Q02	4.75%	33.49	1,522.44	
	11/5/2002	12/31/2002	56	Market Payment			(5,208.34)	4Q02	4.75%	546.33	579.82	
	12/31/2002	3/31/2003	90	4th Quarter End			(741.23)	4Q02	4.75%	894.44	1,474.26	
	3/31/2003	6/30/2003	90	1st Quarter End		1,474.26		1Q03	4.62%	1,414.94	1,414.94	
	6/30/2003	8/1/2003	11	Market Payment		1,414.94		1Q03	4.25%	1,170.18	1,170.18	
	8/1/2003	9/30/2003	32	2nd Quarter End			(28,681.18)	2Q03	4.25%	122.88	1,293.06	
	9/30/2003	12/31/2003	60	**Market Interest Payment		1,293.06		3Q03	4.25%	362.30	362.30	
	12/31/2003	3/31/2004	92	3rd Quarter End		904.60		3Q03	4.25%	642.60	904.60	
	3/31/2004	6/30/2004	91	4th Quarter End		808.03		4Q03	4.07%	808.03	808.03	
	6/30/2004	9/30/2004	92	1st Quarter End		791.59		1Q04	4.00%	791.59	791.59	
	9/30/2004	12/31/2004	92	2nd Quarter End		788.49		2Q04	4.00%	788.49	788.49	
	12/31/2004	3/31/2005	90	3rd Quarter End		816.34		3Q04	4.00%	816.34	816.34	
	3/31/2005	6/30/2005	91	4th Quarter End		859.92		4Q04	4.22%	859.92	859.92	
	6/30/2005	8/15/2005	38	1st Quarter End		958.07		1Q05	4.75%	958.07	958.07	
	8/15/2005	9/30/2005	28	2nd Quarter End		1,104.98		2Q05	5.30%	1,104.98	1,104.98	
	9/30/2005	12/31/2005	30	Market Payment			(6,307.92)	3Q05	5.77%	482.18	482.18	
	12/31/2005	3/31/2006	92	3rd Quarter End			(4,633.19)	3Q05	5.77%	322.31	804.40	
	3/31/2006	6/30/2006	60	4th Quarter End		1,154.42		4Q05	5.77%	349.93	1,164.42	
	6/30/2006	9/30/2006	91	1st Quarter End		1,176.79		1Q06	6.23%	1,176.79	1,176.79	
	9/30/2006	12/31/2006	92	2nd Quarter End		1,272.52		2Q06	6.73%	1,272.52	1,272.52	
	12/31/2006	3/31/2007	90	3rd Quarter End		1,409.14		3Q06	7.4%	1,409.14	1,409.14	
	3/31/2007	6/30/2007	90	4th Quarter End		1,636.83		4Q06	8.17%	1,538.63	1,538.63	
	6/30/2007	9/30/2007	91	1st Quarter End		1,655.02		1Q07	8.25%	1,655.02	1,655.02	
	9/30/2007	12/31/2007	92	2nd Quarter End		1,667.89		2Q07	8.25%	1,667.89	1,667.89	
	12/31/2007	3/31/2008	91	3rd Quarter End		1,720.73		3Q07	8.25%	1,720.73	1,720.73	
	3/31/2008	6/30/2008	91	4th Quarter End		1,775.42		4Q07	8.25%	1,775.42	1,775.42	
	6/30/2008	9/30/2008	92	1st Quarter End		1,812.34		1Q08	7.76%	1,812.34	1,812.34	
	9/30/2008	12/31/2008	92	2nd Quarter End		1,530.70		2Q08	6.77%	1,530.70	1,530.70	
	12/31/2008	3/31/2009	90	3rd Quarter End		1,231.05		3Q08	5.30%	1,231.05	1,231.05	
	3/31/2009	6/30/2009	91	4th Quarter End		1,177.74		4Q08	5.00%	1,177.74	1,177.74	
	6/30/2009			1st Quarter End		1,054.68		1Q09	4.52%	1,054.68	1,054.68	
				2nd Quarter End		863.56		2Q09	3.62%	863.56	863.56	
Total Harbor Cogeneration Company					1,398,496.40	49,233.78	(1,585,163.21)					
						Principle	47,313.19					

CERTIFICATE OF SERVICE

I hereby certify that I have, this 20th day of April, 2009, served this Final Executed Revised Settlement Agreement in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Anna Pascuzzo

Anna Pascuzzo