

August 31, 2000

Ms. Debi Le Vine
Director of Contracts and Compliance
California Independent System Operator
151 Blue Ravine Road
Folsom, California 95630

Dear Ms. Le Vine:

Attached is additional information and changes made according to your comments by a letter dated August 25, 2000. The following additional information and changes are provided.

1. Description of joint ownership rights originally provided in Section I is moved to Section II, Appendix A, Entitlements.
2. In Section II, Entitlements, the north-to-south/south-to-north transfer capability of the NOB-Sylmar-Midway path is labeled.
3. In Section II, Entitlements, explanation of Vernon's transfer capability at Sylmar is provided as note (6).
4. In Section III, Encumbrances, COTP owners are listed under "Parties" and footnote [1] is added.
5. In Section III, Encumbrances, the north-to-south/south-to-north transfer capability of the COTP is labeled.
6. Copies of the Mead-Phoenix Project and Mead-Adelanto Project Agreements are provided. As we discussed in early August, since PG&E (an existing PTO) is one of the owners of the COTP Project we did not make additional copies of the COTP Agreements.
7. The City of Vernon filed its TO Tariff with the FERC.
8. With respect to items 4 and 5 of your additional items, the City of Vernon has not been a party to any litigation associated with its transmission assets/rights. We will investigate with the Project Manager if the project has been exposed to any of these items. Further, since the City of Vernon is only providing entitlement to the ISO, item 5 does not seem to be applicable to the City of Vernon.

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Please call me at (323) 583-8811, extension 248, if you have further questions.

Sincerely,

Jorge C. Somoano
Assistant Director of Utilities
Resource Management

JCS:rmt
Enclosures

c: Don Garber-SDG&E, w/o Agreements
Judi Mosley-PG&E, w/o Agreements
Anna Valdborg-SCE, w/o Agreements
Kenneth J. DeDario, w/o Attachments