

PASADENA WATER AND POWER

July 15, 2004

Via Electronic Mail and Federal Express

Ms. Deborah A. Le Vine Director of Contracts California Independent System Operator 151 Blue Ravine Road Folsom, California 95746

Subject: City of Pasadena Participating Transmission Owner Application

Dear Ms. Le Vine:

Enclosed herewith is the City of Pasadena's application to obtain Participating Transmission Owner ("PTO") status pursuant to the California Independent System Operator's Operating Agreement and Tariff. It is Pasadena's intent to become a PTO effective January 1, 2005.

If you have any questions, please contact me at (626) 744-4425, or Steve Endo at (626) 744-6246.

Sincerely,

Phyllis E. Currie General Manager

PEC/vb

Enclosures

cc: Eric Klinkner