



Keith E. Casey, Ph.D.
VP, Market and Infrastructure Development

November 26, 2013

Mr. Kevin Payne
VP, Engineering and Technical Services
Southern California Edison Company
1 Innovation Way
Pomona, California 91768

RE: Release of operational control of the Antelope and Bailey 66 kV systems
resulting from the East Kern Wind Resource Area Reliability Project

Dear Mr. Payne:

The California Independent System Operator Corporation ("ISO") hosted a meeting on November 25, 2013 with Southern California Edison Company ("SCE") staff and interested stakeholders in an effort to resolve timely objections to the release of the Antelope/Bailey 66 kV systems from ISO operational control as requested by SCE pursuant to the Transmission Control Agreement. As previously stated and further explained in the meeting, the ISO's role in this matter is to determine if these facilities are required to meet its balancing authority area responsibilities, and the ISO has determined they are not. None of the objections raised in stakeholder comments and during the meeting have caused the ISO to reconsider its position on this specific issue.

A number of stakeholders expressed concern with SCE's assertion that the facilities at issue should be classified as "local distribution" and the ramifications of this change on specific generation projects. The ISO has not identified a compelling technical reason to object to SCE's assertion that the facilities should thereafter be classified as "local" distribution in accordance with FERC's applicable technical and functional tests. Moreover, the ramifications of a change in facility classification are beyond the scope of the ISO review under the Transmission Control Agreement. Finally, the November 25 stakeholder meeting demonstrated that it does not appear possible to resolve these identified concerns in a manner that would be agreeable to SCE and interested stakeholders. Therefore, the ISO hereby notifies SCE and interested stakeholders that, on December 15, 2013, the ISO will relinquish operational control of the facilities to SCE as requested.

Sincerely,

Keith E. Casey, Ph.D.
Vice President, Market & Infrastructure Development

Cc: David Schiada
Karen Shea
Susan Schneider, LSA
Madeline Aldridge, First Solar
Margaret Miller, Brookfield
Nancy Rader, CalWEA
Matthew Narenski, CalWEA
Joe Karp, CalWEA
Adam Foltz, Silverado