

**ADDITIONAL CONVERSATIONS RELATING TO
ISO/POWEREX/LADWP TRANSACTIONS
NOT INCLUDED IN EXHIBIT DWP-27**

1 **December 7, 2000**

2

3 **CONVERSATION BETWEEN ISO AND LADWP:**

4 Time stamp is 07:24:54.

5 SOLIS: L.A., Solis.

6 BOB: Yeah, hi, this is Bob at the ISO.

7 SOLIS: Yeah, Bob.

8 BOB: Okay, we want to try to pick up a thousand with BC Hydro.

9 SOLIS: A thousand with BC Hydro?

10 BOB: Yeah. Yeah.

11 SOLIS: Okay. Do you --

12 BOB: Hang on.

13 SOLIS: Hey.

14 BOB: Yeah.

15 SOLIS: You know, you know you're always going to be able to pick

16 up a couple hundred from me. I don't know, you know -- I don't know if you're

17 picking up a thousand just from them, but --

18 BOB: I'm talking -- I'm sorry, what's that?

19 SOLIS: I said whatever you're picking up from them, right, you still

20 have me here on the side, don't forget.

1 BOB: I know, but I've got to pick it up -- I've got to pick it up

2 from Malin.

3 SOLIS: Yeah. You do whatever you need to do.

4 BOB: Yeah. Yeah.

5 SOLIS: I'm still here, Bob.

6 BOB: Yeah.

7 SOLIS: Okay.

8 End time is 07:28:39.

9

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December 10, 2000

2

3 **CONVERSATION BETWEEN ISO AND LADWP:**

4 Time stamp is 22:20:14.

5 CHAMPION: L.A., Champion.

6 PHIL: Yeah, this is Phil, ISO.

7 CHAMPION: Yes.

8 PHIL: Hey, I was wondering if we could get any of that stuff from
9 the north, from BC Hydro.

10 CHAMPION: It looks like next hour we're going to have to be out. We've
11 got to get clarification on, from our management, how many times, how much we
12 can do with that.

13 PHIL: Uh-huh.

14 CHAMPION: Because it's already at a million dollars for us.

15 PHIL: Uh-huh.

16 CHAMPION: So I've got to -- that's all I can do for one day, and we'll have
17 to start again tomorrow.

18 PHIL: Oh, okay.

19 CHAMPION: I've got to -- yeah, I've got to find out more from my
20 management how much they want us to do.

21 PHIL: Okay.

22 CHAMPION: All right?

23 PHIL: All right.

1 CHAMPION: Thanks. Bye.

2 End time is 22:21:07.

3

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 23:07:50.

3 MARTY: ISO, Marty.

4 RALPH: Hey, Marty, this is Ralph from Powerex.

5 MARTY: Hey, Ralph.

6 RALPH: Are you guys okay for hour 1?

7 MARTY: I don't know.

8 RALPH: We've been selling through -- we sold a bunch of energy
9 to L.A. --

10 MARTY: Yeah.

11 RALPH: -- and to Sempra.

12 MARTY: Yeah.

13 RALPH: I'm sure you're aware of that.

14 MARTY: Yeah.

15 RALPH: And I think some of that energy may have made its way to
16 you. I know -- I just talked to some of those guys. L.A. said they're willing to do
17 something similar to last hour but they need to hear from you. I'm not sure if you
18 need it.

19 MARTY: Yeah. I'm not sure if we do either.

20 RALPH: Okay. If you do need it, phone L.A.

21 MARTY: Okay.

22 RALPH: Okay?

23 MARTY: Thanks a lot.

1 RALPH: Thanks so much, Marty.

2 MARTY: Bye.

3 RALPH: Bye.

4 End time is 23:08:29.

5

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 23:09:50.

3 RIVERA: L.A., Rivera.

4 PHIL: Hey, Rivera, this is Phil, ISO.

5 RIVERA: Yeah.

6 PHIL: I was talking to Champion a little while ago.

7 RIVERA: Uh-huh.

8 PHIL: And we were doing some stuff out of market. We were
9 getting it up at Malin, up in the north.

10 RIVERA: Right.

11 PHIL: Do you guys have that available for next hour?

12 RIVERA: Is this where you guys would buy from BCH --

13 PHIL: Yeah.

14 RIVERA: -- and we'd sell it back to you?

15 PHIL: Yeah.

16 RIVERA: So we'd be doing a transaction right there at Malin; right?

17 PHIL: Right.

18 RIVERA: Yeah, I could do that. How many megawatts did you want to
19 do that for?

20 PHIL: A couple hundred.

21 RIVERA: 200?

22 PHIL: Yeah.

1 RIVERA: Okay. Now, last set of instructions I read was, besides me
2 letting my boss know, we're going to be charging one and a half percent on this.

3 PHIL: Uh-huh.

4 RIVERA: Okay. So what are you buying from BC Hydro for?

5 PHIL: Well, we're not -- actually, you're giving us the price.

6 RIVERA: Oh, I see --

7 PHIL: Because I don't know what they're, what they're offering. So
8 it's essentially an out-of-market thing. You guys get the price, add your mark-up
9 to it, and then tell us what the price is there.

10 RIVERA: Dang, you're just blindly going to do this, huh?

11 PHIL: Well, you know, the thing is, they've got this new FERC
12 order. And everything that we buy above 250 is subject to be reviewed by
13 FERC.

14 RIVERA: Oh, okay.

15 PHIL: And, you know, so the thing is, like if we're buying it from you
16 guys, then all you'd have to be justifying is whatever your mark-up is.

17 RIVERA: I see.

18 PHIL: If there was any problem, they'd be looking at what BC
19 Hydro was charging and what mid-Columbia prices was or things like that.

20 RIVERA: Oh, okay. I see. So, okay.

21 PHIL: So I'm essentially not negotiating anymore. I'm saying,
22 "What is your price?" And then if we need the energy, we'll probably say yes and
23 they'll worry about it later.

1 RIVERA: Okay. And your name again?

2 PHIL: This is Phil.

3 RIVERA: Phil.

4 PHIL: O'Donnell.

5 RIVERA: Okay. Let me call Powerex and I'll call you back.

6 PHIL: All right.

7 RIVERA: 200 megawatts, huh?

8 PHIL: Yeah.

9 RIVERA: Okay.

10 PHIL: All right. Thanks.

11 RIVERA: Bye.

12 End time is 23:11:51.

13

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 23:14:02.

3 PHIL: ISO, Phil.

4 RIVERA: It's Bob in L.A.

5 PHIL: Hi, Bob.

6 RIVERA: Okay. I talked to the Powerex people.

7 PHIL: Uh-huh.

8 RIVERA: 200 megawatts. They're going to sell it to me for 900 mils;
9 I'm going to sell it to you for 915.

10 PHIL: Okay.

11 RIVERA: And that's for hour ending 1, and we can do this hour by
12 hour.

13 PHIL: Okay. So 915, 200 megawatts.

14 RIVERA: Right.

15 PHIL: At Malin.

16 RIVERA: Great.

17 PHIL: Okay. Thank you.

18 RIVERA: Bye-bye.

19 PHIL: Bye.

20 End time is 23:14:30.

21

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 23:24:00.

3 RIVERA: L.A., Rivera.

4 PHIL: Hey, Bob, this is Phil, ISO.

5 RIVERA: Yeah.

6 PHIL: Hey, I wanted to ask you, this thing that we're doing up there
7 at Malin, with BC Hydro.

8 RIVERA: Yeah.

9 PHIL: What kind of limits do you have on doing that for us today?
10 Champion was saying something like -- he didn't do it for hour 24. He said
11 something about that it was over a million bucks and that was all they wanted
12 to do for the day.

13 RIVERA: It's a long, drawn-out formula. I think you can let us use
14 like a million dollars' worth of transaction.

15 PHIL: Uh-huh.

16 RIVERA: But we're starting a new day.

17 PHIL: Right. And the reason Larry, the manager here, he's
18 wondering, is that if there's a limit on it, if -- he wants to get an idea so that
19 we might conserve it for the peak. We might need it.

20 RIVERA: Oh.

21 PHIL: And that's why he wanted to find out. Because we didn't
22 really know about it until the last hour Champion said, "Well, we're up to our limit
23 for doing

1 this and we're not supposed to do it anymore until tomorrow."

2 RIVERA: Yeah, I read something to that effect. I couldn't sit down and
3 give you a formula though --

4 PHIL: Uh-huh.

5 RIVERA: -- because I don't know -- for example, that 900 we buy from
6 BC Hydro, do I put them as one deal and you guys as the other?

7 PHIL: Uh-huh.

8 RIVERA: Or do I just make like one set of 900 times \$200.

9 PHIL: Uh-huh.

10 RIVERA: Which is what I'd be inclined to do right now. So that would
11 be, what, 180 thousand dollars' worth of deal right now. So we're like 20 percent
12 there.

13 PHIL: Yeah.

14 RIVERA: So that would be my guess. You know, I'm buying 900
15 megawatts at \$200. That's 180 thousand --

16 PHIL: No, 200 megawatts at \$900.

17 RIVERA: Yeah, okay, 200 megawatts -- 200 times 900.

18 PHIL: Yeah.

19 RIVERA: That's 180 thousand dollars.

20 PHIL: Uh-huh.

21 RIVERA: So we're like almost 20 percent to the limit, but, you know,
22 then again, you could call on the day shift when the bosses are here and, you
23 know,

1 get a different pitch.

2 PHIL: Yeah. See, and that's -- we might want to do that for the
3 future hours instead of --

4 RIVERA: I've got it in there for just one hour --

5 PHIL: Yeah, right.

6 RIVERA: We're doing it an hour at a time.

7 PHIL: Yeah, right. Uh-huh. Okay.

8 RIVERA: So whatever you guys want to do is fine with me.

9 PHIL: Yeah. But as far as you know, it's like it's somewhere in the
10 million-dollar range that you guys don't want to go --

11 RIVERA: Yeah, right. One thing I don't want to do though and get
12 caught with my pants down is do like ten-hour schedules and jack BC Hydro
13 around and get them all pissed off at me. That's one thing I don't want to do, get
14 them angry at me
15 and it's me that's holding the bag.

16 PHIL: Oh, yeah. Yeah. No, I don't think -- we're going to try not to
17 do that. Of course, we're one of BC Hydro's best customers.

18 RIVERA: Well, that's between you guys.

19 PHIL: Yeah.

20 RIVERA: You know? They're kind of far away for us.

21 PHIL: Yeah.

22 RIVERA: The only time I really talk to them is when I see them at a
23 WSCC meeting or something.

1 PHIL: Yeah. Okay. Okay. I'll let Larry know. All right.

2 RIVERA: Thanks.

3 PHIL: Thanks.

4 End time is 23:26:56.

5

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December 11, 2000

2

3 **CONVERSATION BETWEEN ISO AND POWEREX:**

4 Time stamp is 16:24:07.

5 ALAN: ISO, Alan.

6 RALPH: Hello, this is Ralph from Powerex.

7 ALAN: Uh-huh.

8 RALPH: Are you looking for energy at all?

9 ALAN: For hour ending 18?

10 RALPH: 18.

11 ALAN: Hang on a minute.

12 RALPH: Sure.

13 ALAN: You want to sell directly to us?

14 RALPH: No. It would probably be through -- I'd be willing -- I'd

15 actually phone L.A. if I were you.

16 ALAN: Yeah?

17 RALPH: If you're interested in energy.

18 ALAN: How much do you have?

19 RALPH: Like around 300, I would imagine.

20 ALAN: We'll get back to you.

21 RALPH: L.A. would have all 300.

22 ALAN: Okay.

23 RALPH: Okay? Thanks very much.

1 ALAN: Bye.

2 RALPH: Bye.

3 End time is 16:24:46.

4

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 16:25:28.

3 CHAMPION: L.A., Champion.

4 BOB: Hey, hi, this is Bob, ISO.

5 CHAMPION: Yeah, Bob.

6 BOB: How are you doing?

7 CHAMPION: Oh, pretty good.

8 BOB: Hey, can we -- can we work something out with them boys
9 up there at Powerex?

10 CHAMPION: Sure, we can do that. Up there at Malin?

11 BOB: Yeah.

12 CHAMPION: Yeah, we could do that. Let's see --

13 BOB: They've got 300 here.

14 CHAMPION: 300, okay, we can do that. He said -- let's see, what is he
15 saying, \$900, we charge you 915 because we're only charging 15 bucks.

16 BOB: Another 15?

17 CHAMPION: Yeah. So we'll send you 300 megawatts at COB at \$915 for
18 hour ending 18.

19 BOB: 300 at COB?

20 CHAMPION: Yeah.

21 BOB: That's --

22 CHAMPION: Malin; right?

23 BOB: -- Malin?

1 CHAMPION: Yeah.

2 BOB: 915?

3 CHAMPION: Yeah.

4 BOB: Okay.

5 CHAMPION: Yeah, 915.

6 BOB: Do I need to conference them together or --

7 CHAMPION: No. I'll talk to Ralph at Powerex.

8 BOB: Okay.

9 CHAMPION: And make sure we get it in there.

10 BOB: Okay.

11 CHAMPION: Okay. Thanks.

12 BOB: Thanks.

13 CHAMPION: Bye.

14 BOB: Thank you. Bye.

15 End time is 16:26:42.

16

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 18:13:11.

3 BOYD: ISO, this is Boyd.

4 RALPH: Hi, Boyd, it's Ralph from Powerex. How are you doing?

5 BOYD: Pretty good, Ralph.

6 RALPH: If you're looking for energy, L.A. might be a good source for
7 you.

8 BOYD: Okay. I'll let them know.

9 RALPH: Okay. Thanks, Boyd.

10 BOYD: About how much, Ralph?

11 RALPH: Well, 3 -- how much are you guys looking for? We've got
12 those

13 300 that they're willing to do right now.

14 BOYD: Okay. I'll --

15 RALPH: And are you -- how are things looking over there?

16 BOYD: Hopefully it will calm down by another hour or so.

17 RALPH: Okay.

18 BOYD: Okay?

19 RALPH: Very good, Boyd. Thank you.

20 BOYD: Thanks.

21 End time is 18:13:42.

22

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 18:58:52. Transcription begins at 19:03:00.

3 BOYD: Yeah, I don't know.

4 RALPH: Are you – next hour we can try this thing with L.A.

5 If you guys need anything, I'll just phone L.A. again and let them know that,
6 you know, we can offer some energy to you. And if you need it, you can call
7 them again too.

8 BOYD: Okay. I'll pass that on to Diane.

9 RALPH: But let's hope for, for Wednesday some of the credit issue
10 Gets straightened up and – you know, it puts us all – it's such a weird situation.
11 Yeah, we've got some energy here, but, you know –

12 BOYD: Yeah.

13 Transcription ends at 19:03:29.

14

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 19:05:03.

3 CHAMPION: L.A., Champion.

4 DIANE: Hey, it's Diane, ISO.

5 CHAMPION: Yes.

6 DIANE: Looking for hour ending 21 now, I heard BC Hydro has
7 another 300. Could we do that again for hour ending 21?

8 CHAMPION: Yeah, we could put that 300 in at 915 one more hour.

9 DIANE: Okay. Sounds great. Thank you.

10 CHAMPION: Okay. Thank you.

11 DIANE: Bye.

12 End time is 19:05:32.

13

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 20:03:22.

3 BOYD: ISO, this is Boyd.

4 RALPH: Hey, Boyd, it's Ralph.

5 BOYD: Yeah.

6 RALPH: There's another 300 with L.A., if you were to need it.

7 BOYD: Okay, I'll mention it to Diane.

8 RALPH: Thanks a lot then, Boyd.

9 BOYD: You bet.

10 RALPH: Bye.

11 End time is 20:03:32.

12

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 21:01:50.

3 BOYD: ISO, this is Boyd.

4 RALPH: Hey, Boyd, it's Ralph again.

5 BOYD: All right.

6 RALPH: We've got some energy with L.A. again if you're interested.

7 BOYD: Okay.

8 RALPH: Okay?

9 BOYD: Thanks.

10 RALPH: Thank you.

11 End time is 21:02:02.

12

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 22:01:59.

3 BOYD: ISO, it's Boyd.

4 RALPH: Hey, Boyd, it's Ralph again.

5 BOYD: Yeah.

6 RALPH: You might want to look to L.A. again.

7 BOYD: And about how much are we looking at?

8 RALPH: Well, I think the most they can do is 300.

9 BOYD: 300?

10 RALPH: Yeah. We have a bit more and we've been sending -- we've
11 been selling some energy to Coral as well. I'm not sure if you're aware of that.

12 BOYD: Uh-huh.

13 RALPH: Yeah.

14 Transcription ends at 22:02:20.

15

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 23:00:35.

3 BOYD: ISO, this is Boyd.

4 RALPH: Hi, Boyd, it's Ralph. L.A. may have power again, if
5 you're interested.

6 BOYD: Okay. Let me send you over to Diane. She's doing
7 out-of-market.

8 RALPH: Okay. Very good.

9 BOYD: Hold on.

10 End time is 23:00:53.

11

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 23:00:57.

3 DIANE: ISO, Diane.

4 RALPH: Hi, Diane, it's Ralph from Powerex.

5 DIANE: Hello, Ralph.

6 RALPH: I just wanted to let you know that Los Angeles might have
7 some power again for you this hour.

8 DIANE: Okay.

9 RALPH: Okay?

10 DIANE: All right, Ralph. It's so nice of you to call.

11 RALPH: Yeah, well, I just wanted to let you know because, you know,
12 apparently they're not actively soliciting.

13 DIANE: Right. Right.

14 RALPH: Okay?

15 DIANE: Okay, very good.

16 RALPH: Thank you, Diane.

17 DIANE: Thanks, Ralph.

18 RALPH: Bye.

19 DIANE: Bye.

20 End time is 23:01:23.

21

1

December 12, 2000

2

3 **CONVERSATION BETWEEN ISO AND POWEREX:**

4 Time stamp is 01:42:57.

5 PAUL: Powerex, this is Paul here.

6 DIANE: Hi, Paul. Is Ralph gone for the day?

7 PAUL: He is.

8 DIANE: Okay. This is Diane, ISO.

9 PAUL: Okay.

10 DIANE: We were doing a deal through L.A --

11 PAUL: Okay.

12 DIANE: -- at Malin. Are you going to have anything available for
13 hour ending 4?

14 PAUL: Deal through L.A. at Malin, hang on.

15 DIANE: Right. Are you familiar with that?

16 PAUL: No. I'm just sort of getting briefed here.

17 DIANE: Oh, okay. Well, it's early.

18 PAUL: Yeah, I'll call you back.

19 DIANE: Okay, thanks.

20 PAUL: All right. Bye.

21 DIANE: Bye.

22 End time is 01:43:46.

23

1 **CONVERSATION BETWEEN ISO AND POWEREX:**

2 Time stamp is 01:49:50.

3 DIANE: ISO, Diane.

4 PAUL: Hi, Diane, Paul here at Powerex.

5 DIANE: Hi, Paul.

6 PAUL: There might be some energy available for you with L.A --

7 DIANE: Okay.

8 PAUL: -- as discussed. I would phone them in a few minutes and
9 just sort out what you want to do with them.

10 DIANE: Okay, I'll give them a call.

11 PAUL: I haven't talked to them yet so --

12 DIANE: Okay. I'll give you a few minutes.

13 PAUL: Okay.

14 DIANE: Thanks.

15 PAUL: Bye.

16 DIANE: Bye.

17 End time is 01:50:15.

18

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 02:37:39.

3 RIVERA: L.A., Rivera.

4 DIANE: Hi, it's Diane again, ISO.

5 RIVERA: Hi.

6 DIANE: Hi. Hey, can we check with Powerex for hours

7 ending 5 and 6 and see if we can block something in again?

8 RIVERA: Okay, what do you need?

9 DIANE: Up to 600.

10 RIVERA: Up to 600.

11 DIANE: Yeah.

12 RIVERA: Okay. I'll give them a jingle and call you right back.

13 DIANE: Okay. Thanks.

14 RIVERA: Bye.

15 End time is 02:38:29.

16

1 **CONVERSATION BETWEEN ISO AND LADWP:**

2 Time stamp is 04:08:07.

3 DIANE: ISO, Diane.

4 RIVERA: Hi, it's Bob in L.A.

5 DIANE: Hey, Bob. Yeah.

6 RIVERA: Hey, I've got a minor quandry that I need to look at in the
7 forward hours.

8 DIANE: Okay.

9 RIVERA: You know, they give me a limit of not spending over a
10 million dollars.

11 DIANE: All right.

12 RIVERA: And we've bought 750 megawatts from BC Hydro so far.
13 And it's been at 875 mils.

14 DIANE: Okay. I have 12, 13, 14, 1750 you said?

15 RIVERA: Yeah.

16 DIANE: I see that. Okay.

17 RIVERA: So it puts me at a million and a half. And it's probably okay,
18 but since my bosses told me to be careful, that's all I need -- I should say that's
19 all I feel brave enough to do --

20 DIANE: Okay.

21 RIVERA: -- on my shift. So when the day shift comes in and he's in, if
22 you guys want to change the numbers around, that's --

23 DIANE: Is that hour -- what hour are you --

1 RIVERA: Well, hour ending 7 I won't be able to do it for that reason.

2 DIANE: Oh, really?

3 RIVERA: See because what happens is --

4 DIANE: Damn.

5 RIVERA: -- given enough slack --

6 DIANE: Yeah.

7 RIVERA: -- then BC -- we'll have credit problems with BCH ourselves.

8 DIANE: I understand.

9 RIVERA: Or something to that effect.

10 DIANE: Sure. That's --

11 RIVERA: I'm just a peon.

12 DIANE: Aren't we all?

13 RIVERA: Yeah. So I'm just -- I don't feel brave enough to -- I've

14 overstepped my bounds a little bit, and that's not going to hurt.

15 DIANE: Well, I appreciate your help.

16 RIVERA: I know, but I just don't want to risk it too much.

17 DIANE: 7 just doesn't look good at all.

18 RIVERA: Right.

19 DIANE: Okay.

20 RIVERA: So --

21 DIANE: Boy. All right. Well, okay. All right, Bob. Thank you --

22 RIVERA: So, okay.

23 DIANE: -- for your help.

- 1 RIVERA: Okay, Diane.
- 2 DIANE: And I'll talk to you later.
- 3 RIVERA: Okay. Bye-bye.
- 4 DIANE: Take care. Bye.
- 5 End time is 04:09:45.