

AMERICAN ARBITRATION ASSOCIATION

COMMERCIAL ARBITRATION TRIBUNAL

In the Matter of the Arbitration between

Re: 71 198 00758 00
City of Anaheim; City of Azusa; City of
Banning; City of Colton; and City of Riverside, California
and
City of Vernon, California
vs.
California Independent System Operator
and
Southern California Edison Company
- Los Angeles, California

ADMINISTRATOR: Jeremy T. Jackson

AWARD OF ARBITRATOR

I, THE UNDERSIGNED ARBITRATOR having been designated in accordance with the arbitration agreement entered into by the parties, and having been duly sworn and having duly heard the proofs and allegations of the parties hereto, AWARD, as follows:

All claims of City of Anaheim, City of Azusa, City of Banning, City of Colton, and City of Riverside ("the Southern Cities") and City of Vernon, California ("City of Vernon") are hereby denied.

The administrative fees and expenses of the American Arbitration Association ("the Association") and the compensation and expenses of the arbitrator totaling \$19,001.69 shall be borne 5/12 by the Southern Cities, 1/12 by City of Vernon, and 6/12 by California Independent System Operator ("Cal-ISO"). Therefore, Cal-ISO shall pay to the Southern Cities the sum of \$5,357.63, representing the Southern Cities' share of deposits previously advanced the Association. Cal-ISO shall pay to Southern California Edison Company ("SCBC") the sum of \$1,868.21, representing SCBC's share of deposits previously advanced the Association.

This Award is in full settlement of all claims submitted to this Arbitration. All claims not expressly granted herein are, hereby denied.

SIGNED: Richard P. Pelek

Richard P. Pelek, Arbitrator

DATED: 4/15/02