EXHIBIT A

SYSTEM IMPACT STUDY
EXECUTIVE SUMMARY

INLAND ENERGY INC,
VICTORVILLE 2 PROJECT

SYSTEM IMPACT STUDY

October 16, 2006

Prepared by
Phillip Leung

Southern California Edison Company

Approved by: Patricia L. Arons

EXECUTIVE SUMMARY

Southern California Edison Company ("SCE") under direction of the California Independent System Operator ("CAISO"), performed an Interconnection System Impact Study ("SIS") as requested by Inland Energy, Inc. for a proposed Victorville 2 ("VV2") project pursuant to the Interconnection System Impact Study Agreement. The VV2 project is a combine cycle and solar array heat input generating plant consist of two combustion turbines rated maximum 154.2 MW each, and one steam turbine rated maximum 268.3 MW. The plant auxiliary load is 14 MW and net output is 563 MW. The Project will interconnect to the SCE owned Victor 230-kV Substation and scheduled to be online by July, 2009. Inland Energy, Inc. was informed that a third Victor-Lugo 230-kV line will be required for VV2 project to interconnect to the CAISO controlled grid. Therefore a third Victor-Lugo 230-kV line is modeled in the base case.

The study was performed for two system conditions: a 2009 heavy summer one-in-ten load forecast and a 2010 light spring load forecast (65% of the heavy summer load).

The results of the System Impact Study will be used as the basis to determine project cost allocation for facility upgrades in the Facilities Study. ***The study accuracy and the results for the assessment of the system adequacy are contingent on the accuracy of the technical data provided by Inland Energy, Inc.*** Any changes from the attached data could void the study results. The report provides detailed study assumptions and conditions of the system in which the study was conducted. Furthermore power flow contingencies, transient stability, post transient, and short-circuit duty assessments were completed for this study and summarized below.

Based on this analysis, existing SCE transmission facilities are not adequate to accommodate the VV2 project interconnecting at the SCE-owned Victor 230-kV substation for 2009 operation.

This revised system impact study included a sensitivity study to identify facility upgrade requirement if projects ahead in the queue and upgrades associated with these projects were not in service by 2009.

Power Flow Analysis

The study identified overloads on Victor-Lugo 230-kV lines No.1, No.2, under base case, N-1 and N-2 contingencies with addition of the VV2 project with and without any prior queue projects and associated system upgrades in service. Sensitivity study indicated that VV2 would trigger base case overloads on the Lugo 500/230-kV AA transformer banks No.1 and No.2 without the third Lugo 500/230-kV AA transformer bank. A third Victor-Lugo 230-kV line and a third Lugo 500/230-kV transformer bank have to be in service before VV2 project comes online.
A detail SPS study is also needed to determine if the existing High Desert SPS needs to be expanded to include VV2 project, under the outages of Victor-Lugo 230-kV No.3 and No.1 or No.2 lines.

Post-Transient Power Flow Analysis

The simultaneous outage of Kramer-Lugo 230-kV Line No.1 and No.2 (N-2) caused post transient voltage violations in the North of Lugo area. However, the post transient voltage violations would disappeared if the third Kramer-Lugo 230-kV line which triggered by prior queue projects were in-service. If those prior projects withdraw from the queue, the existing Kramer SPS will have to be revised in order to maintain the post transient voltage level.

Transient Stability Analysis

The simultaneous outage of Kramer-Lugo 230-kV Lines No.1 and No.2 (N-2) caused transient instability throughout the North of Lugo area. However, the transient instability would disappear if the third Kramer-Lugo 230-kV line which triggered by prior queue projects were in-service. If those prior projects withdraw from the queue, the existing Kramer SPS will have to be revised in order to maintain a stable system.

Short-Circuit Analysis

In three-phase-to-ground and single-line-to-ground CB evaluation, the VV2 project did not trigger any circuit breakers upgrade. All replacement/upgrade circuit breakers were identified by generation projects ahead in the queue. Studies indicated that 68 SCE owned circuit breakers require replacement and 13 SCE owned circuit breakers require upgrades. It is estimated that circuit breaker replacement/upgrades will yield a total cost of $52.627 million.

Cost Responsibility

VV2 project triggers the need of one reliability upgrade - a third Victor-Lugo 230-kV line. All other identified upgrades are triggered by projects ahead in the queue. The ***Nonbinding*** estimate for VV2 project's ***maximum cost exposure**** for reliability upgrades is $124.327 million. Refer to the Scope of Work section of this report for work details and cost information.

If all projects ahead in the queue come on-line as scheduled, VV2 project would only be responsible for the cost of constructing the 230-kV gen-tie line from VV2 plant to Victor 230-kV substation, and the third Lugo-Victor 230-kV line. The ***Nonbinding minimum cost*** for VV2 project to interconnect to CAISO's grid is $23.7 million. However, a restudy must be performed to re-determine cost assignment if any projects ahead in the application queue withdraw.

The maximum exposure and minimum cost do not include direct assignment cost of the 230-kV gen-tie line from VV2 project to Victor substation and switchyard at VV2 project plant site.

* The maximum cost exposure is the potential cost that may be assignable to VV2 project should any higher queue project withdraw.

EXHIBIT B

CAISO LETTER TO SCE (ROBERT LUGO) DATED 10/26/06

California ISO
Your Link to Power

Dariush Shirmohammadi
Director of Regional Transmission – South
(916) 608-1113

October 26, 2006

Mr. Robert J. Lugo
Manger of Grid Interconnections & Contract Development
Southern California Edison
P.O. Box 800
Rosemead, CA 91770

Subject: Victorville 2 (VV2) Project SIS – Preliminary Interconnection Approval

Dear Mr. Lugo:

The California ISO (CAISO) has reviewed the System Impact Study (SIS) conducted by the Southern California Edison Company (SCE) on September 13, 2006 for the Victorville 2 ("the Project") by Inland Energy. For the proposed project, the maximum net output to the grid will be 563 MW; and the commercial operation date (COD) will be April 2010. The Project is proposed to interconnect to the SCE owned Victor 230-kV Substation. For more details about the project, please see the attachment to this letter.

Based on the results of the SIS, the CAISO is granting preliminary interconnection approval to the Victorville 2 Project. Please see the "CAISO Comments and Conclusions" in the attachment for more details.

Please note that this letter approving the interconnection of the project allows the project to connect to the CAISO Controlled Grid and to be eligible to deliver the project's output using available transmission. However, it does not establish the generation project's level of deliverability for purposes of determining its Net Qualifying Capacity under the CAISO Tariff and in accordance with CPUC-adopted Resource Adequacy Rules. Therefore, this letter makes no representation, and the Interconnection Customer cannot rely on any statements herein, regarding the ability, or amount, of the output of the project to be eligible to sell Resource Adequacy Capacity. We encourage you to follow the baseline deliverability studies ongoing at the CAISO. For more information on generation deliverability, please reference the web links provided in the attachment to this letter.

If you have questions about the CAISO review of this study, please contact Ruhua You at (916) 608-5721 (RYou@caiso.com) or myself at (916) 608-1113 (DShirmohammadi@caiso.com).

Sincerely,

(Original signed by Dariush Shirmohammadi)

Dariush Shirmohammadi
Director of Regional Transmission - South

RY/DS:pjp

cc: Tom Barnett (Inland Energy via e-mail, tbarnett@inlandenergy.com)

Robert J. Lugo (SCE via e-mail, Robert.Lugo@SCE.com)
Edgardo Romero (SCE via e-mail, Edgardo.Romero@sce.com)
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Armando J. Perez (CAISO via e-mail, APerez@caiso.com)
Tom French (CAISO via e-mail, TFrench@caiso.com)
Judy Nickel (CAISO via e-mail, JNickel@caiso.com)
Regional Transmission South (CAISO via e-mail)

Attachment
Information about the Victorville 2 Project

1. General Background

Pursuant to the CAISO tariff *Amendment 39* for new generator interconnection, **Inland Energy** applied to the California ISO (CAISO) for interconnection of the **Victorville 2 (VV2) Project**. For the proposed power plant, the maximum net output to the grid will be **563 MW**, and the Commercial Operation Date (COD) will be **April 2010**.

The Project is in the vicinity of the Victor Substation owned by the Southern California Edison Company (SCE). Figure 1 shows the location of the Project.

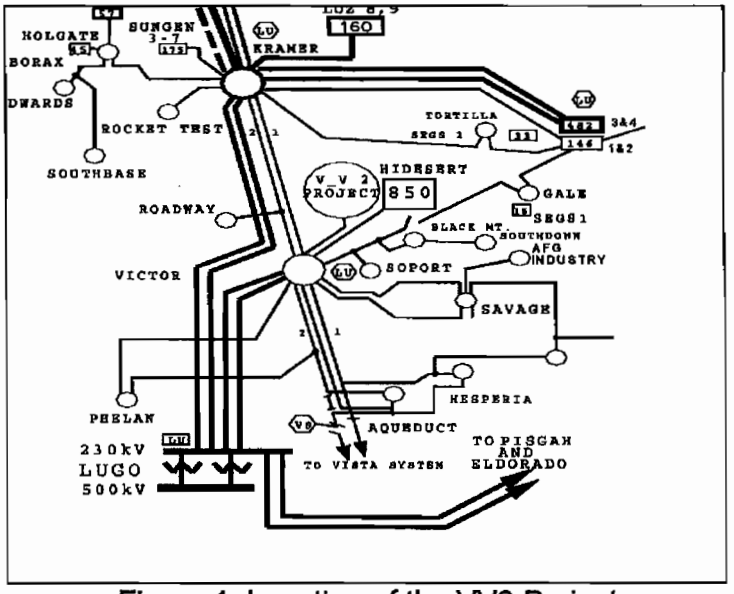


Figure 1. Location of the VV2 Project

The VV2 project is a combined cycle and solar array heat input generating plant consisting of two combustion turbines rated maximum 154.2 MW each, and one steam turbine rated maximum 268.3 MW. With a total gross capacity of 577 MW and a total auxiliary load of 14 MW, the plant's maximum net output to the grid will be 563 MW. The Project is proposed to **interconnect to the SCE owned Victor 230-kV Substation**. Figure 2 shows the system configuration for the Project (without the third Lugo-Victor Line).

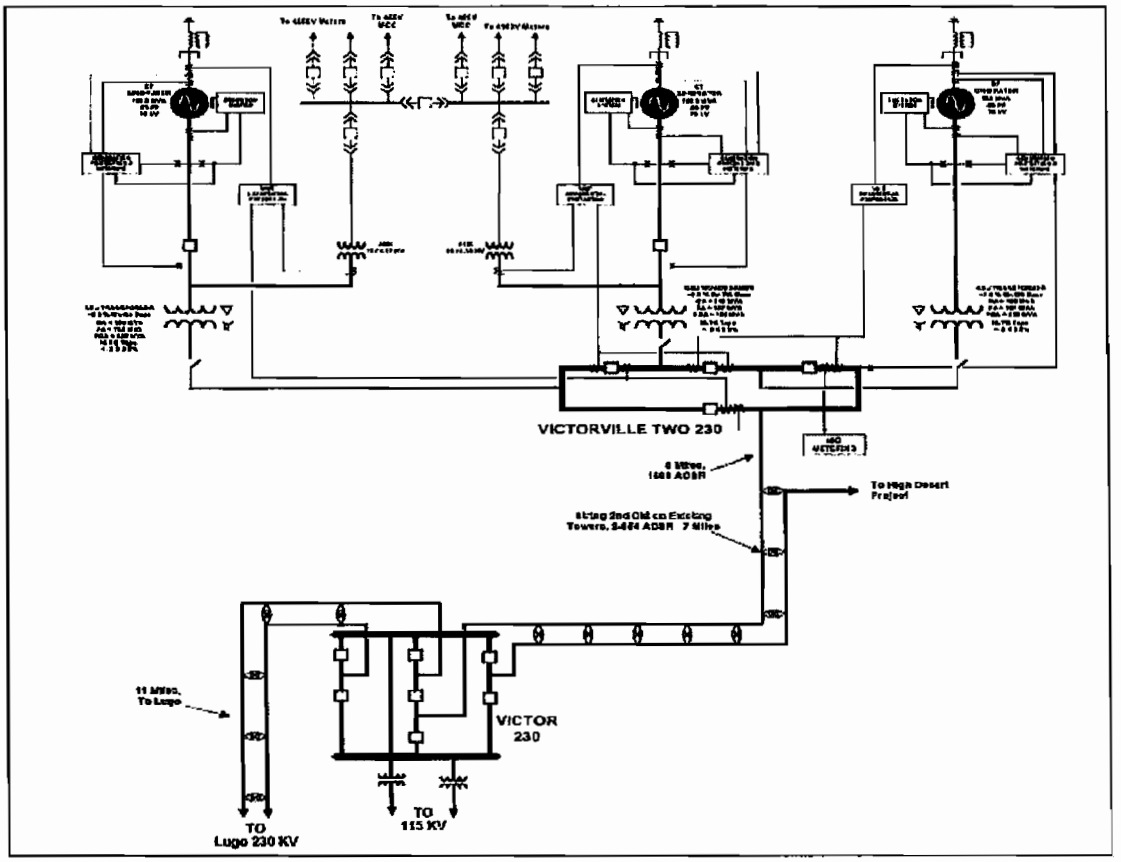


Figure 2. System Configuration of the VV2 Project

2. Study Assumptions and Conclusions

The SIS was based on the load scenarios of *2009 Heavy Summer one-in-ten and 2010 Light Spring* load forecasts. The study conclusions are summarized as follows.

3.1 Power Flow Analysis

The study identified overloads on Victor-Lugo 230-kV lines No.1, No.2, under base case, N-1 and N-2 contingencies with addition of the VV2 project with or without any prior queue projects and associated system upgrades in service. Without a third Lugo 500/230 kV AA transformer bank (which is triggered by the higher queued projects) in service, VV2 would also trigger base case overloads on the Lugo 500/230-kV AA transformer banks No.1 and No.2.

A third Victor-Lugo 230-kV line and a third Lugo 500/230-kV transformer bank have to be in service before VV2 project comes online.

A detail SPS study is also needed to determine if existing High Desert SPS needs to be expanded to include the VV2 project under the outages of Victor-Lugo 230-kV No.3 and No.1 or No.2 lines.

3.2 Short-Circuit Duty Evaluation

In three-phase-to-ground and single-line-to-ground CB evaluation, the VV2 project did not trigger any circuit breakers upgrade. All replacement/upgrade circuit breakers were identified by generation projects ahead in the queue. Should any projects in the application queue withdraw, a restudy must be performed to re-evaluate the short-circuit duty.

3.3 Post-Transient Power Flow Analysis

1) If the third Kramer-Lugo 230-kV line triggered by prior queue projects were in-service, the Project would not cause any post-transient voltage violation.
2) If the third Kramer-Lugo line were not in service, the Project would cause the post transient voltage violations in the North of Lugo area due to simultaneous outage of Kramer-Lugo 230-kV Line No.1 and No.2 (N-2). Therefore, if the prior projects triggering the need of third Kramer-Lugo 230 kV line withdraw from the queue, the existing Kramer SPS will have to be revised in order to maintain the post transient voltage level.

3.4 Transient Stability Analysis

1) If the third Kramer-Lugo 230-kV line triggered by prior queue projects were in-service, the Project would not cause any transient instability issue.
2) If the third Kramer-Lugo line were not in service, the Project would cause the transient instability throughout the North of Lugo area due to simultaneous outage of Kramer-Lugo 230-kV Line No.1 and No.2 (N-2). Therefore, if the prior projects triggering the need of third Kramer-Lugo 230 kV line withdraw from the queue, the existing Kramer SPS will have to be revised in order to maintain the transient stability.

4. CAISO Comments and Conclusions:

Based on the current SIS, the CAISO is granting preliminary interconnection approval to the Victorville 2 (VV2) Project. The CAISO directs the project to move into the Facilities Study stage if Inland chooses to proceed with the project.

The VV2 project triggered the need of a third Victor-Lugo 230 kV transmission line. If the other higher queue projects triggering the need of a third Lugo 500/230 kV transformer bank are not moving forward or drop out from the queue, the Lugo 500/230 kV transformer bank would also be needed as part of this project. If the other higher queue projects triggering the need of third Kramer-Lugo line are not moving forward or drop out of the queue, the existing Kramer SPS will need to be revised to accommodate the VV2 project. A detail SPS study is also needed to determine if existing High Desert

SPS needs to be expanded to include the VV2 project under the outages of Victor-Lugo 230-kV No.3 and No.1 or No.2 lines. The Facility Study should develop the cost and details to modify the existing Kramer SPS and the High Desert SPS.

Please note that this letter approving the interconnection of the project allows the project to connect to the CAISO Controlled Grid and to be eligible to deliver the project's output using available transmission. However, it does not establish the generation project's level of deliverability for purposes of determining its Net Qualifying Capacity under the CAISO Tariff and in accordance with CPUC-adopted Resource Adequacy Rules. Therefore, this letter makes no representation, and the Interconnection Customer cannot rely on any statements herein, regarding the ability, or amount, of the output of the project to be eligible to sell Resource Adequacy Capacity.

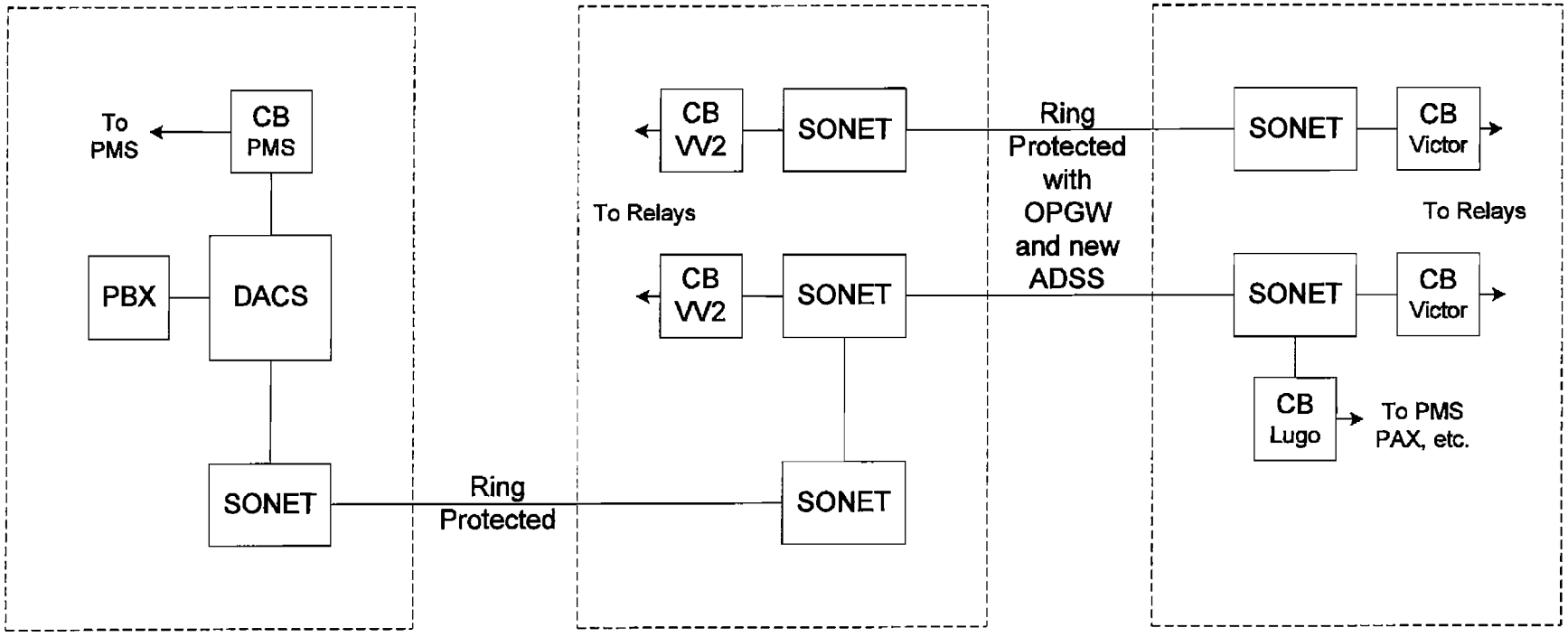
We encourage you to follow the baseline deliverability studies ongoing at the CAISO. For more information on generation deliverability, please reference the following web links:

http://www.caiso.com/181c/181c902120c80.html

EXHIBIT D

TELECOMMUNICATION CHANNELS

Telecommunications for Victorville 2 Protection and RAS

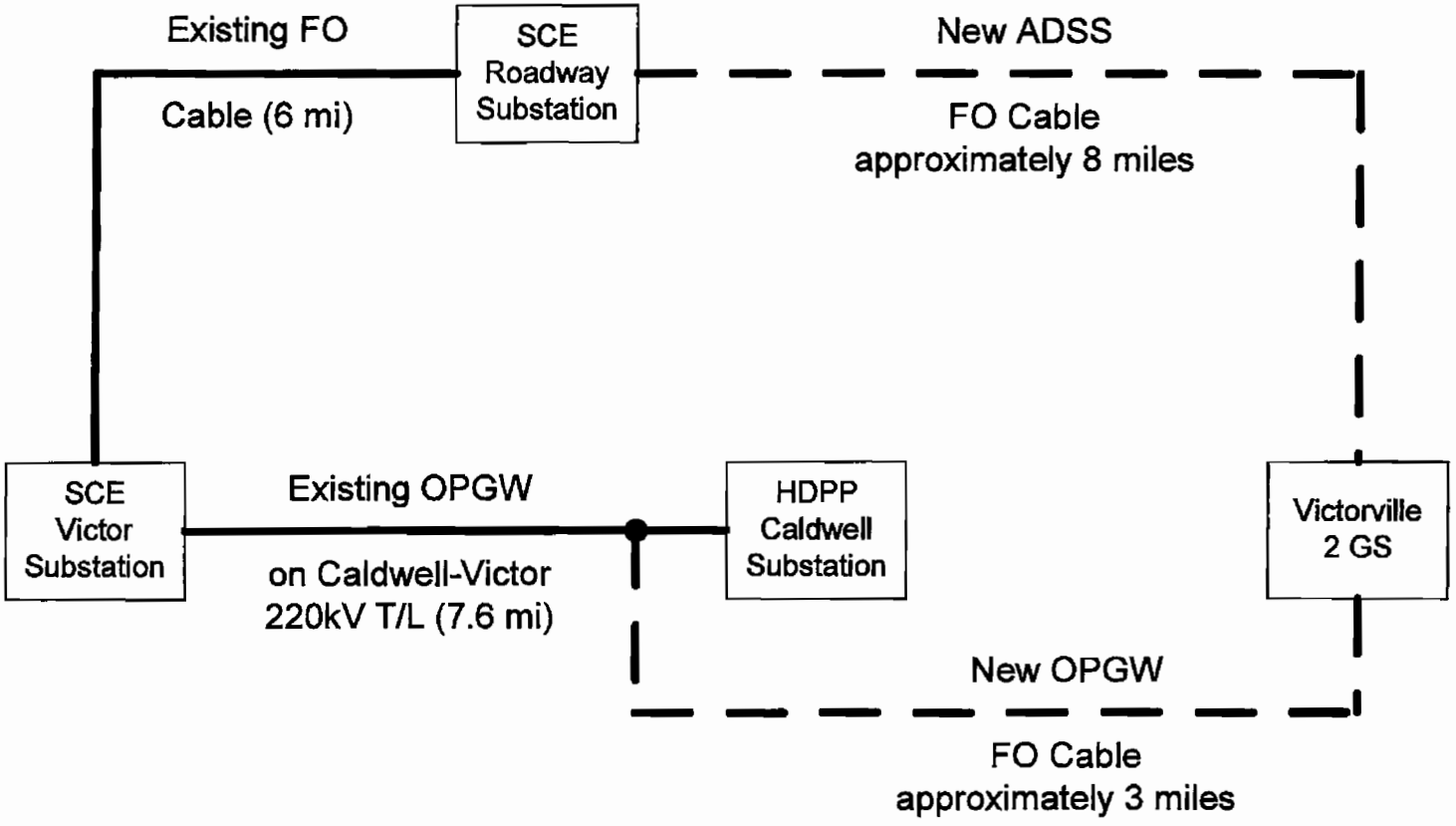


Assume diverse C37.94 channels required for Victor - Victorville 2 220kV Line Protection

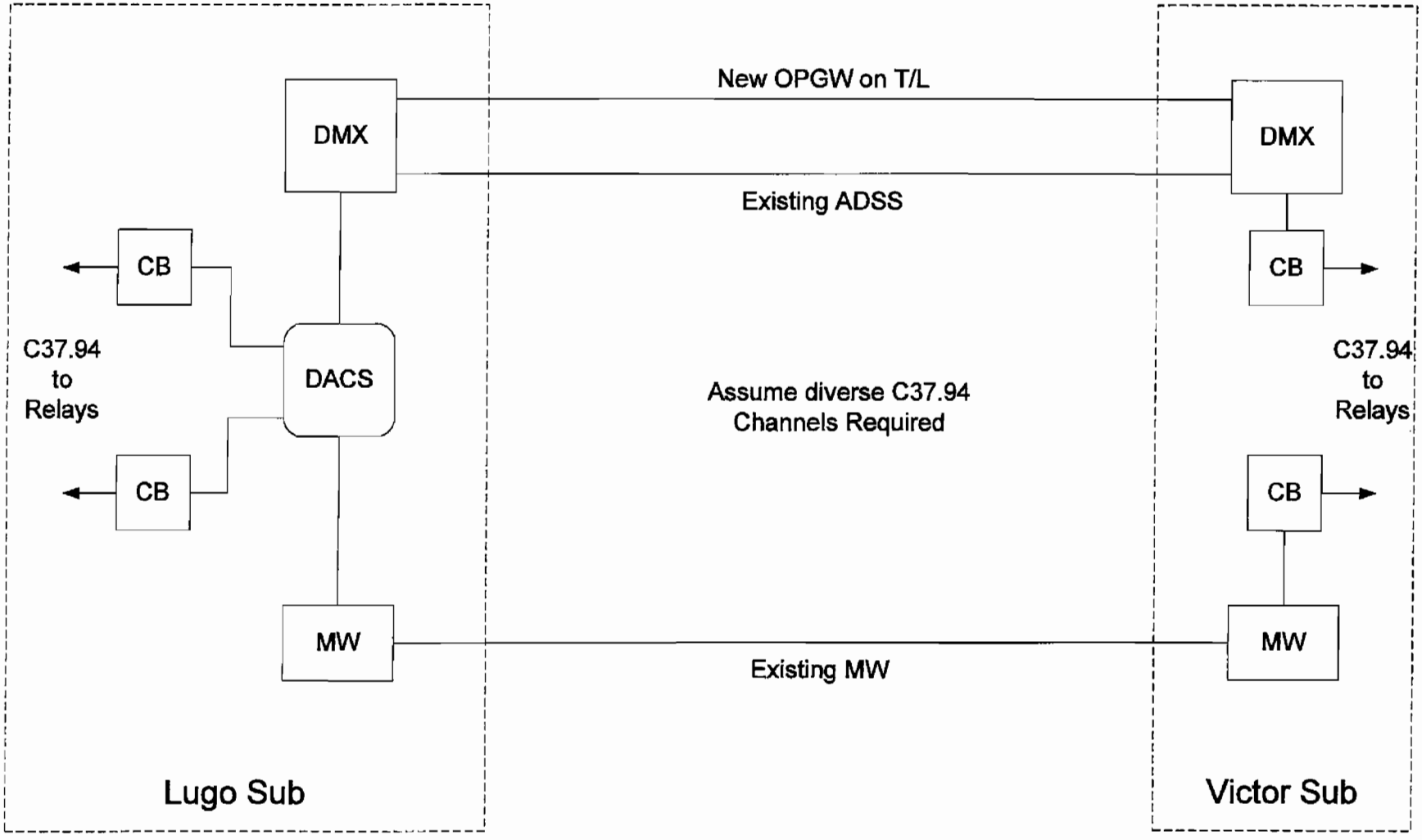
Add modules to VV2 and Victor channel banks for RAS circuits

Existing equipment shown in gray

Fiber Optic Cable Plan for Victorville 2



Telecommunications for New Lugo-Victor 230kV



Existing equipment shown in gray

EXHIBIT E

FACILITIES STUDY
SCOPE DETAILS

INLAND ENERGY INC. - VICTORVILLE 2 PROJECT

FACILITIES STUDY SCOPE – DETAILS

CASE A – ELEMENTS REQUIRED FOR THE PROJECT

A. Transmission:

1. **Inland Energy – Victor 220kV Generation Tie Line**
   Install approximately 4.4 Circuit Miles of new 1590KCMIL ACSR Conductors and Optical Ground Wire on new single circuit tubular steel poles and 6 Circuit Miles of new 1590KCMIL ACSR Conductors on the vacant side of the existing Caldwell – Victor 220kV Generation Tie Line double circuit structures.

   The following work is required:
   - Installation of fourteen dead – end and twenty suspension type 220kV Tubular Steel Poles
   - Installation of six dead – end lattice structures at three points where the existing Caldwell – Victor 220kV Generation Tie Line changes from double circuit to single circuit configuration to cross under several LADWP 500kV Transmission Lines.
   - Installation of approximately 10.4 circuit miles of 1590KCMIL ACSR Conductors (Approximately 165,000 Ft.)
   - Installation of approximately 4.4 Miles of Optical Ground Wire (OPGW).
   - Installation of approximately sixty V – String and seventy five standard suspension type and one hundred and sixty eight dead – end type insulators / hardware assemblies.

2. **Lugo – Victor No.3 220kV Transmission Line**
   Install approximately 10.8 Circuit Miles of 2-1590KCMIL ACSR Conductors and OPGW on a combination of new single and double circuit lattice structures.

   This installation requires the modification of a ½ - Mile segment of the existing Lugo – Pisgah No.1 220kV T/L from single circuit to double circuit construction and the temporary relocation of a nine mile segment of the existing Victor – Aqueduct – Phelan 115kV Line.

   There will be two segments of double circuit lattice structures as follows:
   - One 1.5-Mile segment where the new line will share the structures with the existing Lugo – Pisgah No.1 220kV T/L.
   - One 9-Mile segment where the new line will share the structures with the relocated Victor – Aqueduct – Phelan 115kV Line. See Item B on Page 2.
   - The remaining 1.3-Mile segment will be constructed on singe circuit lattice structures.

   The following work is required:
   - Removal of seven single circuit structures on a 1.5-Mile segment of the existing Lugo – Pisgah No.1 220kV.
   - Installation of five dead – end single circuit, ten dead – end double circuit and seventy suspension double circuit 220kV lattice structures.
   - Installation of approximately 10.8 Circuit Miles of 2-1590KCMIL ACSR Conductors (Approximately 342,000 Ft.).
   - Installation of approximately 9 Circuit Miles of 653KCMIL ACSR Conductors (Approximately 140,000 Ft.) – For the Victor – Aqueduct – Phelan 115kV Line.
   - Installation of approximately 0.5 Circuit Miles of 605KCMIL ACSR Conductors (Approximately 8,000 Ft.) – For the Lugo – Pisgah No.1 220kV T/L.

- Installation of approximately 10.8 Miles of Optical Ground Wire (OPGW).
- Installation of approximately four hundred and fifty three suspension type and one hundred and fifty six dead – end type insulators / hardware assemblies.

NOTE 1:
For additional detail on the removal, relocation and re-placement of the Victor – Aqueduct – Phelan 115kV Line, please refer to Item B – Sub - Transmission and the related Note 2 below.

3. **Lugo – Victor No.1 220kV Transmission Line**
At this time it has been determined that the best possible way to terminate the new Lugo – Victor No.3 220kV T/L at Victor Substation would be to use the existing Position 3 – S presently occupied by the termination of the Lugo No.1 220kV T/L.

Relocate the Lugo No.1 220kV T/L rack span at Victor Substation from Position 3 – S to Position 2 – S to facilitate the termination of the new Lugo No.3 220kV rack span at Position 3 – S.

4. **Lugo – Victor No.2 220kV Transmission Line**
At this time it has been determined that the best possible way to terminate the new Inland Energy – Victor 220kV Generation Tie Line at Victor Substation would be to use the existing Position 1 – N presently occupied by the termination of the Lugo No.2 220kV T/L.

Relocate the Lugo No.2 220kV T/L rack span at Victor Substation from Position 1 – N to Position 1 – S to facilitate the termination of the new Inland Energy 220kV Generation Tie Line rack span at Position 1 – N.

B. Sub-Transmission:

Victor – Aqueduct – Phelan 115kV Line
Dismantle approximately nine miles of existing line and relocate temporarily on the west side of the existing Right of Way.

The following work is required:

- Removal of approximately eighty existing 115kV structures. The structures consist of a combination of mostly lattice H-Frames with two standard lattice towers and four wood poles.
- Removal of approximately nine Circuit Miles of 4/0ACSR Conductors (Approximately 140,000 Ft.)
- Removal of two 115kV KPF Line Switches mounted on existing H-Frame structures.
- Installation of approximately one hundred and eighty five new Light – Weight Steel Poles with vertical configuration. Approximately 9 Dead-End and 176 Suspension type poles.
- Installation of approximately nine circuit miles of 653KCMIL ACSR Conductors (Approximately 140,000 Ft.) – No Overhead Ground Wire required.
- Installation of two 115kV pole mounted Cleveland – Price Line Switches.

NOTE 2:
The removal of the 115kV Line is required for the installation of the new Lugo – Victor No.3 220kV T/L at the location being vacated by the 115kV Line.

The relocation of the 115kV Line is required to keep the line in service during the construction of the new Lugo – Victor No.3 220kV T/L.

The new Lugo – Victor No.3 220kV T/L will be constructed on double circuit structures.

Upon the completion of the installation of the new 220kV double circuit structures, the 115kV conductors will be re-installed on the vacant side and will share the structures with the new Lugo – Victor No.3 220kV T/L for the nine mile segment.

C. Substations:

1a. Victor Substation – General Comment

There is an existing SCE Project that will start in the year 2009 and will require substantial changes in the configuration of Victor Substation and will include modifications to the 220kV Switchyard.

One modification includes equipping the existing Position 2, left vacant after the proposed removal of the present No.1A 220/115kV Tr. Bk., as a Double Breaker Line Position on a Breaker-and-a-Half Configuration to terminate the new Caldwell 220kV Generation Tie Line relocated from its present Position 4 – N.

This Facilities Study assumes all proposed changes to the Victor Substation 220kV Switchyard have been completed before the Project and addresses exclusively the additional changes that will be required due to the new Inland Energy Interconnection.

After the proposed modifications are in place the following work is required:

1b. Victor Substation – 220kV Position 1

This position is presently equipped as a Double Breaker position to terminate the Lugo No.2 220kV T/L on the North Side.

Modify as follows:
Install the following equipment to re-configure the position into a Breaker and a Half Configuration to terminate the Inland Energy 220kV Generation Tie Line on the North Side and relocate the Lugo No.2 220kV T/L to the South Side:

- Two 60Ft. High by 45Ft. Wide 220kV Line Dead End Structure and corresponding foundations. One for the Line and one for a Line Isolating Disconnect Switch.
- One 220kV – 3000A – 50kA Circuit Breaker at the center position.
- Three 220kV Horizontal-Mounted Group-Operated Disconnect Switches – One of them (The Line Isolating Switch) equipped with Grounding Attachments.
- Three 220kV CCVT Potential Devices.
- Three 60 Ft. tie-downs with 1590KCMIL ACSR conductors and foundations. (Approximately 180 Ft. of conductors)

Also install the following Line Protection Relays in the existing Relay Room:

- One GE C60 Breaker Management Relay (For the new CB).
- One SEL-311 Line Current Differential (Digital Communication Channel).
- One GE L90 Line Current Differential (Digital Communication Channel).
- Install a 30 Ft. run of underground conduit from the new CB to existing cable trench.
- Install a 1000 Ft. run of Control Cable from the new CB to the Relay Room in existing cable trench.
- Disconnect the Lugo No.2 220kV T/L Line Protection Relays current circuit originating on the Bushing Current Transformers of the North CB and re-connect to those on the new Center Position CB.

1c. Victor Substation – 220kV Position 2

After the completion of the 220kV Switchyard re-arrangement described on Item 1a. above, this position will be equipped as a Double Breaker position to terminate the Caldwell 220kV Generation Tie Line on the North Side.

Modify as follows:
Install the following equipment to re-configure the position into a Breaker and a Half Configuration to terminate the Lugo No.1 220kV T/L (Relocated from Position 3 – S) on the South Side leaving the existing Caldwell 220kV Generation Tie Line on the North Side:

- One 60Ft. High by 45Ft. Wide 220kV Line Dead End Structure and corresponding foundations.
- One 220kV – 3000A – 50kA Circuit Breaker at the center position.
- Two 220kV Horizontal-Mounted Group-Operated Disconnect Switches – One of them with Grounding Attachments.
- Three 220kV CCVT Potential Devices.
- Three 60 Ft. tie-downs with 2-1590KCMIL ACSR conductors and foundations (Approximately 360 Ft. of conductors).

Also install the following Line Protection Relays in the existing Relay Room:

- One GE C60 Breaker Management Relay (For the new CB).
- One SEL-311 Line Current Differential (Digital Communication Channel).
- One GE L90 Line Current Differential (Digital Communication Channel).
- Install a 30 Ft. run of underground conduit from the new CB to existing cable trench.
- Install a 1000 Ft. run of Control Cable from the new CB to the Relay Room in existing cable trench.
- Disconnect the Lugo Caldwell 220kV Generation Tie Line Protection Relays current circuit originating on the Bushing Current Transformers of the South CB and re-connect to those on the new Center Position CB.

1d. Victor Substation – 220kV Position 3

After the completion of the 220kV Switchyard re-arrangement described on Item 1a. above and the relocation of the Lugo No.1 220kV T/L described on Item 1b, this position will be vacant.

Modify as follows:
Install the following equipment to terminate the new Lugo No.3 220kV T/L as a Double Breaker Position arranged in a Breaker and a Half Configuration:

- One 60Ft. High by 45Ft. Wide 220kV Line Dead End Structure and corresponding foundations.
- Two 220kV – 3000A – 50kA Circuit Breaker at the center position.
- Four 220kV Horizontal-Mounted Group-Operated Disconnect Switches – One of them with Grounding Attachments.
- Three 220kV CCVT Potential Devices.
- Three 60 Ft. tie-downs with 2-1590KCMIL ACSR conductors and foundations (Approximately 360 Ft. of conductors).
- Three 280 Ft. sections of 2-1590KCMIL ACSR Conductors (Approximately 1700Ft. of Conductor)

Also install the following Line Protection Relays in the existing Relay Room:

- One GE C60 Breaker Management Relay (For the new CB).
- One SEL-311 Line Current Differential (Digital Communication Channel).
- One GE L90 Line Current Differential (Digital Communication Channel).
- Install 30 Ft. runs of underground conduit from each new CB to existing cable trench (Two runs).
- Install 1000 Ft. runs of Control Cable from each new CB to the Relay Room in existing cable trench (Two runs)

1e. Victor Substation – SPS Relays

Replace the existing 624 Roto - Switches on the Lugo 220 kV line monitor SEL-351 relays with 826 Roto - Switches. Bring b-pallets and a single-phase current from the new Lugo No. 3 220kV T/L into the existing line monitor SEL-351 relays.

2a. Lugo Substation – New 220kV Line Position

Equip the existing vacant 220kV Position 7 – W as a Double Breaker Line Position on a Breaker-and-a-Half Configuration to terminate the new Victor No.3 220kV T/L as follows:

- One 94Ft. High by 45Ft. Wide 220kV Line Dead End Structure and corresponding foundations
- Two 220kV – 3000A – 50kA Circuit Breakers
- Four 220kV Horizontal-Mounted Group-Operated Disconnect Switches – One of them equipped with Grounding Attachments.
- Three 220kV CCVT Potential Devices
- Seventeen 220kV Bus Supports
- Three 90 Ft. tie-downs with 2-1590KCMIL ACSR conductors and foundations (Approximately 565 Ft. of conductors)
- Three 280 Ft. sections of 2-1590KCMIL ACSR Conductors (Approximately 1700Ft. of Conductor)

Also install the following Line Protection Relays in the existing Relay Room:

- Two GE C60 Breaker Management Relays
- One SEL-311 Line Current Differential (Digital Communication Channel)
- One GE L90 Line Current Differential (Digital Communication Channel)
- Install 30 Ft. runs of underground conduit from each new CB to existing cable trench (Two runs).
- Install 1000 Ft. runs of Control Cable from each new CB to the Relay Room in existing cable trench (Two runs)

2b. Lugo Substation – SPS Relays

Replace the existing 624 Roto - Switches on the Lugo 220 kV line monitor SEL-351 relays with 826 Roto - Switches. Bring b-pallets and a single-phase current from the new Victor No. 3 220kV T/L into the existing line monitor SEL-351 relays.

2c. Lugo Substation – 500kV Circuit Breakers

Install six sets of Transient Recovery Voltage (TRV) Line to Ground Capacitors (Total of eighteen units) to upgrade three 50kA 500kV CB's to 63kA Rating.

C. Telecommunications:

1. Install dual communication channels on separate routes to support the Line Protection Relays on the new Inland Energy – Victor 220kV Generation Tie Line.

   Install eight miles of new All Dielectric Self Supported (ADSS) Fiber Optic cable on existing distribution wood poles to extend from the existing SCE fiber optic cable system to the Generating Facility to provide one of the two paths.

   The remaining path will be provided by the 220kV Generation Tie Line Optical Ground Wire (OPGW). The installation of the OPGW is included in Transmission Scope of Work and is not an element of this Telecommunications scope.

   Also install new light wave and channel terminal equipment to interface with the line protection relays at the Generating Facility 220kV Switchyard and Victor Substation.

2. Install dual communication channels on separate routes to support the Line Protection Relays on the new Lugo – Victor No.3 220kV T/L.

   There are already paths between the Lugo and Victor Substations.

   A redundant path will be provided by the 220kV T/L Optical Ground Wire (OPGW). The installation of the OPGW is included in Transmission Scope of Work and is not an element of this Telecommunications scope.

   All that is required would be to install new light wave and channel terminal equipment to interface with the line protection relays at the Lugo and Victor Substations.

3. Install dual communication channels on separate routes to support the SPS.

   Given that the main telecommunication paths and associated light wave and channel equipment are already in plae as required for the main lines protection, this installation requires only minor additional interface equipment to interface with the SPS Relays.

D. Power System Control

1. Install a new RTU at the Generating Facility to monitor the typical generation elements such as MW, MVAR, terminal Voltage and Circuit Breaker Status at each Generating Unit and the Plant Auxiliary Load and support the proposed SPS.
2. Install additional points to the existing RTU at Victor Substation for status and control of the new the CB's for the Inland Energy 220kV Generation Tie Line and Lugo No.3 220kV T/L and support the proposed SPS.
3. Install additional points to the existing RTU at Lugo Substation for status and control of the new the CB's for the Inland Energy 220kV Generation Tie Line and Victor No.3 220kV T/L and support the proposed SPS.

The telecommunication circuits from required to support the required RTU's have been included in the scope of telecommunications.

E. Corporate Real Estate:

1. Perform all required activities such as mapping, survey, obtain title, appraise and acquire land to obtain a 100 Ft. wide Right of Way required for the new 4.4-Mile segment of the Inland Energy – Victor 220kV Generation Tie Line from the Generating Facility to the existing Caldwell – Victor Double Circuit 220kV Structures.
2. Perform all required activities such as mapping, survey, obtain title, appraise and acquire land to obtain an additional 15 Ft. on the existing Right of Way between the Lugo and Victor Substations required for the new Lugo – Victor No.3 220kV Transmission Line.

INLAND ENERGY INC. - VICTORVILLE 2 PROJECT

FACILITIES STUDY SCOPE – DETAILS

ADDITIONAL ELEMENTS FOR CASE B

A. Substations:

1. **Lugo Substation – No.3AA 500/220kV Transformer Bank**
   Engineer and construct a new 1120MVA 500/220kV Transformer Bank and corresponding 500kV and 220kV Bank Positions and GIS Bank Leads and sectionalize the existing 220kV Buses.

   Additional Detail:

   A. 500kV SWITCHYARD

   A – 1 500kV Buses:

   Extend the existing 500kV Buses two positions to the South as follows:

   - Install two 60Ft. high x 90Ft. wide bus dead end structures and foundations
   - Install twelve insulators dead end assemblies
   - Install six 180Ft. segments of 3-2156KCMIL ACSR conductors - (+/- 3240Ft.)

   A – 2 500kV Bank Position:

   Install one double-breaker 500kV Bank Position as follows:

   - Install three 500kV Gas-to-Air Bushings with support pedestals and foundations
   - Install three 500kV Surge Arresters with support pedestals and foundations
   - Install two 500kV 3000A 63kA circuit breakers and foundations
   - Install six 500kV TRV Capacitors with support pedestals and foundations
   - Install four 500kV group operated - horizontally mounted disconnect switches with support structures and foundations - One of them with grounding attachments
   - Install twenty-four bus support insulators with support pedestals and foundations
   - Install three 660Ft segments of 2-2156KCMIL ACSR conductors - (+/- 4000Ft.)

   B. 500/220kV TRANSFORMER BANK:

   B – 1 Main Transformers

   Install one 1120MVA 500/220kV Transformer Bank as follows:

   - Four 373MVA 500/161-220kV Single-Phase units, including one spare unit.
   - One standard transformer structure with all the required 500kV and 220kV bus-work to allow for the Grounded Wye / Delta connection of the Single-Phase units and placement of the spare unit.

   B – 2 Gas Insulated Bus Transformer Leads

   Install GIS bus conductors from the transformer bank to each 500kV and 220kV Bank Positions as follows:

   - Approximately 625Ft. of GIS Bus Conductors with 500kV Insulation
   - Approximately 2,665Ft. of GIS Bus Conductors with 220kV Insulation
   - Three 500kV Gas-to-Air Bushings with support pedestals and foundations
   - Three 500kV Surge Arresters with support pedestals and foundations
   - Three 220kV Gas-to-Air Bushings with support pedestals and foundations
   - Three 220kV Surge Arresters with support pedestals and foundations

B – 3 Tertiary Bus

Install one Tertiary Bus as follows:

- Five 13.8kV – 2000A – 17kA Circuit Breakers
- Fifteen 13.8kV Hook-Stick Disconnect Switches
- Five 13.8kV 45MVAR Reactors
- One Ground Bank Detector (3 - 5kVA 14400-120/240V Transformers)
- One 14400-120V Voltmeter Potential Transformer
- One Voltmeter
- Three 40E Standard Size 4 S&C Type Fuses

C. 220kV SWITCHYARD

C – 1 220kV Buses:

Install two 220kV Bus Sectionalizing Circuit Breakers as follows:

C – 1.a North 220kV Bus:

- Install one 220kV 3000A 63kA Circuit Breaker and foundation
- Install six 220kV TRV Capacitors with support pedestals and foundations
- Install two 220kV group operated - horizontally mounted disconnect switches with support structures and foundations
- Connect each disconnect switch to the existing bus and to the new Circuit Breaker with 2-2156KCMIL ACSR conductors

C – 1.b South 220kV Bus:

- Same scope as described for North Bus above.

C – 2 220kV Bank Position:

Install one double-breaker 220kV Bank position as follows:

- Install three 220kV Gas-to-Air Bushings with support pedestals and foundations
- Install three 220kV Surge Arresters with support pedestals and foundations
- Install two 220kV 3000A 63kA circuit breakers and foundations
- Install six 220kV TRV Capacitors with support pedestals and foundations
- Install four 220kV group operated - horizontally mounted disconnect switches with support structures and foundations - One of them with grounding attachments
- Install seventeen bus support insulators with support pedestals and foundations
- Install three 330Ft. segments of 2-2156KCMIL ACSR conductors - (+/- 2000Ft.)

Also install the following Line Protection Relays in the existing Relay Room:

- One GE C60 Breaker Management Relay (For the new CB).
- One GE T60 Bank Differential Relay
- One SEL 387 Bank Over-Current Relay
- Install 30 Ft. runs of underground conduit from each new CB to existing cable trench (Four runs).
- Install 1000 Ft. runs of Control Cable from each new CB to the Relay Room in existing cable trench (Four runs)

D. MISCELLANEOUS

- Install a new concrete MEER Building
- Install new Control Cable Trench from new MEER to existing Relay Room.
- Relocate a 400Ft. segment of perimeter fence and 20Ft. D.D. Gate 50Ft. to the south to provide an additional area of 400Ft. by 200Ft.
- Relocate a 600Ft. segment of 20Ft. driveway 150Ft. to the south.
- Extend existing grounding grid to cover the additional area of 400Ft. by 200Ft.
- Grade and install crushed rock on the additional area of 400Ft. by 200Ft.

2. **Antelope Substation – 220kV Circuit Breakers:**
   Replace eight 40kA 220kV CB's with new 50kA Rated units and install six sets of Transient Recovery Voltage (TRV) Line to Ground Capacitors (Total of eighteen units) to upgrade four 40kA 220kV CB's to 50kA Rating.

3. **Chino Substation – 220kV Circuit Breakers**
   Install two sets of Transient Recovery Voltage (TRV) Line to Ground Capacitors (Total of six units) to upgrade one 50kA 220kV CB to 63kA Rating.

4. **Devers Substation – 220kV Circuit Breakers:**
   Replace seven 40kA 220kV CB's with new 50kA Rated units and install four sets of Transient Recovery Voltage (TRV) Line to Ground Capacitors (Total of twelve units) to upgrade two 40kA 220kV CB's to 50kA Rating.

5. **Etiwanda Gen. Station Switchyard – 220kV Circuit Breakers**
   Replace twenty four 220kV CB's of different ratings with new 80kA Rated units and upgrade the station 220kV Switchyard to 80kA Rating.

   NOTE:
   - The scope of work for the Switchyard upgrade has not been completed at this time.
   - A scope of work and cost estimate has been prepared for the upgrade of a similar facility.
   - At this time it is expected that the type of upgrades for this location would be very similar to those already scoped and estimated for the similar facility.
   - Based on this assumption, it is expected that, in addition to the replacement of the circuit breakers, the following upgrades would be required:

   1. Replace forty eight 220kV Disconnect Switches.
   2. Replace twenty four 220kV Surge Arresters.
   3. Replace all line and bank vertical risers with tubular conductors.
   4. Replace all 4/0CU connections to the ground grid with new 350KCMIL ACSR.
   5. Install new sections of 350KCMIL ACSR Ground Grid and connect to the existing 4/0CU Grid.

6. **Laguna Bell Substation – 220kV Circuit Breakers**
   Install eleven sets of TRV Line to Ground Capacitors (Total of thirty three units) to upgrade fourteen 35.2kA 220kV CB's to 47.3kA Rating.

7. **Lugo Substation – 220kV Circuit Breakers**
   Replace three 50kA 220kV CB's with new 63kA Rated units, equipped with four sets of Transient Recovery Voltage (TRV) Line to Ground Capacitors (Total of twelve units) and install four sets of additional TRV's (Total of twelve additional units) to upgrade two 50kA 220kV CB's to 63kA Rating.

8a. **Mira Loma Substation – 500kV Circuit Breakers**
   Upgrade six 40kA 500kV CB's to 50kA by replacing the nameplate and obtaining manufacturer certification.

8b. **Mira Loma Substation – 220kV Circuit Breakers**
   Replace twelve 63kA 220kV CB's with new 80kA Rated units and upgrade the station 220kV Switchyard to 80kA Rating.

   NOTE:
   - The scope of work for the Switchyard upgrade has not been completed at this time.
   - A scope of work and cost estimate has been prepared for the upgrade of a similar facility.

- At this time it is expected that the type of upgrades for this location would be very similar to those already scoped and estimated for the similar facility.
- Based on this assumption, it is expected that, in addition to the replacement of the circuit breakers, the following upgrades would be required:

1. Replace twelve 220kV Circuit Breakers.
2. Replace twenty four 220kV Disconnect Switches.
3. Replace seven 220kV Surge Arresters.
4. Replace all line and bank vertical risers with tubular conductors.
5. Replace all 4/0CU connections to the ground grid with new 350KCMIL ACSR.
6. Install new sections of 350KCMIL ACSR Ground Grid and connect to the existing 4/0CU Grid.

9. **Victor Substation – 115kV Circuit Breakers**
   Replace two 20kA 220kV CB's with new 40kA Rated units.

B. Corporate Real Estate:
Perform all required activities such as mapping, survey, obtain title, appraise and acquire land to obtain an additional area of 400Ft. by 200Ft. on the south side of Lugo Substation required for the installation of the new 500/220kV 1120MVA No.3A Transformer Bank. Approximately 400Ft. by 170Ft. area to be expanded is within the substation property.

E. A. Romero
12/21/07

EXHIBIT F

COST SUMMARY

INLAND ENERGY INC. - VICTORVILLE TWO PROJECT - Elements for Case A

Cost Estimate Summary (2012 Dollars)

Scope:

Interconnect 663MW of Generation to the Victor Pisgah Substation 220kV Bus via a new 220kV Generation Tie Line. The Interconnection requires the installation of a new Lugo - Victor No. 3 220kV T/L and an SPS plus the upgrade of three 500kV CB's at Lugo Substation an the installation of an RTU at the Generating Facility.

ELEMENT	INTERCONNECTION FACILITIES Subject to O&M	RELIABILITY UPGRADES Not Subject to O&M	DISTRIBUTION UPGRADES Subject to O&M	Not Income Tax Component of Contribution *	ONE TIME	PAYMENT
TRANSMISSION & SUB-TRANSMISSION:						
Inland Energy 220kV Gen Tie Line - New Line	$ 9,081,000	$ -	$ -	$ 3,178,000	$	$ 12,259,000
Lugo - Victor No.3 220kV T/L - New Line	$ -	$ 23,870,000	$ -	$ -	$	$ 23,870,000
Lugo - Victor No.1 220kV T/L - Relocate Rack Span	$ -	$ 125,000	$ -	$ -	$	$ 125,000
Lugo - Victor No.2 220kV T/L - Relocate Rack Span	$ -	$ 125,000	$ -	$ -	$	$ 125,000
Victor - Aqueduct - Phelan 115kV Line - Dismantle and Relocate	$ -	$ -	$ 2,407,000	$ 842,000	$	$ 3,249,000
Victor - Aqueduct - Phelan 115kV Line - Re-Install on new 220kV Structures	$ -	$ -	$ 2,366,000	$ 828,000	$	$ 3,194,000
SUBSTATIONS:						
Victor Substation - New Gen Tie 220kV Line Position & Line Isolating Disc. Switch	$ 175,000	$ 1,932,000	$ -	$ 61,000	$	$ 2,168,000
Victor Substation - Relocation of Lugo No.1 220kV Line Position	$ -	$ 1,568,000	$ -	$ -	$	$ 1,568,000
Victor Substation - New Lugo No.3 220kV T/L Line Position	$ -	$ 2,813,000	$ -	$ -	$	$ 2,813,000
Victor Substation - Install SPS Relays	$ -	$ 150,000	$ -	$ -	$	$ 150,000
Lugo Substation - New Victor No.3 220kV T/L Line Position	$ -	$ 2,813,000	$ -	$ -	$	$ 2,813,000
Lugo Substation - Upgrade three 500kV CB's	$ -	$ 1,740,000	$ -	$ -	$	$ 1,740,000
Lugo Substation - Install SPS Relays	$ -	$ 150,000	$ -	$ -	$	$ 150,000
TELECOMMUNICATIONS:						
Telecommunications - Line Protection - 220kV Gen Tie Line and RTU	$ 2,146,000	$ -	$ -	$ 751,000	$	$ 2,897,000
Telecommunications - Line Protection - Lugo - Victor No.3 220kV T/L	$ -	$ 713,000	$ -	$ -	$	$ 713,000
Telecommunications - SPS	$ -	$ 185,000	$ -	$ -	$	$ 185,000
POWER SYSTEM CONTROL:						
Power Systems Control - RTU at Inland Energy	$ 53,000	$ -	$ -	$ 19,000	$	$ 72,000
Power Systems Control - RTU's at Victor & Lugo Sub's.	$ -	$ 26,000	$ -	$ -	$	$ 26,000
CORPORATE REAL ESTATE:						
Corporate Real Estate - 220kV Gen Tie Line	$ 2,821,000	$ -	$ -	$ 987,000	$	$ 3,808,000
Corporate Real Estate - Lugo - Victor No.3 220kV T/L	$ -	$ 6,552,000	$ -	$ -	$	$ 6,552,000
TOTAL	$ 14,276,000	$ 42,162,000	$ 4,773,000	$ 6,666,000	$	$ 67,877,000

Additional Elements for Case B

Scope:

Additional potential requirements to install a new 500/220kV No.3AA Tr. Bk. and associated Bank Positions and 220kV Bus Sectionalizing CB's at Lugo Sub, replace fifty six 220kV CB's and upgrade six 500kV and twenty three 220kV CB's.

ELEMENT	INTERCONNECTION FACILITIES Subject to O&M	RELIABILITY UPGRADES Not Subject to O&M	RELIABILITY UPGRADES Not Subject to O&M	Income Tax Component of Contribution *	ONE TIME	PAYMENT
SUBSTATIONS:						
Lugo Substation - New No.3 500/220kV Tr. Bk. & Associated Bank Positions	$ -	$ 57,000,000	$ -	$ -	$	$ 57,000,000
Antelope Substation - Replace eight & Upgrade four 220kV CB's	$ -	$ 5,684,000	$ 5,684,000	$ -	$	$ 11,368,000
Chino Substation - Upgrade one 220kV CB	$ -	$ 340,000	$ 340,000	$ -		
Devers Substation - Replace seven & Upgrade two 220kV CB's	$ -	$ 4,761,000	$ 4,761,000	$ -	$	$ 9,522,000
Etiwanda Gen. Sta. - Replace twenty four 220kV CB's	$ -	$ 17,472,000	$ 17,472,000	$ -	$	$ 34,944,000
Laguna Bell Substation - Upgrade fourteen 220kV CB	$ -	$ 1,870,000	$ 1,870,000	$ -	$	$ 3,740,000
Lugo Substation - Replace three & Upgrade two 220kV CB's	$ -	$ 3,109,000	$ 3,109,000	$ -	$	$ 6,218,000
Mira Loma Sub. - Upgrade six 500kV CB's	$ -	$ 30,000	$ 30,000	$ -	$	$ 60,000
Mira Loma Sub. - Replace twelve 220kV CB's	$ -	$ 8,736,000	$ 8,736,000	$ -	$	$ 17,472,000
Victor Substation - Replace two 115kV CB's	$ -	$ 630,000	$ 630,000	$ -	$	$ 1,260,000
Etiwanda Gen. Sta. - Upgrade 220kV Switchyard to 80kA Rating **	$ -	$ 22,950,000	$ 22,950,000	$ -	$	$ 45,900,000
Mira Loma Sub. - Upgrade 220kV Switchyard to 80kA Rating **	$ -	$ 17,213,000	$ 17,213,000	$ -	$	$ 34,426,000
CORPORATE REAL ESTATE:						
Corporate Real Estate - Lugo Substation Extension	$ -	$ 350,000	$ 350,000	$ -	$	$ 700,000
TOTAL	$ -	$ 140,145,000	$ 83,145,000	$ -	$	$ 222,610,000

* ITCC tax (calculated at 35%) is collected via Letter of Credit.

* Persuant to FERC Order 2003A, there will be no ITCC collected on Reliability Upgrades.

** The costs of upgrading the Etiwanda Mira Loma Substation 220kV Switchyards to 80kA Rating is only an approximate value based on an exiting estimate prepared for a similar facility.

E. A. Romero
12/21/07