



October 1, 2004

Mr. Carl Wood
Presiding Officer
California Electricity Generation Facilities Standards Committee
505 Van Ness Avenue
San Francisco, CA 94102

RE: Joint GAO Revisions to the Proposed Operations Standards and
Guidelines Following the Staff Workshops.

Dear Presiding Committee Member Wood:

Pursuant to the discussions during the September 20 and 21, 2004 workshops regarding the Proposed Operations Standards and Guidelines ("Operations Standards"), the Generator Assets Owners ("GAOs") were invited by the Staff of the California Electricity Generation Facilities Standards Committee ("Committee") to propose revisions. At the Committee's recommendation, Reliant Energy Coolwater, Inc., Reliant Energy Etiwanda, Inc., Reliant Energy Mandalay, Inc. and Reliant Energy Ormond Beach, Inc. ("Reliant") have worked together with numerous other GAOs in the State of California. As a result of this collaboration and cooperation, Reliant is pleased to advise the Committee of its support of the redline version of the draft Operation Standards submitted today by the Generation Asset Owners group (the "Joint GAO Revisions").¹

In addition to comments provided via the Joint GAO Revisions, Reliant offers one further comment previously submitted in its initial comments regarding the draft Operations Standards. If the Committee and Commission intend to retain Operations Standards one through twelve (which by the Committee's own comments are duplicate standards to twelve of the Maintenance Standards), the Committee and Commission must clearly state that an event that qualifies as a violation of both an Operation Standard and the comparable Maintenance Standard will be treated as only a single violation. In the alternative, Operations Standards one through twelve should be deleted as an unnecessary

¹ In joining the support for the Joint GAO Revisions, submitting this letter, and otherwise participating in this proceeding, Reliant expressly reserves each and every, all and singular, right it has to challenge the legislation enacted in Chapter 19 of the 2000-2001 Second Extraordinary Legislative Session and the authority conferred on the California Public Utilities Commission ("Commission") or Committee therein, as well as any requirement that the Commission may attempt to impose on Reliant pursuant to such authority or otherwise. Reliant's support of the Joint GAO Revisions and its participation in this proceeding is purely voluntary, in no way implies its acceptance of, or acquiescence to, Commission jurisdiction over federally designated Exempt Wholesale Generators ("EWG"), and shall not operate as a waiver of any of the foregoing rights, or an admission that the Commission or the Committee possesses authority to impose any requirement on Reliant, its facilities or its operations, including, without limitation, authority to require Reliant to participate in this proceeding.



repetition of existing regulations in the same proceeding, many of which are also regulated by other areas of law.

Reliant appreciates the opportunity to work with the Committee and other GAOs in this process and looks forward to continued discussions and analysis of both the potential benefits and detriments these regulations might have on the citizens of the State of California.

Respectfully,

A handwritten signature in black ink, appearing to read "J. Christopher Hajovsky". The signature is fluid and cursive, with a large initial "J" and "H".

J. Christopher Hajovsky
Reliant Energy, Inc.
1000 Main Street, Suite 1726
Houston, Texas 77002
(713) 497-7908 (office)
(713) 537-7908 (facsimile)
CJHajovsky@reliant.com