

August 5, 2003

Mr. Geoff Dolan  
City Manager  
City of Manhattan Beach  
1400 Highland Avenue  
Manhattan Beach, CA 90266

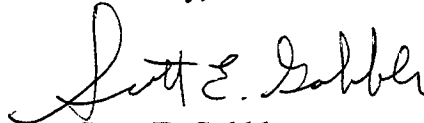
Subject: Notice of Assignment

Dear Mr. Dolan:

Southern California Edison Company ("SCE") has signed an Asset Sale Agreement, dated as of February 1, 2002, to convey to Pacific Terminals LLC ("Pacific Terminals"), the SCE oil pipeline and storage facilities, operated by Edison Pipeline Terminal Company, a division of SCE. In connection with the sale, SCE has agreed to assign to Pacific Terminals all of its rights under that certain City of Manhattan Beach Ordinance No. 2002 (the "Franchise"). Pacific Terminals will function as an oil pipeline public utility subject to the jurisdiction of the California Public Utilities Commission.

Enclosed for your records is a Notice of Assignment of SCE's interest in the Franchise. All questions related to the assignment of the above-noted Franchise may be directed to Debra Moudy, of Pacific Terminals LLC, at (562) 728-2822.

Sincerely,



Scott E. Gobble  
Region Manager  
Public Affairs

SEG:nb

Enclosure

**NOTICE OF ASSIGNMENT**

SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation ("SCE"), hereby notifies City of Manhattan Beach that SCE has assigned to PACIFIC TERMINALS LLC, a Delaware limited liability company, all of its right, title, interest and obligations in and to that certain Ordinance No. 2002.

Dated: August 5, 2003

SOUTHERN CALIFORNIA EDISON  
COMPANY,  
a California corporation

By: Scott Gobble

Scott Gobble  
Public Affairs Region Manager