



2009 Year Ahead Resource Adequacy Compliance Filings Evaluation Report

The CAISO has reviewed the annual Resource Adequacy Plans of LSEs to determine compliance with annual Demand and Reserve Margin requirements and Local Resource Adequacy requirements. In addition, the CAISO has evaluated the effectiveness of the Resource Adequacy Resources and RMR resources that have been procured to ensure compliance in Local Capacity Areas with the Local Capacity Technical Study criteria. As discussed below, the CAISO has identified collective capacity deficiencies in several Local Capacity Areas in the PG&E TAC Area. A collective deficiency occurs when the aggregate portfolio of Resource Adequacy Resources that has been procured, including RMR resources, fails to satisfy the adopted reliability criteria in a Local Capacity Area.

For North Coast/North Bay Local Area an additional 70 MW needs to be procured from the following resources:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	LCR Need
GYS7X8_7_UNITS	Calpine Geysers units 7 & 8 Aggregate	70	Eagle Rock sub-area

For Sierra Local Area an additional 23.8 MW needs to be procured from the following resources:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	LCR Need
ELDORO_7_UNIT 1	El Dorado Power House Unit 1	11	Placerville sub-area
ELDORO_7_UNIT 2	El Dorado Power House Unit 2	11	Placerville sub-area
DAVIS_7_MNMETH	MM Yolo Power LLC	1.78	Palermo sub-area

For Stockton Local Area an additional 85.6 MW needs to be procured from the following resources:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	LCR Need
BEARDS_7_UNIT 1	Beardsley hydro	8.4	Tesla-Bellota sub-area
STNRES_1_UNIT	Stanislaus Waste Energy Co.	16.56	Tesla-Bellota sub-area
STOKCG_1_UNIT 1	Stockton Cogen Co.	48.07	Tesla-Bellota sub-area
TULLCK_7_UNITS	Tulloch hydro Aggregate	16.47	Tesla-Bellota sub-area

A Scheduling Coordinator for an LSE may submit a revised annual Resource Adequacy Plan within 30 days of this market notice, *i.e.*, January 15, 2009, demonstrating the procurement of additional Local Capacity Area Resources consistent with this market notice in order to help “cure” the collective deficiency. Any Scheduling Coordinator for an LSE that provides such additional Local Capacity Area Resources consistent with this market notice shall have its share of any backstop procurement costs reduced on a proportionate basis in accordance with the Tariff. If the full quantity of capacity in the deficient Local Capacity Areas is not reported to the CAISO under revised annual Resource Adequacy Plans, the CAISO may engage in backstop procurement sufficient to alleviate the deficiency.