

# Memorandum

**To: ISO Board of Governors**

**From: Armando Perez, Vice President of Planning and Infrastructure Development**  
**Robert Emmert, Sr. Loads and Resources Engineer**

**Cc: ISO Officers**

**Date: March 7, 2007**

**Re: California ISO 2007 Summer Loads and Resources Operations Assessment**

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***No Board action is required at this time.***

The California ISO (ISO) is pleased to provide you the attached 2007 Summer Loads and Resources Operations Assessment (2007 Summer Assessment). This assessment forecasts the expected peak electricity supply and demand levels for summer 2007 as well as the probability of entering into a Stage-1, 2 or 3 emergency conditions for the ISO Control Area and the SP26 and NP26 sub-regions. The ISO must prepare for a reasonable range of probable conditions. The 2007 Summer Assessment is intended to facilitate the understanding of and planning for a range of possible operating conditions that could occur during the upcoming 2007 summer peak demand periods.

The 2007 Summer Assessment is designed to provide the ISO, and interested stakeholders, an assessment of the load and resource picture for the ensuing summer season. In the 2007 Summer Assessment the ISO progressed from reviewing specific conditions, such as "most likely," "1-in-2" and "1-in-10" to a more rigorous approach of forecasting the probabilities of achieving various operating reserve margins under a range of conditions. In this process a range of probable conditions were developed for peak demand, generating unit curtailments and transmission system limitations based on historical observances.

The ISO prepares an assessment of loads and resources prior to each summer season. The ISO team uses this report to help initiate actions to prepare the control room operators for potential reliability conditions that may occur in the upcoming season.

## **Conclusions**

The amount of risk associated with Summer 2007 operation of the Grid is similar to that of Summer 2006. While the probability of having to shed firm load is low, it continues to be of concern under adverse supply and high load conditions. Availability of imports and conservation will continue to be important factors in meeting demand.