

California Independent System Operator Corporation

Report to the Audit Committee Operations Audit



Folsom, CA

December 18, 2014

Agenda

- **Scope**
- **Results**
- **Reporting**

Scope

- Selected operating procedures related to the ISO's congestion management process:
 - System operating limit (SOL) evaluation and implementation
 - Transmission conforming
 - Normal operations planning
 - Nomograms, transmission corridors and contingency data

- Audit assessment period:
 - August 04 through August 08 of 2014
 - September 15 through September 19 of 2014

Results

Our operations audit surfaced deviations on 3 of the 10 Operating Procedure Elements that were part of our scope:

- **Transmission Corridor and Nomogram Standard Naming Convention**
 - The ISO updated 15 TCORs, none of which followed the standard naming convention as required by the ISO
 - The ISO updated 1 Nomogram which did not follow the standard naming convention
- **Nomogram “Active Period” Setting**
 - The ISO updated 1 Nomogram which did not have the Activate Period set as required by the ISO
- **Conformance Logging**
 - The ISO conformed 224 times and did not create an entry in SLIC for 6 of those conformances

Reporting

- PwC opinion and report were issued to ISO management on December 05, 2014

- The opinion is qualified to reflect the deviations reported in the management assertion and listed on the previous slide

- In addition to the opinion, our report includes:
 - Management's assertion
 - Operational procedural elements assessed
 - Management's description of the congestion management process
 - Management's discussion and actions on deviations identified

Questions?

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