

# Memorandum

**To:** ISO Board of Governors  
**From:** Steve Berberich, President and Chief Executive Officer  
**Date:** January 30, 2019  
**Re:** **CEO report**

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*This memorandum does not require Board action.*

## OVERALL SYSTEM CONDITIONS

Operating conditions have been normal for this time of the year. As expected, this is maintenance season and many of the transmission lines and generation facilities are offline for maintenance.

Loads have been relatively light but passing storms have created significant impact on the renewable portfolio. As an example, solar output was less than 1,000 megawatts during most of the daylight hours on December 6.

The ISO and SoCal Gas have been coordinating very closely in Southern California as cold temperatures have driven heavy natural gas consumption. On several occasions, generation was reduced to minimal levels to reduce the gas consumption in order for SoCal gas to minimize withdrawals from the Aliso Canyon storage facility.

## RELIABILITY COORDINATOR SERVICES

The ISO remains on track to provide reliability coordinator services to the California balancing authorities and CENACE (North Baja Mexico) on July 1. Processes, documentation, staffing and the technology tracks remain on pace for a WECC certification as a Reliability Coordinator this spring.

Most of the entities planning to receive services from the ISO have signed contracts. The exception to this are some municipal utilities that must seek council approval for the contract.

## PG&E BANKRUPTCY

On January 29, 2019, PG&E filed for Chapter 11 bankruptcy protection. We have been monitoring reliability and the markets very closely over the last several weeks and have

seen no impact to either. PG&E is following all tariff requirements for participating in our market and are fully collateralized. By all of our measures, PG&E has done their best to ensure no disruptions to the energy market.

## **WELCOME NEW BOARD MEMBERS**

On behalf of the ISO team, we are pleased to welcome Mary Leslie and Severin Borenstein, our new ISO Governing Board members. We are also pleased that Dave Olsen has been re-appointed for another term and will continue to serve as the Chair.

## **RENEWABLE ENERGY PRODUCTION**

No new renewable generation peaks have occurred since the last CEO report. The most recent solar peak of 10,739 MW occurred on June 29, 2018 at 12:33 p.m. The most recent wind generation peak of 5,193 MW was set on June 8, 2018 at 9:05 p.m. The renewable generation penetration peaks were recorded on May 26, 2018 at 2:28 p.m. of 73.9% of load served by all renewables and 64.6% served by wind and solar alone.