

**NEWS RELEASE**

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## California ISO Advances Global Climate Change Discussion

Experts Meet at Environmental Forum Hosted by Power Grid Operator

(Folsom, CA) In an effort to better understand greenhouse gas regulations and help determine the appropriate role the California Independent System Operator Corporation (California ISO) can play in assisting policymakers as they weigh various policy options for addressing the climate challenge, the California ISO held an environmental forum today. The Forum drew renewable power developers, environmentalists, utility officials, state agencies as well as national experts in the area of global warming and greenhouse gas emissions. This was the first meeting of its kind and participants included the California Air Resources Board, (CARB) the California Public Utilities Commission, (CPUC) the California Energy Commission, (CEC) utilities, market participants, the Natural Resources Defense Council and the California ISO Market Surveillance Committee.

Two important pieces of clean air legislation were adopted in 2006; Assembly Bill (AB) 32 and Senate Bill (SB) 1368. The California ISO has a specific role in developing and implementing SB 1368 regulations. AB 32 requires that CARB consider the impacts of the regulations on grid reliability. The California ISO has been actively engaged with CARB, the CEC and the CPUC as they formulate these state policies.

The California ISO has been looking for additional ways to help the state meet its environmental policies. For example, the California ISO has devised a unique hybrid method to finance the transmission trunklines that are often needed to bring renewable energy resources to the grid. The Federal Energy Regulatory Commission (FERC) recently approved the plan in concept and the California ISO is drafting of tariff language to implement the new financing method.

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“The California ISO is taking a proactive role, looking for ways to be a part of the solution to these challenges,” said President and CEO of the California ISO Yakout Mansour. “We can help the state implement environmental initiatives while still safeguarding the reliability of the grid and reducing energy costs for California consumers.”

“I know that the California ISO will help ensure that California’s climate policy leadership yields both economic and environmental dividends,” said Executive Director of the Natural Resources Defense Council Ralph Cavanagh. “Today’s very timely meeting reinforces my conviction that reducing global warming pollution can and should go hand in hand with enhanced electric system reliability, as we diversify our resources, improve our efficiencies and upgrade our technology.”

The California ISO is a not-for-profit public benefit corporation charged with managing the flow of electricity along California’s open-market wholesale power grid. The mission of the California ISO is to safeguard the reliable delivery of electricity, and ensure equal access to 25,000 circuit miles of “electron highway.” As the impartial operator of the wholesale power grid in the state, the California ISO conducts a small portion of the bulk power markets. These markets are used to allocate space on the transmission lines, maintain operating reserves and match supply with demand in real time.

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