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California ISO Board approves Fresno area grid upgrades

Board also hears briefing on 2010 Transmission Plan

(Folsom CA) The California Independent System Operator Corporation (California ISO) Board of Governors today approved a series of transmission upgrades required for electric reliability in the Fresno area. The grid improvements will also allow more efficient use of the 1,200 megawatt Helms pumped storage power plant located in the foothills east of Fresno.

The Fresno transmission upgrades approved today include six projects to replace transmission conductors with modern materials that can carry more electricity and a variety of other significant, but invisible, changes to the existing grid in the area. The total estimated cost of these projects is \$127.5 million. A full description of the projects is included in the <u>documents</u> presented to the Board.

"These upgrades help meet the electrical demand in the Fresno area and optimize the use of the Helms pumped storage facility," said ISO Vice President of Markets and Infrastructure Development Keith Casey.

The Helms power plant provides important versatility because it can pump water uphill at night when electricity is plentiful and generate power the following afternoon when the demand is high.

"The current conditions in Fresno allow only one of the three pumps at Helms to operate overnight during the summer season and this does not meet the expected local area need," said Casey. "The projects our Board approved today will solve that problem over a ten year planning horizon and allow use of two of the three Helms pumps during the critical summer off-peak period."

In the longer-term, Casey notes additional transmission enhancements may be warranted for the Fresno area to further improve utilization of the Helms pumped storage facility, to help integrate renewable resources and potentially to help move wind power from the Tehachapi region into Northern California. "These options will be evaluated as part of our ongoing comprehensive transmission planning efforts for meeting a 33% renewable portfolio standard in 2020," said Casey.

Grid upgrades 2-2-2-2

California ISO planning staff also briefed the Board of Governors on the <u>2010 Transmission</u> <u>Plan.</u> The plan, developed with stakeholders throughout 2009 and into 2010, lists 29 projects with a total value of \$573 million that the ISO deemed necessary to meet North American Electric Reliability Corporation (NERC) reliability standards. The ISO Board already approved projects in the plan valued at more than \$50 million as required by the ISO planning process. Projects valued at less than that threshold do not require specific Board approval.

"The 2010 plan is a road map to continued reliability for the ISO grid," said Casey. "Every year, we refine our transmission plan and roll new information into it. This 2010 effort is a comprehensive approach to making sure the grid we have today continues to evolve into the grid we will need a decade from now."

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The California ISO operates the state's wholesale transmission grid, providing open and non-discriminatory access supported by a competitive energy market and comprehensive planning efforts. Partnering with more than 90 client organizations, the ISO is dedicated to the continual development and reliable operation of a modern grid that operates at the least cost to the benefit of consumers. The ISO bulk power market allocates space on transmission lines, maintains operating reserves and matches supply with demand. Recognizing the importance of global climate change, the ISO welcomes new, advanced technologies that will help meet the energy needs of 30 million Californians efficiently and cleanly. The ISO is a nonprofit public benefit corporation.