



California ISO
Your Link to Power

News Release

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New, green headquarters for ISO

Enhanced security and space improvements prompt board approval; facility to showcase sustainable building design

The California Independent System Operator Corporation (California ISO) Board of Governors voted unanimously today in favor of building a permanent headquarters for the grid operator. The \$160 million project will exemplify the California ISO commitment to the environment, with the goal of attaining a green building LEED gold rating (U.S. Green Building Council).

The Board today in a separate motion awarded Clark Construction the construction contract. Other area projects built by Clark include the Capitol Area East End Complex and the Solano County Government Center.

The 278,000 square foot building will be located on Iron Point Road in Folsom on 30 acres of land the ISO purchased in 2000. Completion date is March 2011. The Board also authorized today the issuance of a fixed-rate bond in an amount not to exceed \$210 million through the California Infrastructure and Economic Development Bank. The balance of the bond funding is to cover interest, debt service and issuance costs.

“It is no secret that enhanced security measures is the primary reason the California ISO needs this new facility,” said Board Chair Mason Willrich. “The leased space the ISO currently occupies in an older business park does not provide perimeter security and building access control is a concern.”

Additionally, the leased space does not adequately accommodate public and stakeholder forums, and employee workspace is overcrowded. The new facility lobby area will include a renewable power education center and a smart grid lab to showcase high-tech ways to conserve energy and tap consumer-controlled demand response.

“Security and space considerations are the driving forces behind the project,” said ISO President and CEO Yakout Mansour. “However, we will seize the opportunity to lead by example, serving as a model for sustainable building design by using the latest green technology advances.”

The contractor expects to generate more than 350 local jobs over the two-year life of the project, all paying prevailing wage. The ISO employs about 580 employees in Folsom after a staff reduction in recent years. The bulk of the ISO workforce is highly specialized with a focus on engineers, economists, grid dispatchers and large number of IT experts. The new facility will house one of only two

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operator-in-training programs in the West to address the industry-wide shortage of control room operators. Some of the graduates will go on to work at the ISO and others are expected to be hired on at utilities or other control rooms in the U.S.

The ISO moved into its current office park when it opened in 1997. The facility was a temporary measure until locating a permanent and secure headquarters. Constructing the new building is only slightly higher than the cost of upgrading and continuing to lease the current facility. The cost of the Iron Point project, about a penny-and-a-half per megawatt impact per year, will be recovered through the grid management charge, which is paid by wholesale users of the power grid.

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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 not-for-profit public-benefit corporation.