Market Performance Report
for April 2007

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California ISO
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Board of Governors
General Session
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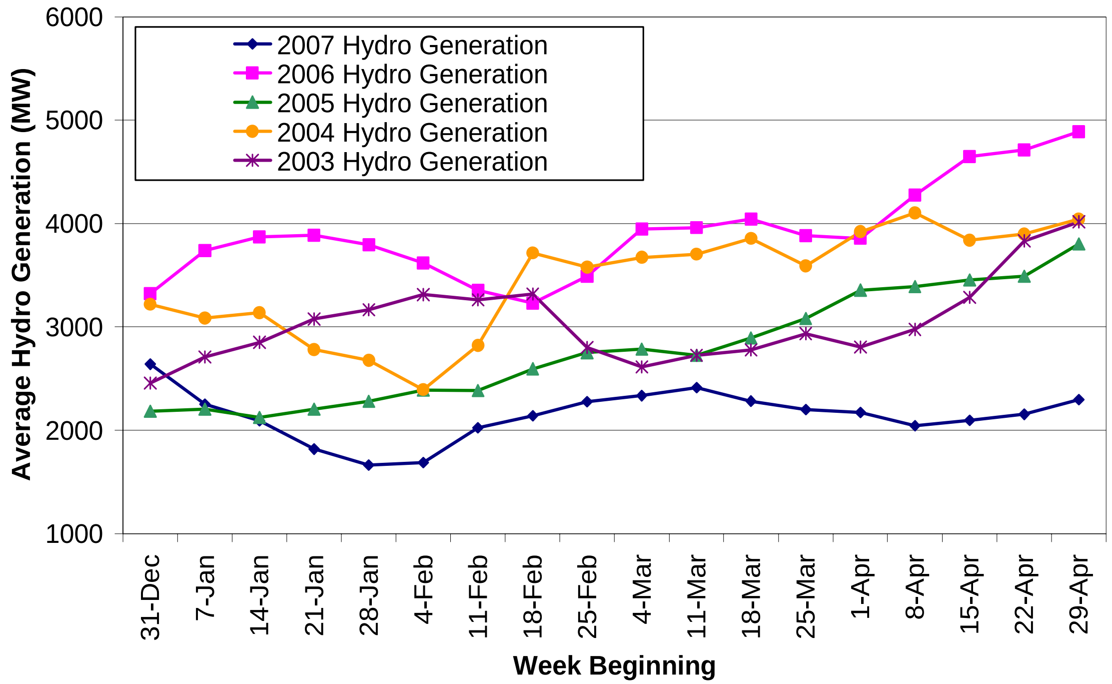
Market Highlights

The full May Market Performance Report is available at http://www.caiso.com/1be8/1be8723649d20.pdf

- Hydroelectric remains less than half the level of production seen last year in April 2006
- Real-time balancing energy prices exceeded $250 during 203 5-minute dispatch intervals in April, up from 131 in March
- Humboldt intra-zonal mitigation continues to dominate OOS costs
- The Average total cost of Ancillary Services decreased from $0.58/MWh to $0.38/MWh
- Total unit commitment costs increased in April to $2.1 million from $1.3 million in March.

Hydroelectric Generation Capacity

- There was a small increase in average daily hydro generation in the CAISO control area during the month of April – much less than the 1000 MW jump seen last April in 2006



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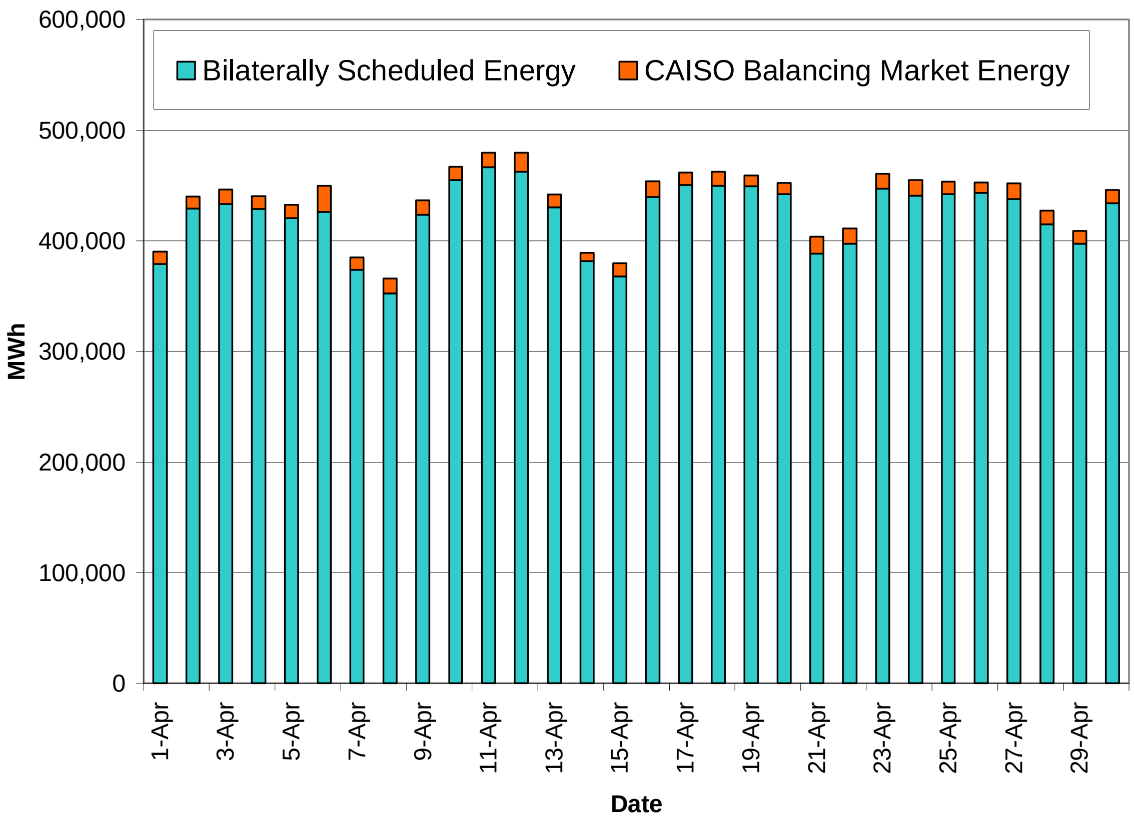
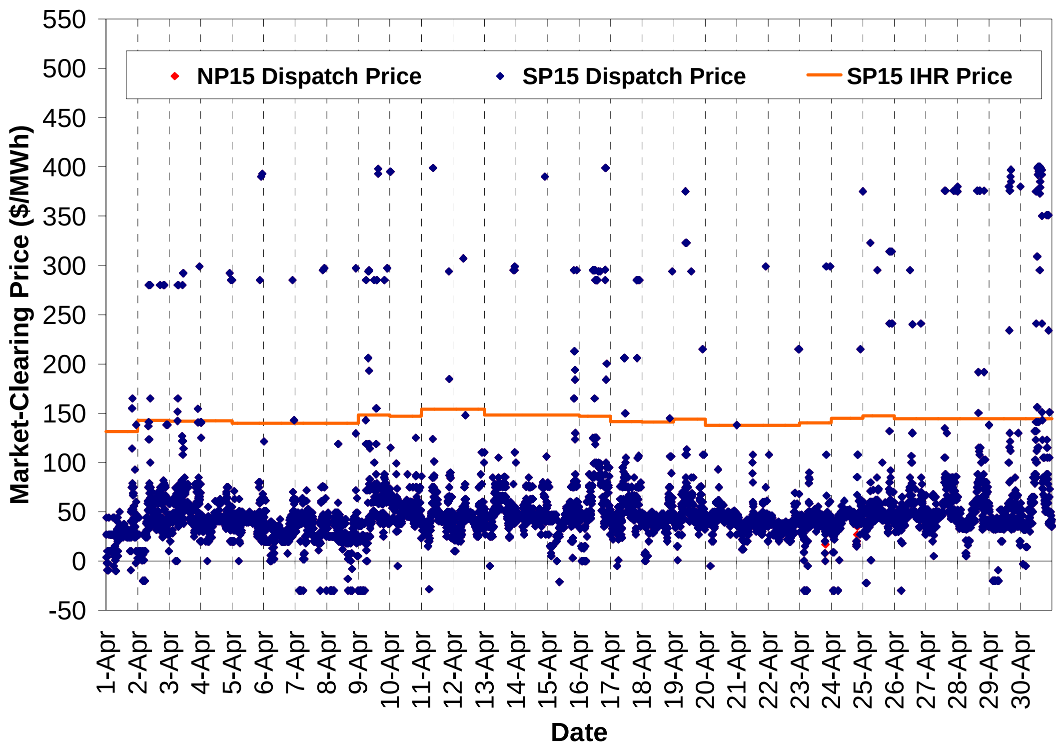
Balancing Energy Perspective

- Red bars are balancing energy vs. total market volume.
- Balancing energy made up 3.0% of total energy consumed in April.



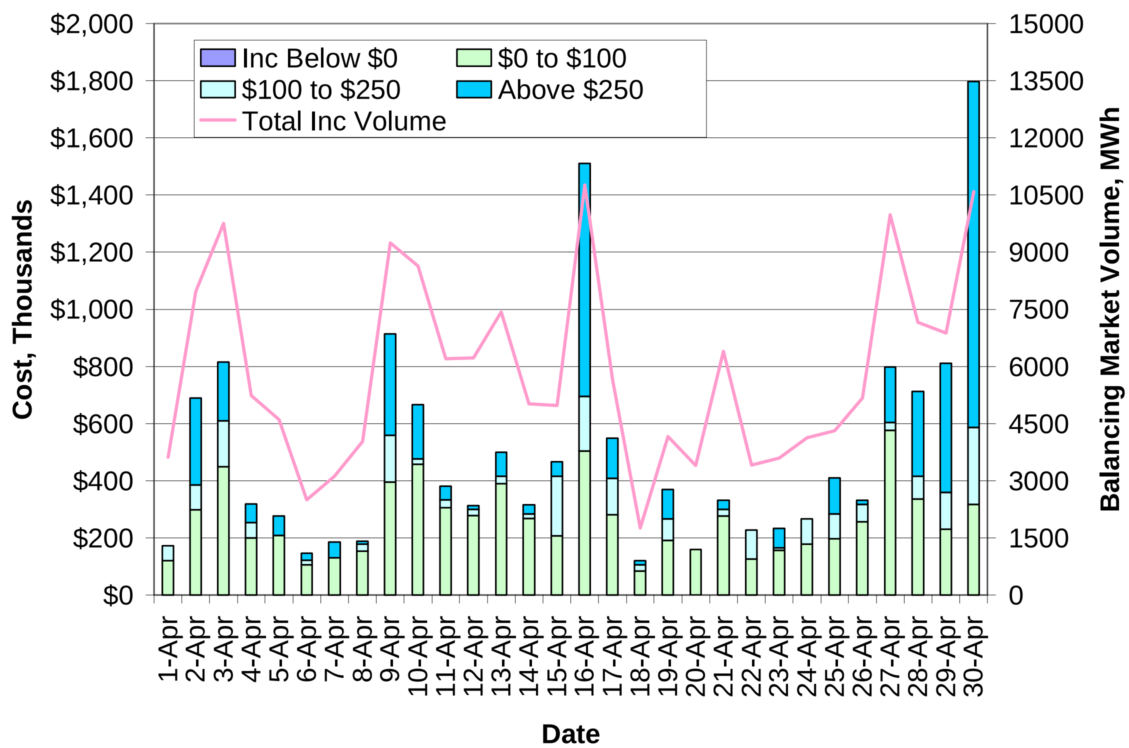
Real Time Balancing Energy Prices

- Real-time balancing energy prices exceeded $250 during 203 5-minute dispatch intervals in April, up from 131 in March.
- 35 occurred on April 16th and another 49 on April 30th, accounting for 41 per cent of the total.



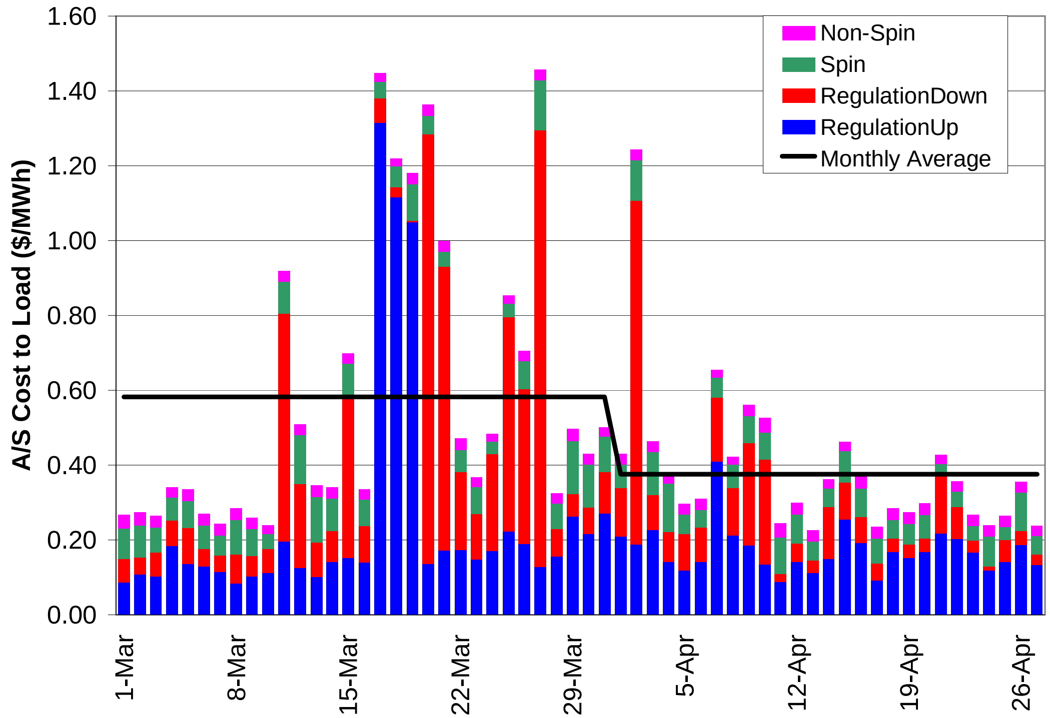
Cost of Balancing Energy

- Figure shows cost of energy vs. market clearing price.
- 52.4% of costs were incurred at prices less than $100 while 33.2% were incurred at prices greater than $250.



Ancillary Services Markets

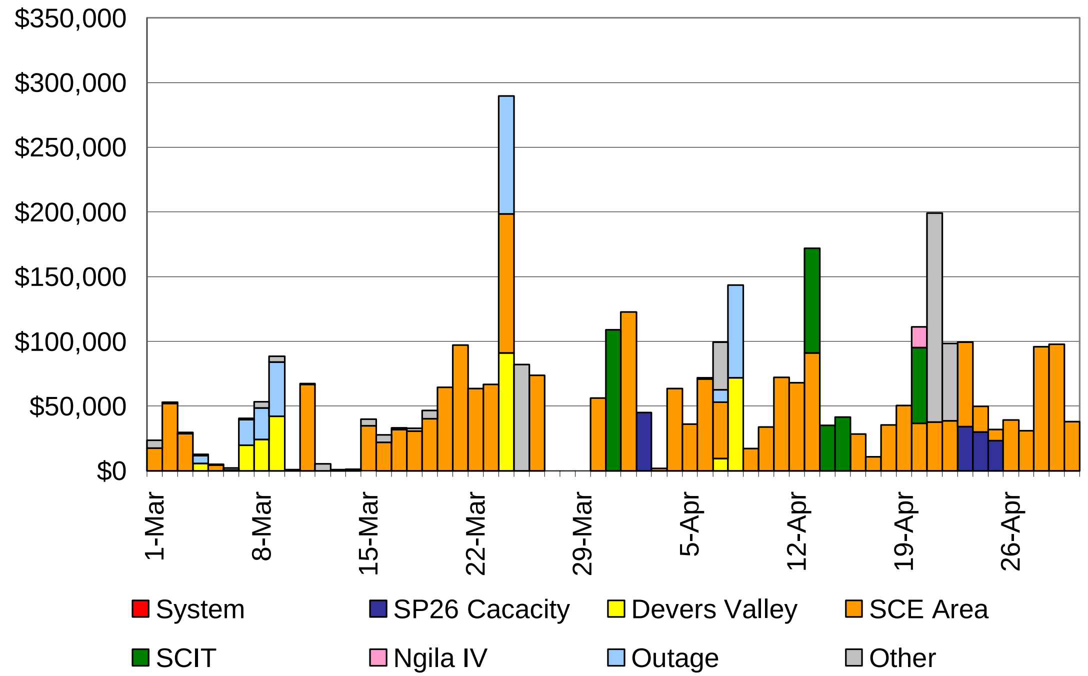
- The monthly average cost of Ancillary Services decreased to $0.38/MWh in April from March's $0.58/MWh, primarily due to lower Regulation Up and Regulation Down prices



	Average Required (MW)				Weighted Average Price ($/MW)			
	RU	RD	SP	NS	RU	RD	SP	NS
Mar 07	374	356	722	719	$ 16.84	$ 16.79	$ 2.76	$ 1.03
Apr 07	377	355	721	701	$ 11.48	$ 8.26	$ 2.48	$ 1.10
	0.9%	-0.2%	-0.1%	-2.6%	-31.8%	-50.8%	-10.4%	6.9%

RA Unit Commitment Costs

- Total unit commitment costs (RA and MOO) increased in April to $2.1 million from $1.3 million in March.
- RA commitments were driven by local generation requirements, which were responsible for about two thirds of April's costs, while transmission line maintenance accounted for most of the remainder



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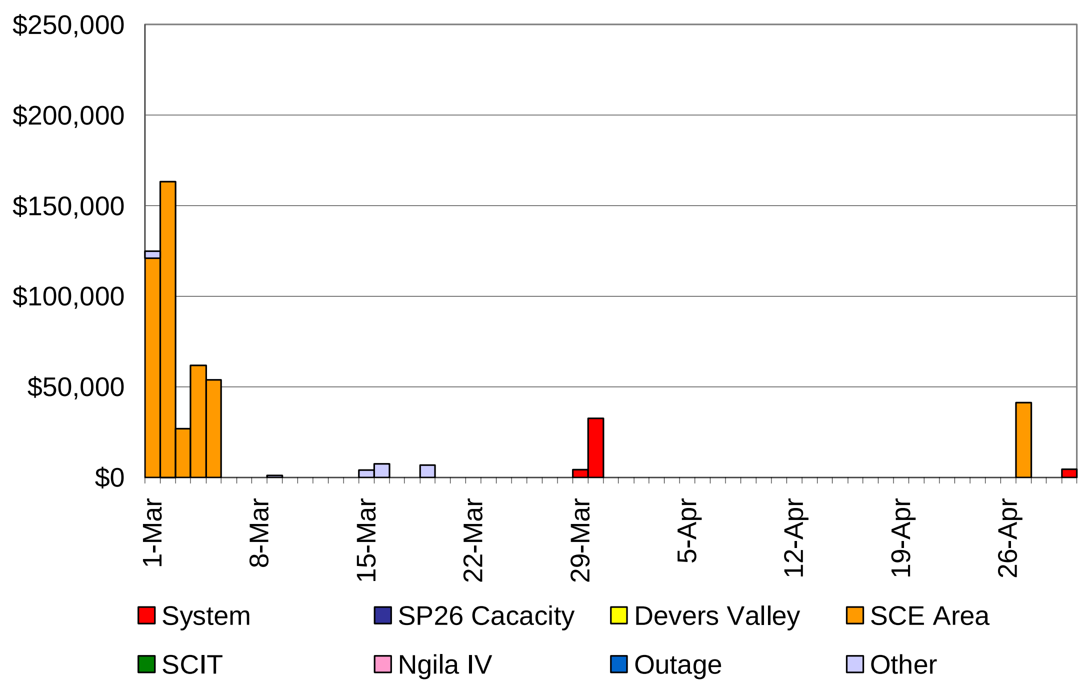
FERC MOO Commitment Costs

- FERC MOO unit commitments declined sharply in April as specific units used to meet the SCE Area requirement were retained under RA contracts beginning April 1st



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Inter-zonal Congestion Costs

- Total inter-zonal congestion costs decreased to $5.2 million in April from $8.1 million in March.
- A majority of congestion this month occurred on the Pacific AC Intertie (PACI) and the Nevada - Oregon Border (NOB) branch groups.
- Congestion on these branch groups was driven by a combination of SCs trying to access cheap North West power, and maintenance derates on PACI and NOB which decreased the available transmission capacity