

Decision on Five-Year Strategic Plan 2008-2012



Yakout Mansour
President and Chief Executive Officer



California ISO
Your Link to Power

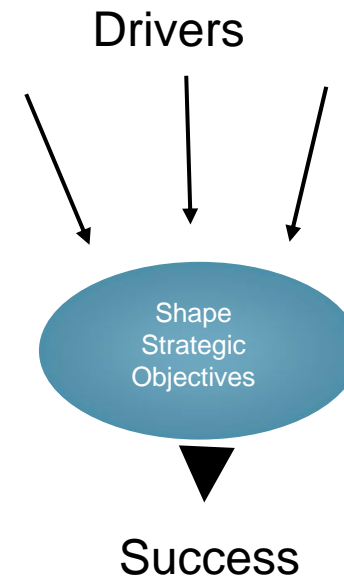
Board of Governors Meeting
General Session
March 26-27, 2008

Strategic Planning Process



The following are key industry shaping drivers that are anticipated over the next five years:

- 🌐 Changing nature of federal reliability regulation
- 🌐 Increasing environmental regulation
- 🌐 Demand growth and infrastructure stretch
- 🌐 Technology advances
- 🌐 Market uncertainty
- 🌐 Regional coordination
- 🌐 Workforce challenges
- 🌐 Cyber and physical security



Objective 1 relates to excellence in grid and market operations.

Strategic Objective 1:

- Excellence in grid and market operations through the reliable delivery of electricity from diverse energy sources at a competitive cost, compliance with all applicable standards, market and operations transparency, and innovative use of technology.

Objective 2 relates to the transparency of market prices.

Strategic Objective 2:

- Transparent market prices that drive efficient utilization and development of grid resources – including demand, supply and transmission – that are aligned with state and federal policies and priorities.
 - » Infrastructure guided by price transparency
 - » Robust and transparent electricity markets
 - » Alignment with State and Federal priorities

Objective 3 relates to achieving organizational effectiveness.

Strategic Objective 3:

- Organizational effectiveness built around a team of professionals that strive to achieve excellence and give focused attention to customers' priorities consistent with the California ISO mission, vision and core values.
 - » People strategies
 - » Maturity in capabilities
 - » Superior customer service