

# Memorandum

**To:** ISO Board of Governors  
**From:** Yakout Mansour, President and CEO  
**Date:** March 17, 2010  
**Re:** **Decision on California ISO Five Year Strategic Plan for 2010–2014**

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*This memorandum requires Board action.*

Attached is the California Independent System Operator Corporation's Five-Year Strategic Plan for 2010-2014. The strategic planning process began last year with an intensive three-month effort to develop a strategic framework and roadmap for the organization, where the ISO engaged with internal and national experts to identify the interdependencies between ISO ongoing and planned activities. The ISO also hosted a series of meetings with executive-level representatives of market participants and other stakeholders. The task was to envision the future in sufficient detail to understand the path ahead and achieve a common understanding of the direction and assumptions.

This year's plan responds to important transformational changes underway in California's electric sector, including renewable standards, plant retirements, air emission standards, smart-grid technology and energy storage. In response, the ISO has developed system, environmental and organizational strategies to capitalize on the opportunities ahead. These strategies focus on our operations, markets, infrastructure, people, process and technology to support a thriving electricity sector that is served by a smarter, greener, better organization.

Management met with the ISO Board of Governors in December 2009 to discuss in detail the themes underlying the plan, and has incorporated their comments and suggestions. Thus, Management recommends that the Board approve the attached Five-Year Strategic Plan for 2010-2014.

## MOTION

*Moved, that the ISO Board of Governors approves the ISO's Five-Year Strategic Plan for 2010-2014, dated March 17, 2010, and directs Management to proceed with implementation of the plan.*