

NEWS RELEASE

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September 13, 2006

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California ISO Debuts New Web-Based MRTU Video

Market Redesign and Technology Upgrade On Track for November 2007 Deployment

(Folsom, CA) The California Independent System Operator Corporation (California ISO) is debuting an e-training video that provides a basic tutorial on its Market Redesign and Technology Upgrade (MRTU) program, which goes live November 2007. The informative and easy-to-view web-based video is designed to appeal to the media and general public and also help market participants prepare for next year's launch of the new market structure.

The [MRTU presentation](#), available on the California ISO website at www.caiso.com, walks viewers through the "whys" of redesigning California's grid reliability markets and the significant replacement of the ISO computer systems. The animated presentation details the three main components of the new market: the Integrated Forward Market, Locational Marginal Pricing and a Full Network Model. It also explains how these three elements work with the rest of the MRTU program to create a more transparent, efficient and reliable market structure.

While MRTU represents significant improvements to the wholesale energy markets operated by the California ISO, the typical retail electricity customer will not see any immediate impact from the new market design. Eventually, reduced costs could be passed on to consumers via lower utility rates.

Preparations for the implementation of MRTU continue, with new computer systems being tested and readied for integration. The new systems replace the original computers and programs that were first installed in 1997. There are a variety of other MRTU activities kicking into high gear as the launch, little more than a year away, draws closer:

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- Business Practice Manuals (BPMs): Development of these “guidebooks” to the new market structure continues with stakeholder help and input. First drafts were posted at the end of July, another release is scheduled for November and the final drafts should be ready by May 2007.
- New Bulletin Board: In response to Stakeholders’ requests, the California ISO has created an MRTU Implementation Bulletin Board (MIBB) to facilitate answers to questions from stakeholders on topics and issues related to MRTU implementation. Its primary purpose is to make it easier to ask questions about MRTU implementation and facilitate timely responses.
- Participant Readiness Advisory Group (PRAG): This group of ISO Market Participants was formed to act as a “sounding board” and provide guidance regarding MRTU readiness activities.
- External Training: The ISO began offering instructor-led training courses for Market Participants in late August—16 months before the “go live” date for MRTU. The goal is to ensure Market Participants have the knowledge and tools they need to work with MRTU and to conduct the testing and simulations that will lead up to the go live date.
- Web Based Training Modules: Additional MRTU [training materials](#) are available via the ISO website. The “100 level” course provide a good basic understanding of the new market design. The “200 level” courses offer more in depth training for market participants who will be using the new market design on a daily basis.
- Long Term Transmission Rights: (LTTR) The California ISO is committed to complying with the recent Federal Energy Regulatory Commission (FERC) LTTR Order. The ISO opened a stakeholder process to determine the framework for the LTTR product and will make a compliance filing with FERC in late January 2007, based on the outcome of that stakeholder process.

The California ISO is a not-for-profit public benefit corporation charged with managing the flow of electricity along California’s open-market wholesale power grid. The mission of the California ISO is to safeguard the reliable delivery of electricity, and ensure equal access to 25,000 circuit miles of “electron highway.” As the impartial operator of the wholesale power grid in the state, the California ISO conducts a small portion of the bulk power markets. These markets are used to allocate space on the transmission lines, maintain operating reserves and match supply with demand in real time.

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