

Memorandum

To: ISO Board of Governors

From: Armando Perez, Vice President of Grid Planning and Infrastructure Development

Date: May 21, 2007

Re: Transmission Maintenance Coordination Committee Activity Update

This memorandum is for Board information only.

EXECUTIVE SUMMARY

This memo is intended to keep the Board informed of recent activities of the Transmission Maintenance Coordination Committee (TMCC). The TMCC met on April 19, 2007. The following significant topics were addressed:

- TMCC Membership (New or Renewal)
- Congestion Revenue Rights (CRR) and outage criteria
- 500kV Lugo-Mohave tower collapse on 4/12/07
- Enhance Maintenance Programs through trouble reporting
- FERC approved NERC Reliability Standards

The next meeting of the TMCC is scheduled for July 19, 2007 and Official minutes of the April 19, 2007 TMCC meeting will be approved at that time.

BACKGROUND

TMCC Membership (New or Renewal)

Each year approximately half of the TMCC voting member's two year terms reach expiration and they need to be replaced through a market notice process by renewing the existing members whose terms have expired or taking in new members with appropriate large industrial/utility maintenance experience. In March of 2007 the ISO Board approved the following members to fill two year terms ending in April 2009: Landis Martilla-IBEW 1245 (Renewal), Jesse Ante-CPUC (Renewal), Jamie Patterson-CEC (Renewal), Steve Mendoza-Western Wind Energy (Renewal), Lee Trevino-SVP (New), and Mike Gugerty-SCE (New).

Congestion Revenue Rights (CRRs) and Outage Criteria

To be in compliance with the 9/21/06 FERC order regarding CRRs the ISO is in the midst of establishing the criteria for determining what outages constitute a "significant" impact on CRR revenue adequacy. This criterion is being developed through a stakeholder process, with the TMCC taking part as a stakeholder, and subsequently incorporated into a Business Practice Manual (BPM).

During the April 19, 2007 TMCC meeting the ISO CRR team led by Scott Jercich and Roger Treinen provided an overview of the CRR process to the existing and new TMCC members. This overview included the following:

- What the tariff conceptual methodology language would cover
- How clarification of that language would be placed in the BPM
- How the Full Network Model and established CRR outage criteria would interface
- What other ISOs are using for outage criteria
- What outage criteria has been submitted to the CRR team by the TMCC and ISO Outage Coordination
- What studies the ISO CRR team would be performing to determine the appropriate outage criteria
- The timeline to complete the stakeholder process to allow approval of the tariff language at the July 2007 ISO Board meeting.

500kV Lugo-Mohave Tower Collapse on 4/12/07

A presentation by SCE allowed the TMCC to see what the scene looked like when the crews first arrived and the steps SCE made to temporarily restore the collapsed Lugo-Mohave tower. Severe winds in the area of the tower collapse most likely triggered the event and SCE is presently researching the root cause of the failure. The line was placed back in service within two days, on April 14th.

Enhance Maintenance Programs through Trouble Reporting

WESTERN made a presentation on how they use trouble reporting to enhance their maintenance program. Trouble reporting data entered by the field crews is analyzed to see if the current maintenance program is preventing serious problems with equipment. Typically the full cycle to collect, analyze, and provide solutions back to the field crews takes three to four months. The maintenance enhancement cycle consists of: 1) develop failure codes tied directly to predicted problems, 2) implement failure codes, 3) analyze failure codes, 4) initiate additional maintenance studies as needed, and 5) revise the maintenance program based on the additional study findings. WESTERN notes that getting the analysis back to the crews entering the data tends to empower the crews and promotes good record keeping.

FERC Approved NERC Reliability Standards

The TMCC will address the 83 recently FERC approved NERC Reliability Standards (March 15, 2007) and their affect on the ISO, Participating Transmission Owners, and the ISO Transmission Maintenance Standards at the July 19, 2007 TMCC meeting.

Details of the above five topics are available after the TMCC approves the Official minutes for the April 19, 2007 TMCC meeting. Official minutes for TMCC meetings appear at this link: http://www.caiso.com/pubinfo/BOG/minutes/calendar.cgi