



Corporate Metrics Dashboard - December 31, 2006

	2006 Threshold	2006 Target	2006 Stretch	Status	Related Initiatives	Progress to Date	Issues / Risks												
Reliability (25%)																			
1) Meet all Western Electricity Coordinating Council Reliability Standards																			
i. Reliability Standard CPS-1 (# of months achieving at least 100% score)	<12	12	12	✓		12 of 12 months achieving at least 100% (Range: 177% to 188%); 2006 Average: 181%	Achieved Stretch Goal												
ii. Reliability Standard CPS-2 (# of months achieving at least a 90% score)	11	12	12	✓		12 of 12 months achieving at least 90% (Range: 91.45% to 96.68%) 2006 Average 94.51%	Achieved Stretch Goal												
iii. Reliability Standard DCS (max # of violations)	3	2	0	✓		Zero violations in 2006 (160 disturbances in 2006, 21 inside the ISO)	Achieved Stretch Goal												
iv. Reliability Standard OTC (max # of violations)	3	2	0	✓		Zero violations in 2006	Achieved Stretch Goal												
v. Operating Reserve Compliance (# of violation declarations to WECC)	>0	0	0	✓		Zero violations in 2006	Achieved Stretch Goal												
vi. Reliability Standard (# of Emergency Declarations)	6	5 max	4 max	✓		3 emergency declarations through November 8 (2 - Stage 1, 1 - Stage 2); all occurring in July 2006	Achieved Stretch Goal												
2) Reduce reliability management costs from (reductions in millions of dollars)	Reduce \$20 million	Reduce \$50 million	Reduce \$100 million	✓	Create Strategy to Minimize Controllable Costs (Yearly) due to dispatch instruction	<table border="1"> <thead> <tr> <th>Component</th> <th>Decrease (Increase) as of December 31</th> </tr> </thead> <tbody> <tr> <td>MLCC (MLCC - IIE)</td> <td>\$12,250,155</td> </tr> <tr> <td>OOS (Bid Price - MCP)</td> <td>\$3,359,235</td> </tr> <tr> <td>OOM (Bid Price - MCP)</td> <td>\$7,338,463</td> </tr> <tr> <td>RMR</td> <td>\$169,442,258</td> </tr> <tr> <td>Total</td> <td>\$192,390,111</td> </tr> </tbody> </table>	Component	Decrease (Increase) as of December 31	MLCC (MLCC - IIE)	\$12,250,155	OOS (Bid Price - MCP)	\$3,359,235	OOM (Bid Price - MCP)	\$7,338,463	RMR	\$169,442,258	Total	\$192,390,111	Achieved Stretch Goal
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3) Implement Advanced Applications in the control room	State Estimator Operational by 10/31/06	State Estimator Operational by 7/31/06	State Estimator Operational by 6/30/06	✓	State Estimator readiness to support operations	ISO Operations has accepted the State Estimator and COMT is in production and interfacing with the application	Achieved Stretch Goal												
Market Efficiency (20%)																			
4a) Market Redesign and Technology Upgrade Project on Schedule and on Budget [The Threshold, Target and Stretch objectives are based on the established schedule as of April 20, 2006, and that the overall MRTU Program will be implemented by November 2007, within budget & contingency]	No more than 3 of 20 projects behind schedule	No more than 1 of 20 projects behind schedule	All projects on or ahead of schedule	✓		17 of 20 projects are on schedule, consistent with the Threshold Goal. At its December 19, 2006 meeting, the Board of Governors approved revised scope and rescheduled MRTU implementation for January 31, 2008	Achieved Threshold Goal based on prior scope and budget.												



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4b) Design Effective Spot Markets								
Effective market outcomes and supply/demand balance as measured by the 12 month market competitiveness index calculated by Department Market Monitoring	Average annual price 21% to 30% above index price	Average annual price 15% to 20% above index price	Average annual price less than 15% above index price			Based on results for January through September, the average mark-up has been 8.5%.	Achieved Stretch Goal	
5) CAISO to develop plan for supporting State policy regarding renewables.								
a. Develop plan (including timetable) for developing proposals contained in renewables road map	Develop plan by end of September 2006 (1 pt)	Develop plan by July 2006 (2 pts)	Develop plan by June 2006 (4 pts)			The CAISO Renewable Resources Project was presented to the CAISO Board in June and at the CEC Renewable Portfolio Standard Status Update meeting on July 6th.	Achieved Stretch Goal	
b. Develop identified changes to Participating Intermittent Resource Program (PIRP)*	Tariff changes filed by end of 2006 (2 pts)	Tariff changes filed by Nov 2006 (3 pts)	Tariff filed by Sept 2006 (4 pts)			A tariff amendment to address the export of Energy from PIRP resources was approved by the Board of Governors on October 18, 2006 and filed at FERC on November 1, 2006. The amendment had near-unanimous support among CAISO stakeholders.	Achieved Target Goal	
Infrastructure Development (20%)								
6) Transmission capacity increase due to infrastructure development plans (cumulative result)	700 MW	900 MW	1000 MW			Project	MW	Status
						Jefferson-Martin	350MW	Complete
						RAS Upgrades (Path 26)	300MW	Complete
						East/West River Upgrades	505MW	Complete
						Total (YTD)	1,155	Achieved Stretch Goal
Customer Care (10%)								
7) Develop new survey approach that promotes more real time feedback supporting continuous improvement.		Develop new survey, compare to other ISOs, and set baseline by end of 2006	NA		Develop revamped customer service survey to promote continuous improvement	Completed web-based and phone surveys in November and December. Action planning phase has been initiated and will be completed in early 2007, as anticipated.	Achieved Target Goal	
People (10%)								

 Achieved Stretch
  Achieved Target
  Achieved Threshold
  Below Threshold



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8) "Employer of Choice" best practices assessment – (X%) of employees providing favorable rating (70% or more) in the areas of:					Combination of communication of core values, employee and manager feedback, manager education, best practices and HR assessment	2006 RESULTS <table border="1"> <tr> <td>Communication</td> <td>73%</td> </tr> <tr> <td>Respect</td> <td>81%</td> </tr> <tr> <td>Job Satisfaction</td> <td>75%</td> </tr> </table>	Communication	73%	Respect	81%	Job Satisfaction	75%	Exceeded Target Goal
Communication	73%												
Respect	81%												
Job Satisfaction	75%												
1. Communication		70%	75%										
2. Respect		70%	75%										
3. Job Satisfaction		70%	75%										
Financial Management (15%)													
9) Establish 2007 ISO Revenue Requirement that results in a bundled GMC consistent with Corporate Goals	\$0.78	\$0.76	\$0.72		Establish GMC rate design - an interim design in 2007 for period prior to MRTU, then one at onset of MRTU to reflect MRTU costs	Board approved 2007 Revenue Requirement at December, 2006 meeting. Based on conservative forecast of Metered Control Area Load for 2007, reflecting an increase of approximately 0.5% over 2006.	Achieved Target Goal						
10) Actual Annual O&M Expenses Not to Exceed Budgeted Amount (score to be prorated based on performance and/or savings)	\$133.9M while achieving threshold performance level overall with respect to other goals	\$133.9M while achieving target performance with respect to all other goals.	\$133.9M while achieving stretch performance or actual O&M of \$131.4M with target performance			\$1.8 M under budget through December, 2006	Exceeded Target Goal						