California Independent System Operator Corporation

Report to the Audit Committee

2015 Operations Attestation

California ISO

Folsom, CA

December 18, 2015

pwc

Scope

- Assessment of management assertion related to 28 procedure elements related to ISO's Real-Time Operations processes:
  - Procedure elements were ***publicly available*** and ***objectively verifiable***
  - Assessment criteria were identified prior to observation periods
  - Evidence of procedures performed, in addition to real-time observation, was obtained

- Operations assessment periods:
  - August 31 - September 4, 2015
  - November 2 - November 6, 2015

Results

➢ Unqualified PwC opinion was issued to ISO management on December 1, 2015

➢ Our examination did not identify any compliance deviations

➢ Reporting package includes:

➢ PwC opinion

➢ Management's assertion

➢ Operational procedural elements, assessment criteria, and results

➢ Management's description of the Interchange Scheduling and Real Time Market Operation processes

Questions?