

California ISO Results of Agreed-Upon Procedures Code of Conduct

*Presentation to the
Board of Governors*

March 20, 2014

Scope

- ISO Tariff requires an independent review of the ISO's code of conduct compliance
- Scope of procedures generally consisted of:
 - Obtaining listings of each constituent group:
 - Employees
 - Substantially full-time contractors
 - Board of Governors
 - Comparing listing to certifications, training requirement completion, and conflict of interest disclosure forms and indication of follow up procedures on identified conflicts

Results

- Procedures are completed and the report was issued on February 5, 2014
- Except as described below, all planned procedures were performed without exception
 - Two potential conflicts identified by employees were not properly included in the analysis of disclosed potential conflicts
- Report describes limited independent testing and findings related to the ISO's internal processes regarding the code of conduct requirements for the constituent groups listed on the previous slide
- High level of commitment and cooperation of ISO staff in completing this engagement, which is greatly appreciated