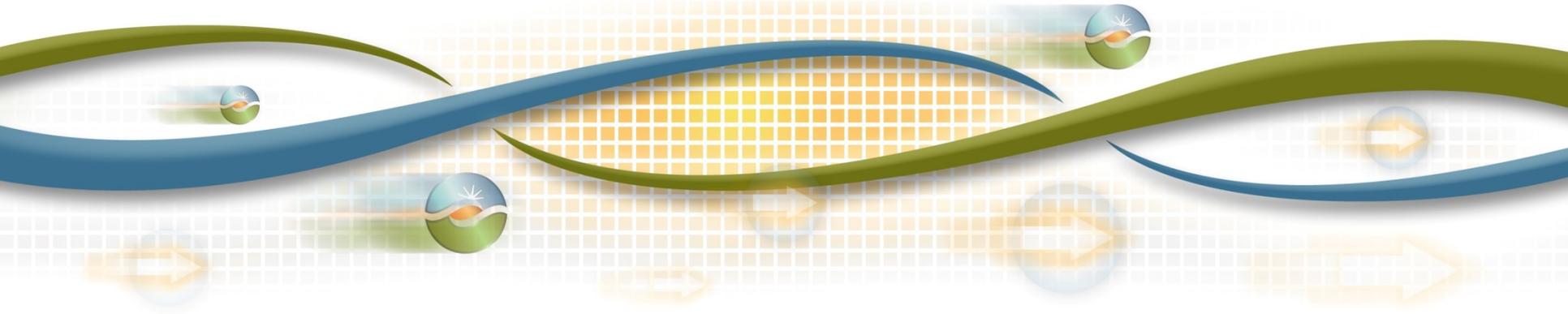


2013 Summer Loads & Resources Assessment

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General Session
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2013 Summer Loads & Resources Assessment includes:

- Forecasts of ISO System and Northern & Southern CA zones:
 - Peak demand
 - Generation resources
 - Imports
 - Demand Response
- Local reliability concerns (e.g., SONGS)
- System and Northern & Southern CA zone resource reserve margins
 - Planning reserve margins
 - Normal scenario operating reserve margins (1-in-2)
 - Extreme scenario operating reserve margins (1-in-10)
- System and zonal load shedding probabilities

Key findings

Adequate reserve margins for system & zonal

- Probability for shedding firm load is very low ($\approx 1\%$)

Local reliability concerns exist with SONGS unavailable in southern Orange County and San Diego

- completion of mitigation plan will reduce the reliability risks
- area is still at risk for load interruptions under extreme conditions
- will require careful monitoring and management over peak summer conditions

Status of key actions to mitigate local reliability concerns in southern Orange County and San Diego:

- Convert Huntington Beach units 3 & 4 into synchronous condensers
 - expected to be completed by June 26, 2013
- Install 80 MVAR capacitors at Santiago and Johanna substations, and 2x80 MVAR capacitors at Viejo
 - upgrades should be online by June 1, 2013
- Reconfigure Barre – Ellis 220 kV lines from existing two circuits to four circuits
 - expected to be completed by June 15, 2013
- Bring new generation resources online as scheduled for this summer
- Coordinate demand side resources

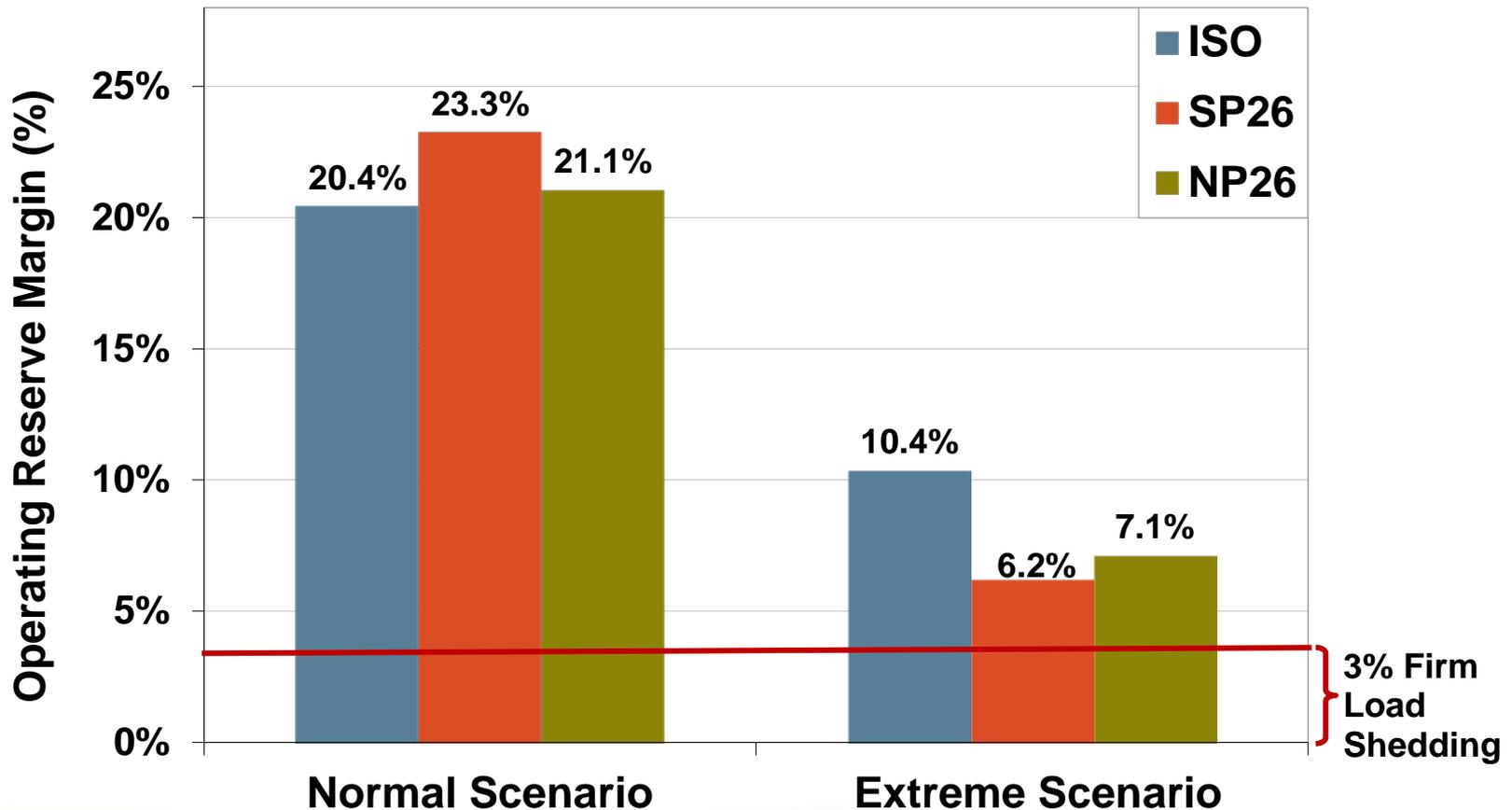
System and zonal normal-scenarios for operating reserve margins show adequate margins for 2013.

On-Peak Resources (MW)	ISO	SP26	NP26
On-Peak Generation	51,068	24,115	26,953
Hydro Derate	(1,022)	(239)	(782)
Generation Outages (1-in-2)	(5,067)	(1,866)	(2,994)
Moderate Net Interchange	9,800	9,800	2,100
DR & Interruptible Programs	2,322	1,781	541
Total Resources	57,101	33,591	25,818
Peak Demand (1-in-2)	47,413	27,253	21,328
Operating Reserve Margin	20.4%	23.3%	21.1%

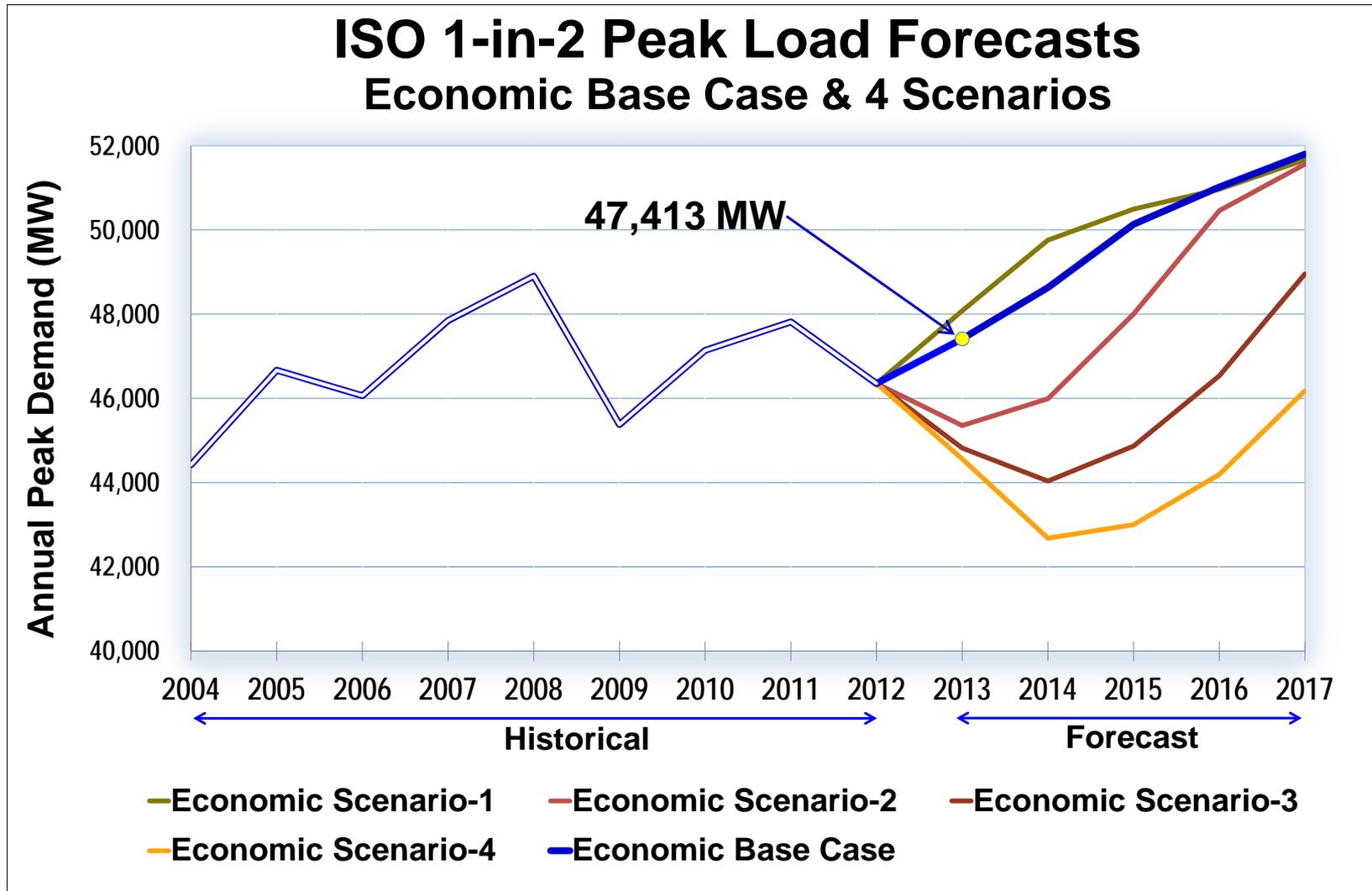
Recent CPUC updated projections for DR & Interruptible Programs show 1,939 MW, 1,266 MW, and 673 MW for ISO, SP26, and NP26, respectively

Normal scenario operating reserve margins are adequate, extreme scenario margins are greater than 3% threshold

ISO, SP26 and NP26 Operating Reserve Margins at 2013 Summer Peak



ISO 1-in-2 Peak Demand Forecast is 47,413 MW in 2013



The ISO is in the process of implementing its annual operation preparedness process for 2013

- Presenting the summer assessment results to the operating community
- Coordinating with WECC, Cal Fire, gas companies, neighboring balancing authorities and relevant state agencies
- Training grid operators for system events, operating procedures and utility best practices
- Presenting the summer assessment to the CEC at its June 12 business meeting as part of ISO's & CEC's ongoing commitment to coordinate supply and demand information