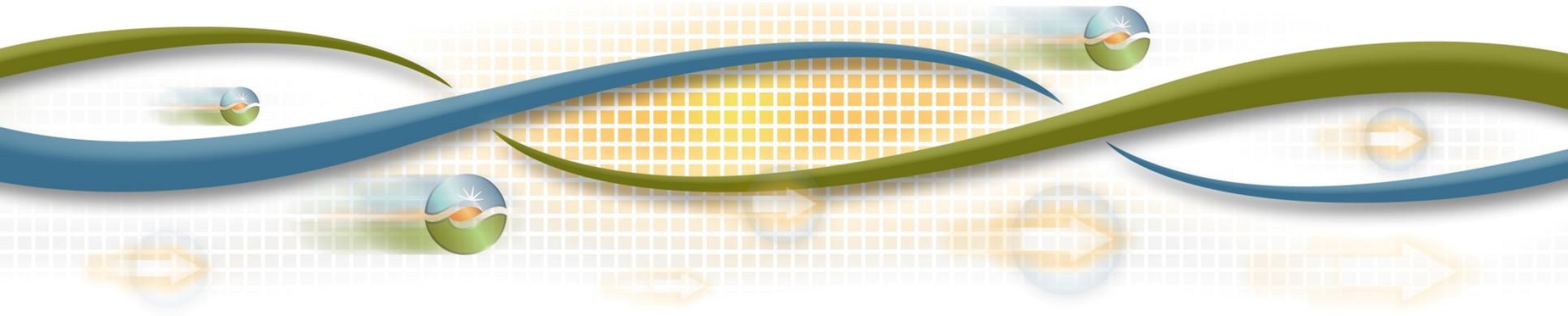




Briefing on preliminary 2017 Summer Loads & Resources Assessment results

Robert Emmert
Manager, Interconnection Resources

Board of Governors Meeting
General Session
March 15-16, 2017



2017 Summer Loads & Resources Assessment includes:

- Forecasts of ISO system and IOU TAC area peak demands
- Projection of new generation resources and retirements
- Discussion of hydro conditions and expectations for the summer power supply
- Results of reserve margins for the ISO using 2,000 different load and renewable generation scenarios

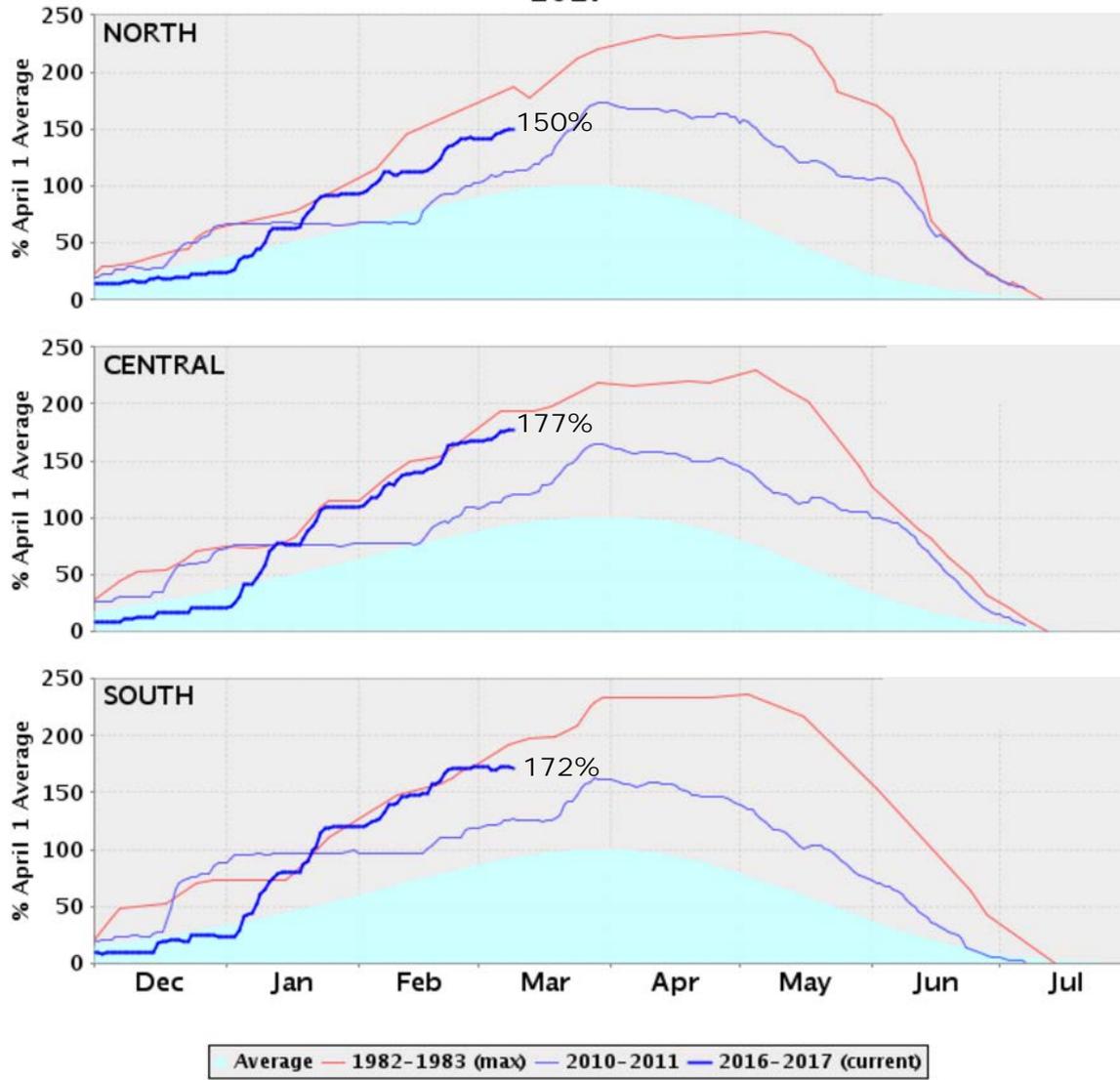
The analysis does not currently include potential reliability impacts due to operational limitations at Aliso Canyon.

Key results:

- Forecasts of 2017 ISO System:
 - Peak demand
 - 2017 1-in-2 peak demand forecast is 46,877 MW (0.6% growth rate)
 - New resource additions and retirements
 - 3,060 MW added (75% solar, 23% gas, 2% battery)
 - 3,149 MW retired (all natural gas, 88% once-through cooled units)
 - 89 MW decrease
- Hydroelectric capability is near record levels for 2017
- Adequate reserve margins to meet peak summer demand
 - 1-in-2 ISO operating reserve margin: 19.5%
 - Minimum ISO operating reserve margin scenario result: 12.8%

Hydroelectric capability is near record levels

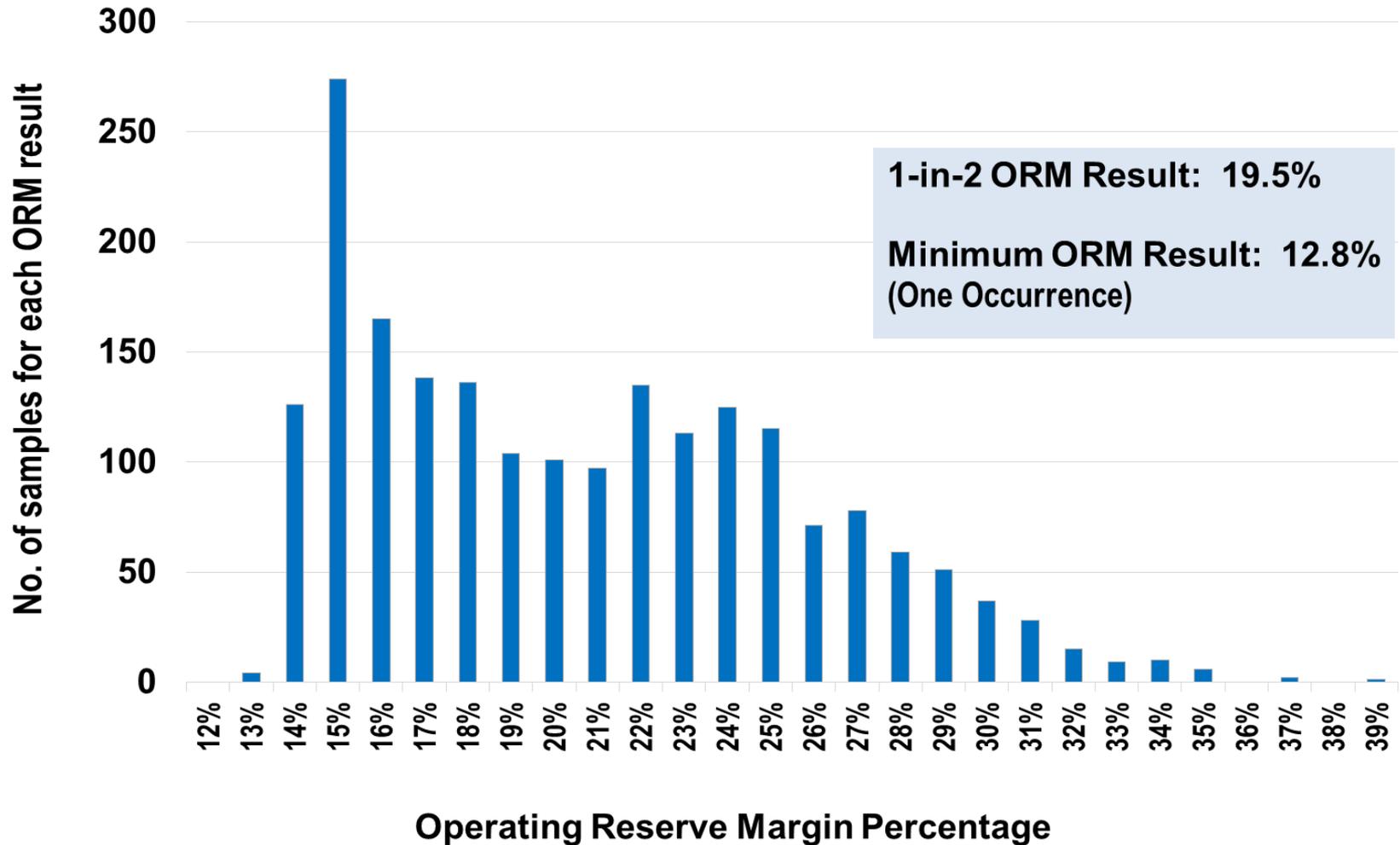
California Snow Water Content - Percent of April 1 Average For: 09-Mar-2017



as of March 9
statewide
snow water
content at
168% of
April 1
average

Adequate reserve margins to meet peak summer demands

Forecasted 2017 Annual Minimum ISO Operating Reserve Margin Distribution (ORM)



Next Steps

- Complete the final Summer Assessment report
- Final report will include a summary of findings from ongoing Aliso Canyon reliability studies
- Final report targeted for publication in May