

CALIFORNIA ENERGY COMMISSION

ROBERT B. WEISENMILLER, CHAIR

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December 16, 2013

Board of Governors
California Independent System Operator
P.O. Box 639014
Folsom, CA 95763-9014

Dear Board of Governors:

I am writing to express support for the California Independent System Operator's (ISO) Energy Imbalance Market (EIM) governance proposal and transitional committee charter. I continue to follow and participate in the ISO's process for the development on the EIM. With the approval by the ISO Board to move forward with market implementation and tariff design in November 2013, the compatible and necessary next step is to develop a framework that allows for the open and transparent discussion of an EIM governance structure.

The development of a decision making structure that allows California and regional stakeholders to participate in EIM related issues is important to the success of the market. ISO and PacifiCorp have been working diligently to ensure that their systems are compatible and that the processes are in place for robust market simulations and testing – all for the go-live date of October 2014. Meanwhile, I support the development of the Transitional Committee, as an advisory body to the ISO Board, to harness the experience and leadership from around the region to develop and recommend a governance structure that allows the EIM to be successful in both the near and long term for all involved.

With the recent announcement of NV Energy to seek approval from their Public Utilities Commission to join the EIM, it is clear that the region's energy providers are investigating ways to maintain reliable and cost effective power to their customers both from existing clean resources and additional renewable resources. We continue to believe that there are benefits to regional collaboration and an opportunity for optimized, real time dispatch of diverse resources across the west

I support the ISO Board's approval of the EIM transitional committee charter and look forward to continued engagement in the implementation of the western EIM.

Sincerely,

A handwritten signature in black ink that reads "Robert B. Weisenmiller".

ROBERT B. WEISENMILLER
Chair