



PUBLIC UTILITIES COMMISSION  
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Board of Governors  
California Independent System Operator  
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Dear Board of Governors,

I am writing to you today to express support for the EIM Transitional Committee's (Committee) proposal for long-term governance of the energy imbalance market (EIM). The California Public Utilities Commission (CPUC) has participated in the Committee's process for the development of the governance proposal through attendance at meetings and the submittal of written comments. We have been pleased with the progress of the proposal through the several iterations and believe that the final proposal represents a thoughtful and balanced approach to providing EIM governing body with delegated authority over EIM matters.

The proposal provides for a governance structure that allows appropriate participation from EIM stakeholders, including the nominating process for the five member board, and includes two important aspects to support further regional collaboration on EIM matters. First, the creation of a body of state regulators will allow state utility commissioners in states where EIM entities are participating an opportunity to learn about and engage in EIM matters with ISO support. Second, the Regional Issues Forum will be a valuable venue to have a broad regional dialogue about seams issues related to EIM with neighboring balancing authorities and stakeholders.

Regional energy providers continue to investigate ways to provide value to their customers while reliably integrating more and more renewable energy resources onto the system. I believe that the benefits to regional collaboration, such as EIM, are important to successfully implement California's clean energy policies. Providing a regional voice in the governance of the EIM is a critical part of that goal.

I support the ISO Board's approval of the EIM Transitional Committee's proposal for long-term governance of EIM and look forward to continued engagement in the implementation of the western EIM.

Sincerely,

Michael Picker  
President, California Public Utilities Commission