



# BALANCING AUTHORITY OF NORTHERN CALIFORNIA

P.O. Box 15830 • MS B305 • SACRAMENTO • CA 95852 -1830

September 15, 2015

Richard Maullin  
Chairman, Board of Governors  
California Independent System Operator  
Corporation  
250 Outcropping Way  
Folsom, CA 95630

**RE: EIM Governance**

Dear Chair Maullin:

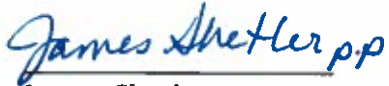
The Balancing Authority of Northern California ("BANC") writes in support of the Energy Imbalance Market ("EIM") governance proposal scheduled to be presented to the CAISO Board of Governors for consideration on September 17, 2015.

The Transitional Committee ("Committee") has undertaken an extensive process over many months to arrive at the current proposal. While not every issue that was raised by the public power community was accommodated, the Committee has been responsive to stakeholder concerns and fashioned a reasonable and balanced approach that should serve the EIM well in its formative stages as wholesale markets in the West continue to evolve.

BANC is particularly supportive of the Regional Issues Forum, which includes a formal role for neighboring Balancing Authorities and will for the first time recognize the important impact that the EIM may have on entities throughout the West. BANC is hopeful that the Forum will facilitate regional stakeholder discussions, particularly as transmission owners consider options to join the CAISO as Participating Transmission Owners.

BANC appreciates the work of the Committee, and urges the Board to approve the EIM governance proposal.

Sincerely,

A handwritten signature in blue ink that reads "James Shetler pp". The signature is written in a cursive style.

James Shetler  
General Manger  
Balancing Authority of Northern California