

United States Senate

WASHINGTON, DC 20510-7020

September 16, 2015

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

Dear Board of Governors:

I am writing in regard to the Transitional Committee's (Committee) proposal for long-term governance of the energy imbalance market (EIM). I support this proposal and have been encouraged by efforts to enhance regional coordination and improve market efficiency in the West.

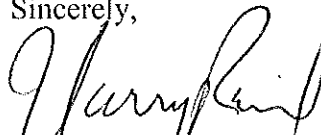
The proposed EIM is a voluntary regional initiative that allows participants to benefit from a real-time energy market to balance electricity supply and demand on the grid and improve reliability. It offers an automated, regional, and far more efficient method of meeting real-time energy needs than the manual operations currently used by many individual balancing authorities.

The EIM will provide geographic diversity and extensive resource options to more effectively integrate variable energy supplies, such as wind power and solar energy, into regional grid operations. Further, it will establish transparency and broad-based situational awareness for grid operators that will help to ensure greater electricity reliability in the West.

I understand that the EIM has widespread support among regional stakeholders, public utility commissioners, the Western Interstate Energy Board's PUC-EIM Working Group, renewable energy advocacy groups, environmental organizations, electric power trade groups, and a host of private corporations, including major electric utilities in the region.

Thank you for consideration of this letter and your work to facilitate regional cooperation and clean energy policies.

Sincerely,



HARRY REID
Democratic Leader