

United States Senate

WASHINGTON, DC 20510-7010

December 15, 2014

Board of Governors
California Independent System Operator
Post Office Box 639014
Folsom, California 957630

Dear Chairman Maullin:

I am writing to reiterate my support to better position the Western United States to expand renewable energy deployment and propose steps to move and eliminate boundaries on regional cooperation and integration. I firmly believe that a stronger and more efficient grid is critical to achieving affordable and sustainable economic growth throughout the country.

I have worked for several years to identify challenges and solutions to vastly expand renewable energy deployment in the West. These efforts include the introduction of the Clean Renewable Energy and Economic Development Act in 2009. This legislation supported a cleaner, greener and smarter national energy transmission policy without sacrificing reliability or affordability. I was pleased that concepts in this legislation were included in the Federal Energy Regulatory Commission's Order 1000 that reformed the nation's transmission planning and cost allocation requirements.

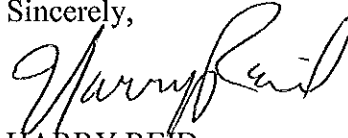
Further, the American Recovery and Reinvestment Act provided loan guarantees for the Department of Energy and Western Area Power Administration for to facilitate the construction of new transmission lines for clean energy. In January, I joined a variety of public and private officials outside of Las Vegas to dedicate the construction of the One Nevada Transmission Line (On Line) that connected Nevada's northern and southern service areas for the first time. On Line is the first and only large scale transmission project in the portfolio of the Department of Energy's Loan Programs Office.

This 235 mile transmission project is already playing an important role bringing vast supplies of solar, wind, and geothermal energy resources to the market. However, On Line represents only a portion of a larger 510-mile project known as the Southwest Intertie Project (SWIP). I support the expansion of this transmission line and believe that Nevada and California will benefit mutually from its expansion to the Eldorado substation within California Independent System Operator system.

The voluntary Energy Imbalance Market (EIM) was a critical step to enhancing regional cooperation on our transmission grid. Now that our states have this important mechanism for greater adoption of clean renewable energy while maintaining the highest standards of electric reliability for consumers, it is important that we continue investing in the transmission capacity that will help maximize the EIM's value.

I appreciate your attention to this issue and look forward to future collaboration on solutions to vastly expand renewable energy deployment in the West.

Sincerely,

A handwritten signature in cursive script, appearing to read "Harry Reid".

HARRY REID
Majority Leader