



Grant County  
**PUBLIC UTILITY DISTRICT**  
*Excellence in Service and Leadership*

March 15, 2013

Board of Governors  
California Independent System Operator  
PO Box 639014  
Folsom, CA 95763-9014

Dear Board of Governors,

Grant PUD has been watching with great interest your proposal, in conjunction with PAC, to expand real-time balancing to the PNW. Grant sees merit in your proposal in a number of such areas such as 1) ease of entry/exit, b) cost effectiveness through the leveraging of existing systems, c) CAISO's proven track record on delivery and operations, d) enhanced integration of resources.

We are contacting you to offer our support in working through the details of implementation. Your bilateral discussions with PAC risk missing important issues in certain areas and may inadvertently foreclose on future inclusion of parties beyond PAC. Specifically, Grant could offer unique perspectives given its differences from PAC; we are nearly 100% hydro and dispatch within Mid-C Hourly Coordination, we are a publicly owned entity, we are not directly interconnected to CAISO.

We would like to offer our assistance as you work through these and other issues such as governance, transmission and hydro operations.

Sincerely

A handwritten signature in dark ink, appearing to read 'Mike McClenahan', with a large, sweeping flourish extending to the right.

Mike McClenahan  
Director of Power Management

Cc: Don Fuller  
Stacey Karpinen