



BRIAN SANDOVAL
Governor

STATE OF NEVADA
PUBLIC UTILITIES COMMISSION

ALAINA BURTENSHAW
Chairman

REBECCA WAGNER
Commissioner

DAVID NOBLE
Commissioner

CRYSTAL JACKSON
Executive Director

December 16, 2013

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

Dear Chairman Foster and Board of Governors:

I am writing to express my support for the approval of the EIM transitional committee charter and process described in the governance proposal – the next step of the California Independent System Operator's (ISO) Energy Imbalance Market (EIM) process. As a Commissioner on the Public Utilities Commission of Nevada (PUCN) and as a member of the PUC-EIM group created by the State-Provincial Steering Committee of the Western Interstate Energy Board, I continue to follow, with interest, the progress that the ISO is making with respect to the implementation of the EIM, which offers the region an opportunity for optimized, real-time dispatch of diverse resources across the west.

In addition, with the announcement of NV Energy's interest in joining the ISO's EIM, I look forward to reviewing the cost and benefit analysis of its engagement in the ISO's real-time market. The EIM offers balancing authorities the ability to draw from a larger geographic region to optimize the use of existing conventional generation as well as intermittent renewable resources.

The concepts supported in the governance proposal importantly recognize the need to include regional stakeholders in the decision-making process in what has historically been a purely California market. I appreciate the willingness to develop the Transitional Committee, comprised of experienced and respected industry leaders, to develop and analyze governance models that will produce successful outcomes for all involved.

While the PUCN has not taken a position on this matter, I write this letter to convey my support for the Board's approval of the EIM transitional committee charter as the ISO continues on with the next steps toward successful implementation.

Sincerely,


Rebecca Wagner

Commissioner, Public Utilities Commission of Nevada