



BRIAN SANDOVAL
Governor

STATE OF NEVADA
PUBLIC UTILITIES COMMISSION

ALAINA BURTENSHAW
Chairman
REBECCA WAGNER
Commissioner
DAVID NOBLE
Commissioner
CRYSTAL JACKSON
Executive Director

November 4, 2013

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

Dear Chairman Foster and Board of Governors:

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 the development of the ISO's Energy Imbalance Market (EIM) design with interest. I have been pleased with the progress that the ISO is making with respect to a market design that offers real-time (5-minute) economic dispatch of geographically and technologically diverse resources across a wider footprint.

As Nevada's investor-owned utility works toward achieving a 25 percent renewable energy portfolio standard, and as other states increase the amount of renewable energy entering the grid, the ability to draw from a larger geographic region allows for an optimal use of those intermittent resources.

The concept of sharing resources across a broader region is the subject of an investigatory docket (PUCN Docket No. 11-04025) over which I am the presiding officer. It is through this docket that we hope to learn how benefits such as those described in the study between the ISO and PacifiCorp may be realized in Nevada. In particular, we are interested in those benefits that include reduced flexibility reserves, enhanced system reliability and better visibility of system conditions.

While the PUCN has not taken a position in this matter, I write this letter to convey my personal support for the Board's decision to approve the market design and to move forward with the next steps toward successful implementation.

Sincerely,


Rebecca D. Wagner

Commissioner, Public Utilities Commission of Nevada