

NATALIE HOCKEN
Senior Vice President, Transmission and System Operations

825 NE Multnomah Street, Suite 1600
Portland, OR 97232-4116
Office (503) 813-7205



November 6, 2013

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

Dear Board of Governors,

On behalf of PacifiCorp, we encourage your approval of the energy imbalance market (EIM) design, and authorization for ISO management to make the necessary filings with FERC to implement EIM tariff changes.

PacifiCorp strongly supports the ISO's ongoing efforts with respect to the development and implementation of the EIM. PacifiCorp found the ISO's market design stakeholder process to be informative and collaborative. Participation in the EIM will reduce costs for our customers and improve operational efficiency. The development of the EIM also will provide significant reliability benefits through better system visibility and enhance situational awareness across a larger footprint in the West.

PacifiCorp is prepared to meet key schedule milestones, most notably beginning formal market participation October 1, 2014. As demonstrated by the narrow scope of issues directly related to development of the EIM, it is reasonable to continue in accordance with the ISO's plan for developing draft tariff language and filing modified tariffs with the FERC for approval. PacifiCorp acknowledges the critical need to develop and conduct a robust market simulation prior to "go-live." If issues arise during market simulation, phasing of certain design aspects may be appropriate. PacifiCorp is prepared to work with the ISO to develop contingency measures necessary to assure that if issues arise after market implementation they can be quickly addressed.

I want to thank the ISO for their supportive engagement with PacifiCorp and other stakeholders during the market design process. We look forward to this type of continued engagement in the tariff drafting and governance processes. PacifiCorp also offers its commitment to continuing joint collaboration on finalizing the system improvements necessary to assure successful implementation.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie L. Hocken". The signature is fluid and cursive, with a long horizontal stroke at the end.

Natalie L. Hocken
Senior Vice President, Transmission and System Operations
PacifiCorp