



Energy Imbalance Market CAISO Board of Governors Implementation Update

JULY 16, 2015

VALUE PROPOSITION

CUSTOMER SERVICE

PEOPLE

EMPLOYEE COMMITMENT

REDUCING IMPACT

ENVIRONMENTAL RESPECT

CANDOR TRUST

REGULATORY INTEGRITY

EFFECTIVE EFFICIENT

OPERATIONAL EXCELLENCE

BERKSHIRE FINANCIAL STRENGTH OWNERSHIP

Regulatory

- Outstanding FERC compliance filings associated with tariff approval:
 - Filed response to APEX dynamic scheduling on July 14
 - Completing market-based rate authority evaluation and will file response by July 31
 - Certify readiness by August 31

Operational Readiness

- Operations and settlements personnel were added early
- Implemented classroom training and knowledge testing with rigor similar to NERC certification process for operators
- Change manager in place
- Scorecard has been developed to track execution against FERC readiness criteria

Operational Readiness

- Energy management system upgrade was successfully cutover on June 4
- 100 percent connected to CAISO systems
- June 18 CAISO loaded NV Energy's market data to a test environment and initial day-in-the-life testing began
 - Submitting base schedules
 - Balancing to forecast
 - June 23 initial end-to-end settlement statement published
- Table top exercises began July 13
- Project is on track for October 1 Go-Live