December 8, 2017

VIA EMAIL

California Independent System Operator 250 Outcropping Way Folsom, CA 95630

Re: Consolidated Energy Imbalance Market (EIM) Initiatives

To the members of the Board of the California Independent System Operator (the "Board"):

Powerex Corp. (Powerex) appreciates the opportunity to write to the Board with respect to the Consolidated EIM Initiatives. Powerex greatly appreciates and commends the efforts that CAISO staff has made in the development of the EIM enhancements contained in this initiative and their efforts to implement these enhancements in a timely manner.

Powerex strongly supports these enhancements, which largely seek to automate the ability to inform the EIM of activity that is already permitted and that already occurs today, albeit through manual processes. Automation of these existing functions will reduce staffing burden, ensure more timely communication of information to the EIM, and increase accuracy by reducing errors associated with manual data entry. Additionally, these enhancements expand the availability of Non-Generator Resource modeling for other purposes, including supporting Powerex's EIM participation.

These enhancements are important for Powerex's participation in the EIM, which Powerex intends to join in the spring of 2018. Importantly, the enhancements will also be available to other EIM participants. While not every entity will choose to utilize every one of the enhanced capabilities themselves, all EIM participants benefit from the EIM operating with the most timely and most accurate information possible, which is precisely what the proposed enhancements achieve.

As such, Powerex strongly encourages the Board to approve the enhancements as proposed in the Consolidated EIM initiatives proposal.

Kind regards,

Mike MacDougall

Director of Trade Policy & IT

Powerex Corp.