Stakeholder Comments Template

| Submitted by | Company | Date Submitted |
|---------------------------------------|---|----------------|
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Please use this template to provide written comments on the draft final proposal for the EIM Governance posted on June 22, 2015.

Please submit comments to EIM@caiso.com by close of business July 9, 2015

The draft final proposal is available on the ISO website at: http://www.caiso.com/Documents/Briefing_Governance_Proposal-DraftFinalProposal-June2015.pdf

The slides presented during the June 25, 2015 EIM Transitional Committee meeting are available at:

http://www.caiso.com/Documents/Briefing_GovernanceProposal-Presentation-Jun2015.pdf

The EIM Transitional Committee welcomes and appreciates stakeholder feedback related to the draft final proposal for the EIM Governance Development initiative.

Please use the following template to comment on the key topics addressed in the proposal. Organizing your submission around the different sections of the EIM governance proposal will assist the Committee in its review of the comments.

SMUD's comments are limited at this time to item number 5, Regional Advisory Committee. SMUD appreciates the CAISO providing this opportunity to provide comments.

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| 1. Basics of the EIM governing body |
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| Comment: |
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| Selecting members of the EIM governing body (including the selection process and composition of the nominating committee) |
| Comment: |
| 3. Scope of authority (including the proposed process for resolving disputes about which body has primary authority over a particular policy initiative) |
| Comment: |
| 4. Composition and role of the advisory body of state regulators (including leaving development of their role and relationship with the ISO to the regulators themselves) |
| Comment: |
| 5. Regional Advisory Committee (including what issues the proposed committee should address and whether it would provide a productive forum for discussion of the issues and/or would enhance the ISO's existing stakeholder process) |
| Comment: |
| SMUD strongly supports the establishment of the Regional Advisory Committee (RAC). The Energy Imbalance Market (EIM), as a regional market, has implications for much of the Western Interconnection. Entities outside of the EIM footprint, such as neighboring balancing authorities, are impacted at interties and therefore have a keen interest in EIM policy and operations. Moreover, publicly-owned utilities have unique interests that may not be adequately represented in a traditional stakeholder role. |

SMUD requests that the Transitional Committee provide more detail in the next version of the proposal regarding this role/relationship. Similar to the Committee of State Regulators, the RAC should have an advisory role to the EIM governing

SMUD notes that the *Draft Final Proposal* lacks specificity on the role of the RAC, particularly in its relationship to the EIM governing body. Accordingly,

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body, presumably because it may often have unique and important views on matters possibly outside the perspective of the Committee of State Regulators and the EIM governing body. By working closely with the EIM governing body, the RAC will help improve mutual understanding and collaboration. This relationship will also serve as a vehicle for the EIM governing body and the ISO Board to inform RAC members about certain activities of the EIM and the ISO.

| 6. Commitment to re-evaluate governance |
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| Comment: |
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| 7 Miccelleneous items |
| 7. Miscellaneous items. |
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| Comment: |
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