

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.

1. Basics of the EIM governing body

The Public Utilities Commission of Nevada (“PUCN”) thanks the Energy Imbalance Market (“EIM”) Transitional Committee for the opportunity to comment on the draft final proposal for the long-term governance of the EIM. The PUCN appreciates the Transitional Committee moving forward with the EIM governing body “delegated

authority” model. The PUCN agrees with the Transitional Committee that while a regional governance structure for the entire Independent System Operator (“ISO”) will likely be considered in the future, the PUCN does not believe this makes the EIM governing body unnecessary. The PUCN agrees with the Transitional Committee that the regional stakeholder process and the committee of state regulators will not only be judged on the success of the EIM initiative but that those institutions also form the foundation for broader governance should PacifiCorp or others join the ISO as transmission owners.

The PUCN appreciates the Transitional Committee’s further guidance on how EIM meetings will run and supports the proposed framework. By running meetings similarly to ISO Board of Directors’ meetings stakeholders are ensured open meeting policies with equal rights to comment.

The PUCN continues to support state regulators having a voting role. A voting role for state regulators will not create an impermissible conflict and is necessary to ensure fair representation.

2. Selecting members of the EIM governing body (including the selection process and composition of the nominating committee)

The PUCN supports the selection process and the composition of the nominating committee. The PUCN appreciates the selection of members with expertise and the range of stakeholders.

3. Scope of authority (including the proposed process for resolving disputes about which body has primary authority over a particular policy initiative)

The PUCN continues to support the EIM governing body having primary decisional authority over market rules unique to the EIM. The PUCN agrees with the Transitional Committee that development of an EIM decision-making process is more pragmatic than identifying specific issues or tariff sections now that will be within the authority of the governing body, as the issues and tariffs are likely to change over time.

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)

The PUCN appreciates the Transitional Committee’s clarification of its straw proposal. The PUCN also appreciates the Transitional Committee’s modification of the governing body state regulators’ representatives. By removing representatives of publicly-owned utilities from the state regulators category the governing body will have a fair proportion of representation across sectors.

The PUCN continues to support a committee of state regulators. State regulators have a strong interest in ISO-related activities. State regulators have authority over many

<p>issues directly affected by the EIM. There needs to be communication between state regulators and the EIM governing body, and a committee of state regulators will provide the needed venue and structure for this communication.</p>
<p>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)</p>
<p>The PUCN supports the new Regional Advisory Committee because it will provide an opportunity for neighboring balancing authority areas and other interested entities to address broader issues of market operations without displacing the existing ISO stakeholder process.</p>
<p>6. Commitment to re-evaluate governance</p>
<p>The PUCN supports the Transitional Committee's proposal to review and reevaluate EIM governance within five years, or based on trigger(s) identified by the governing body. Review of EIM governance is essential to make sure the governing body is functioning optimally. However, too many triggers or too detailed a list of triggers right now may preclude meaningful review. A set timeline for review is the best way to accomplish a meaningful review of EIM governance.</p>
<p>7. Miscellaneous items.</p>
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