

STATE OF NEVADA

PUBLIC UTILITIES COMMISSION

ALAINA BURTENSHAW
Chairman

REBECCA WAGNER
Commissioner

DAVID NOBLE Commissioner

CRYSTAL JACKSON

Executive Director

March 19, 2013

Board of Governors California Independent System Operator P.O. Box 639014 Folsom, California 95763-9014

Dear Chairman Foster and Board of Governors:

In my capacity as a Commissioner on the Public Utilities Commission of Nevada (PUCN) and a member of the PUC EIM group (created by the State-Provincial Steering Committee), I have been keenly interested in the concept of an energy imbalance market. In fact, I am the presiding officer of an investigatory docket (PUCN Docket No. 11-04025) that was opened to evaluate the concept of an EIM and the potential costs/benefits for Nevada.

I am writing to convey support for the efforts of the ISO to pursue an energy imbalance market initiative in the West. I am very excited that the agreement between the ISO and PacifiCorp will now move this important work into implementation and demonstrate both the economic and reliability benefits, while also assisting with renewable integration.

Further, the ISO and NV Energy are engaged in a mutual study of improved cooperation and collaboration and I hope that this study can also consider the potential benefits of NV Energy's participation in the EIM.

This is an important step in our region and I encourage your support.

Sincerely,

Rebecca Wagner Commissioner