

September 19, 2016

VIA ELECTRONIC MAIL

California Air Resources Board
c/o Clerk of the Board
Air Resources Board
1001 I Street
Sacramento, California 95814
<http://www.arb.ca.gov/lispub/comm/bclist.php>

Dear Chair Nichols and Board Members:

The California Independent System Operator Corporation (ISO) submits these comments on the proposal of the California Air Resource Board (ARB) to implement the Clean Power Plan adopted by the United States Environmental Protection Agency under section 111(d) of the Clean Air Act. ARB's proposal accurately captures the cooperative relationship we have with ARB and other state agencies in connection with infrastructure planning to ensure electric grid reliability. At a time in which the electricity sector is undergoing a transformation in its resource mix, as well as embracing emerging technologies to store and consume electricity, this cooperation will continue to be critical for California to meet its clean energy goals while maintaining electric grid reliability.

The ISO supports California's efforts to reduce greenhouse gas emissions in California's electricity sector and believes the state measures identified in ARB's proposed plan will allow California to achieve emission reduction targets specified in the Clean Power Plan and likely beyond those goals. Although the United States Supreme Court has stayed the effectiveness of the Clean Power Plan, the ISO will continue to work collaboratively with California state agencies and stakeholders to ensure the measures identified by ARB advance California's emission reduction objectives. As you know, the ISO has enhanced its markets and planning activities to support California's renewable portfolio standard, cap and trade program, and facilitate the use of clean resources.

Additionally, the ISO continues to work with entities and states across the region as they consider the implications of the Clean Power Plan to their resource portfolios. In this respect, the western Energy Imbalance Market and a potential regional energy market may become powerful tools to help integrate greater renewables and meet emission reduction targets set by the U. S. EPA across the region in a cost-effective manner.

Respectfully submitted,



Stephen Berberich
President and CEO