



January 28, 2016

Michel Kohanim  
Universal Devices, Inc.  
5353 Yarmouth Avenue #209  
Encino, CA 91316

**Subject:** Letter of Support for Universal Devices proposal to the California Energy Commission

Dear Michel:

The California Independent System Operator (CAISO) is pleased to offer this support letter to Universal Devices, Inc. for the proposal “Advancing Solutions That Allow Customers To Manage Their Energy Demand (Group 2)” submitted by Michel Kohanim in response to EPIC Building Efficiency Grant Solicitation, GFO-15-311. “Group 2: Load Management Systems that Facilitate Participation as Demand-side Resources” of the solicitation contemplates at least two projects, perhaps with different approaches. Category 2 is focused only on smaller, load modifying, demand-side customers and does not apply to large customers and DER that are supply-side participants in the CAISO markets.

The CAISO supports the overall goals described in Project Group 2: Load Management Systems that Facilitate Participation as Demand-side Resources. Specifically to *“develop and pilot-test behind-the-meter load management systems and operational strategies, program designs and retail tariff options that minimize the cost and complexity of customer participation, while maximizing the potential of large numbers of small loads to improve system load factor, shave peaks, integrate renewable generation and otherwise provide low opportunity-cost resources to the grid.”*

The proposed project will be a collaboration of Universal Devices, Inc., OpenADR Alliance, and TeMix Inc. with Universal Devices as the prime contractor to the CEC.

The CAISO cannot commit to participating in this project at this time but understands that the following CAISO-related information will be used:

- The existing CAISO portal to communicate hourly, 15-min and possibly 5-min nnode LMPs at selected SCE substation for transmission by SCE using systems developed in the project to smaller customers through the SCE as an LSE portal interface.

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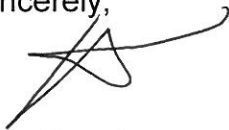
California Independent System Operator Corporation

Since the CAISO is not participating in this collaboration the CAISO will not be seeking reimbursement. The CAISO cannot directly contribute funding or receive funding as part of this project or release non-public data.

The CAISO's support of this proposal is subject to several legal requirements, including, but not limited to, confirming that the CAISO's support of this proposal will not adversely affect the tax-exempt status of interest on its bonds or the CAISO's status as a 501(c)(3) supporting organization.

We appreciate the opportunity to support this project and look forward to a successful outcome from the proposal selection process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Doughty', with a long horizontal flourish extending to the right.

Tom Doughty  
Vice President of Customer and State Affairs  
California ISO