



# HOW WE OPERATE THE GRID

## HOW DOES THE CALIFORNIA ISO OPERATE THE WHOLESALE SUPERHIGHWAY FOR ELECTRONS?

### Step 1



Forecasting power comes first. Via the Internet, the ISO publishes a forecast for the power consumers will need 24 hours in advance and then refines the forecast every hour...

### Step 2



Never buying or selling electricity itself, the ISO acts as an electronic auction house, coordinating roughly 30,000 arrangements for electricity every day between buyers and sellers, tracking prices and running sophisticated settlement systems...

### Step 3



Schedules for electricity delivery are submitted to the ISO the day before the power is needed (power is purchased separately from the ISO, through other markets and contracts)...

### Step 4



The ISO runs the schedules through a complex computer system to mitigate congestion and account for reserves necessary to make sure the "lights stay on"...

