California ISO Board of Governors adopts storage resource enhancements; approves additional market improvements

FOLSOM, Calif. – The California Independent System Operator (ISO) Board of Governors yesterday approved energy storage and distributed energy resource enhancements making it easier to integrate and operate these resources while maintaining grid reliability.

The Board approval of Phase 4 of the Energy Storage and Distributed Energy Resources (ESDER 4) enhancements includes:

- An optional end-of-hour, state-of-charge parameter to give storage resource owners real-time management of future resource use commitments;
- Offering demand response resource owners the option of including a daily maximum run time constraint, and requiring a minimum of 1 megawatts (MW) curtailment to better manage demand response; and
- Streamlined participation by simplifying agreements for non-generator resources.

Battery and hybrid resources are fast growing components of the resource mix, with more than 1,500 MW scheduled to connect to the grid by the end of 2021. They are an important component of a reliable and clean electricity grid. Excess solar generation in the middle of the day can be stored for use in the evening when solar production declines and the demand for energy increases.

Other items approved by the Board include:

- Refinements to the Flexible Ramping Product to address uncertainty caused by load and variable energy resources that materializes between market runs;
- Enhancements to the Import Bidding and Market Parameters Proposal ensuring market changes in Federal Energy Reliability Order 831 align with the western energy market;
- Extension of reliability must-run contracts through 2021 for the Dynegy Oakland, LLC (DO), Starwood Energy Group (SEG) and CSU Channel Islands Site Authority (CSU CISA) generating units;
- Approval of the maximum import capability multi-year allocation proposal, which facilitates multi-year contracting for resource specific import resource adequacy by ISO load serving entities; and
Updates to the ISO’s rates and fees for 2021, which were developed following the completion of the cost of service study.

For more information on the ISO Board of Governors, including board presentation and future meeting schedules, please visit here.

###

The California Independent System Operator (ISO) is a nonprofit public benefit corporation dedicated, with its partners, to continuous improvement and secure operation of a reliable grid operated for the benefit of consumers. It provides comprehensive grid planning, open and nondiscriminatory access to one of the largest networks of high-voltage transmission power lines in the world, and operates a $9 billion competitive electricity market. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help provide a sustainable energy future efficiently and cleanly.

The Western Energy Imbalance Market (EIM) Governing Body is the governing authority designed by regional stakeholders with delegated authority from the ISO Board of Governors to resolve rules specific to participation in the Western EIM.