



## NEWS RELEASE

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## California ISO Wins Pollution Prevention Award

*Innovative Program Recognized for Fostering Clean, Renewable Wind Energy*

(Folsom, CA) The California Independent System Operator (California ISO) is receiving a 2005 Pollution Prevention Award today from the Sacramento Business Environmental Resource Center (BERC) for a unique program that is fostering development of wind energy in California. The Participating Intermittent Resource Program (PIRP) relies on high-tech forecasting tools and flexible market rules to make it easier for wind generators to participate in the ISO market structure. Between June 2004 and June 2005, participating wind generators produced 727,805 megawatt-hours through the program, reducing air pollution by more than 190 tons\*.

“Under the program, wind generation is scheduled more accurately than ever before because forecasts are updated hourly,” said Dr. Anjali Sheffrin, vice president of market design and market programs etc. “Coupled with new settlement rules for participating intermittent resources, wind power will continue to grow in California and we're very proud that BERC chose to recognize our role in giving renewable power access to the grid and its markets.”

The Business Environmental Resource Center (BERC) was established in 1993 as a one-stop, non-regulatory Permit Assistance Center to help Sacramento County businesses understand and comply with federal, state, and local environmental regulations. BERC offers free and confidential consultative services for both environmental and non-environmental issues. In addition, BERC provides pollution prevention information to businesses and coordinates an annual Pollution Prevention Awards Program.

Wind generation owners cannot always accurately predict how much energy their air-powered turbines will produce on a minute-by-minute basis. Prior to the new ISO program, if wind generators

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produced less energy than anticipated they might have to pay to replace the power they did not produce. If they produced more, they might not get paid for that energy.

Working with the American Wind Energy Association (AWEA), utilities, generators and other stakeholders, the ISO developed the new program to remove those hurdles. Generators in the program use state-of-the-art forecasting and communication technology that automatically sends highly accurate hour-ahead schedules from the wind farms to the ISO.

In return, the ISO program allows wind generators to balance their actual energy production against their scheduled production over a whole month as opposed to every ten minutes. The positive and negative deviations usually offset, reducing costs and making wind energy much more viable.

With many states, including California, enacting Renewable Portfolio Standards (RPS) requiring more renewable energy resources, the PIRP is helping to foster a boom in wind energy. The California ISO expects as much as 10,000 megawatts in new wind energy production to be installed over the next decade or so. The program has received national and even international attention in the energy industry. The Federal Energy Regulatory Commission included the California ISO program in its suggested market design for other areas.

The California ISO is a not-for-profit public benefit corporation charged with managing the flow of electricity along California's open-market wholesale power grid. The mission of the California ISO is to safeguard the reliable delivery of electricity, and ensure equal access to a 25,000 circuit miles of "electron highway". As the impartial operator of the wholesale power grid in the state, the California ISO conducts a small portion of the bulk power markets. These markets are used to allocate space on the transmission lines, maintain operating reserves and match supply with demand in real time.

**\*Formula for figuring pollutant reduction**

**.524 pounds of pollutants x 727,805 MWh = 381369/2000 lbs=190.68 tons.**

**Pollutants per megawatt-hour**

Total generation (includes non-polluting resources like hydro)

NOx = 0.191 lb/MW-hr

CO = 0.257 lb/MW-hr

ROG = 0.035 lb/MW-hr

PM10 = 0.027 lb/MW-hr

SOx = 0.014 lb/MW-hr

Total= .524 pounds per MWh

Source: California Air Resources Board

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