



California ISO
Shaping a Renewed Future



News Release

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Enhanced grid coordination through expanded energy imbalance market *PacifiCorp/ISO partnership brings reliability, renewable benefits & reduced costs*

CEOs media availability @ 10:30 a.m. PST: 800 475-6701 | Password: 281771

PORTLAND, Ore. and FOLSOM, Calif. – PacifiCorp and the California Independent System Operator Corporation (ISO) today released a memorandum of understanding that commits the two largest western U.S. grid operators to work toward creating a real-time energy imbalance market (EIM) by October of 2014. The MOU was signed by PacifiCorp Chairman and CEO Greg Abel, and ISO President and CEO Steve Berberich. Authorization to proceed with negotiating a formal agreement between the companies will be considered by the ISO Board of Governors during its general meeting in March.

If implemented, PacifiCorp, which controls two balancing authorities primarily covering portions of six states, including part of Northern California, would participate in a co-optimized real-time energy market facilitated by the ISO. The joint agreement applies only to the EIM service. PacifiCorp is not joining the ISO and will maintain control of its assets and responsibilities for serving its customers.

“Increased coordination of energy systems in the West is critical if we are to meet important challenges such as ensuring reliability, keeping costs down for customers and effectively integrating renewable resources,” said PacifiCorp’s Abel. “We’re hopeful this agreement between PacifiCorp and the ISO signals a significant step toward broader coordination across the West.”

“The ISO is delighted our real-time market can help PacifiCorp achieve its key business objectives and agree this type of regional coordination certainly strengthens grid reliability,” said ISO’s Berberich. “This is a vital opportunity for us and for the larger western grid as we look for ways to efficiently and more economically dispatch resources, optimize systems and integrate renewable power to the benefit of all customers.”

Participants in the EIM voluntarily take advantage of generation resources across the entire EIM region, with the added benefit of more frequent dispatching in real time to optimize available energy supplies with actual power demand. Without an EIM, only

generation assets within each balancing authority can be used to cover these short-term gaps.

Currently there are nearly 40 balancing authorities in the West. The ISO balancing authority is the largest, managing the flow for more than a third of all the power flowing within the western states. Two-thirds of the country and much of Canada is now managed by similar independent grid operators that all use energy markets to drive reliability and cost efficiencies.

Dramatic increases in the amount of wind and solar power in recent years require grid operators to hold more flexible generation in reserve to account for the variability of renewable resources, which are dependent on weather conditions. This announcement marks a step forward in the West to more ably manage current and future energy challenges.

The agreement between the parties initiates a public input process as well as further analysis and negotiations between PacifiCorp and the ISO before full implementation of the expanded EIM.

The MOU and its implementation does not preclude other similar discussions with industry groups in the West and both parties remain supportive of efforts to broaden participation in this or similar regional energy imbalance markets in the future.

Links to the public [Q&A](#) and [Fast Facts](#)

About PacifiCorp

PacifiCorp is one of the lowest-cost electricity producers in the United States, serving more than 1.7 million customers in the West. PacifiCorp operates as Pacific Power in Oregon, Washington and California, and as Rocky Mountain Power in Utah, Wyoming and Idaho. With a generating capability of almost 10,600 megawatts, PacifiCorp works to meet growing energy demand while protecting and enhancing the environment. Find out more at <http://www.pacificorp.com/about/co.html>.

About California ISO

The California ISO operates the largest wholesale transmission grid in the West, providing open and non-discriminatory access supported by a competitive energy market and comprehensive planning efforts. Partnering with more than 100 client organizations, the nonprofit public benefit corporation is dedicated to a modern and reliable operation of the bulk power grid at the least wholesale cost. Recognizing the importance of global climate change, the ISO is integrating the largest portfolio of green power in the country and is working to advance other clean technologies that will help meet electricity needs while paving the way for a more sustainable energy future. Find out more at www.caiso.com.

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The California ISO provides open and non-discriminatory access to one of the largest power grids in the world. The vast network of high-voltage transmission power lines is supported by a competitive energy market and comprehensive grid planning. Partnering with about a hundred clients, the nonprofit public benefit corporation is dedicated to the continual development and reliable operation of a modern grid that operates for the benefit of consumers. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help meet a sustainable energy future efficiently and cleanly.

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