



SB 350 Study: BENEFITS TO RATEPAYERS

California electricity ratepayers would save from \$1 billion to \$1.5 billion per year by 2030 through participation in a regional market.

The savings would come from:

- Lower costs of California's production, purchase, and sale of wholesale power;
- Lower investment costs for renewable generation;
- Reduced need for energy generation, while meeting the planning reserve requirement;
- Lower annual ISO operating costs;
- Better access to lower-cost energy across a broader regional area with more diverse resources.

A regional grid would mean less fossil fuel use and more efficient power plant dispatch, improved wholesale market conditions for electricity providers, and reduced capital investments for new construction of power plants.

The savings are consistent with those realized from regional markets in other parts of the country and world. The benefits are likely to grow beyond 2030, while helping California and other western states achieve cleaner energy goals.

California Senate Bill 350, passed in 2015, directed the ISO to study the impacts of a regional western US grid. The study, conducted by leading experts, found that a western states energy market will yield significant environmental and economic benefits to California and the West, including cost savings to ratepayers, reduced air pollution, new jobs, market efficiencies and improved transmission planning.

Estimated annual California ratepayer net benefits from an expanded regional ISO-operated market

2030 **\$1,007- \$1,545**
billion/year

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