

WESTERN ENERGY IMBALANCE MARKET



California ISO

News Release

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Western EIM benefits top \$861 million since launching five years ago Quarterly benefits reach \$60.72 million for a total of \$296.91 million in 2019

FOLSOM, Calif. – The Western Energy Imbalance Market’s (EIM) [latest quarterly report](#) demonstrates that regional collaboration creates energy market efficiencies that result in significant economic and environmental benefits for western participants and their customers.

During the fourth quarter of 2019, the EIM, operated by the California Independent System Operator (ISO), marked its five-year anniversary of the start of the West’s real-time energy market with a total of \$861.79 million in gross benefits.

“When we launched the Western EIM, we knew it would be a win for consumers,” said ISO President and CEO Steve Berberich. “These benefits prove that increased coordination creates operational savings and greater integration of variable resources to meet the evolving demands of consumers. The remarkable success of the Western EIM gives me confidence that future market efficiencies will result in additional benefits for participants.”

The Western EIM, which will represent over 77 percent of the load in the Western Electric Coordinating Council (WECC) by 2022, uses advanced technology to find and deliver the lowest-cost energy to consumers throughout the west. The EIM has steadily grown to nine active participants, with two more anticipated to join this year, and nine entities on record to join through 2022.

“The EIM is an important pathway for us to integrate higher levels of renewable resources like solar onto the grid, and the financial savings are meaningful – tens of millions of dollars a year that we pass directly to our customers,” said Brad Albert, Vice President of Resource Management for Arizona Public Service (APS). “Innovation and flexibility in the way we power our customers’ lives with clean, reliable energy are crucial to Arizona’s energy future.”

Beyond the gross benefits, the Western EIM’s environmental impacts are compelling.

Since 2015, the efficient integration of renewable energy resources has resulted in 413,120 metric tons of greenhouse gas emission reductions, or the equivalent of removing over 90,000 passenger cars off the road.

“The EIM has been instrumental in PacifiCorp’s ability to integrate major renewable energy additions while significantly reducing costs for customers,” said Joe Hoerner, PacifiCorp’s senior vice president for regional grid solutions. “This win-win for customers has exceeded even our most optimistic expectations when we partnered with the California ISO to launch the EIM five years ago.”

BANC was the first publicly-owned agency to become an EIM entity in the Western EIM. “Our Phase 1 effort with SMUD saw significant financial, operational and resource value in participating in the EIM due to its broader regional scope and dispatch,” said BANC General Manager Jim Shelter. “As a result BANC has decided to move forward with a Phase 2 to include Modesto Irrigation District, Redding, Roseville and Western Area Power Authority-Sierra Nevada Region.”

The total gross benefits for 2019 are \$296.91 million. Here is the breakdown of the 4th quarter gross benefits:

Arizona Public Service	\$17.37
BANC	\$2.68
California ISO	\$2.36
Idaho Power	\$6.09
NV Energy	\$6.62
PacifiCorp	\$11.32
Portland General Electric	\$10.76
Powerex	\$0.61
Puget Sound Energy	\$2.91
Total	\$60.72

Current Western EIM participants include the ISO and PacifiCorp, NV Energy, Arizona Public Service, Puget Sound Energy, Portland General Electric, Idaho Power, Powerex, and Balancing Authority of Northern California (BANC) Phase 1.

The Western EIM will expand with the participation of Salt River Project, and Seattle City Light in April of 2020; Los Angeles Department of Water and Power, NorthWestern Energy, Turlock Irrigation District, Public Service Company of New Mexico, and BANC Phase 2 in 2021; and Tucson Electric Power, Avista, Tacoma Power, and Bonneville Power Administration in 2022.

Xcel Energy, together with Black Hills Colorado Electric, Colorado Springs Utilities, and Platte River Power Authority, announced in December 2019 their intent to join the Western EIM. The group is working with the ISO to finalize the implementation agreement and determine a potential date to join the market with a target of 2021.

Visit the [Western EIM](#) website for more information on the market, quarterly benefits reports and other information on its governance, upcoming meetings and initiatives.

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