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California ISO Board approves measures to support grid reliability

FOLSOM, Calif. – The California Independent System Operator (ISO) Board of Governors today approved a number of measures to support the ongoing reliability of the electricity grid. Measures approved by the Board include issuing two new reliability must-run designations, modifying some existing must-run contracts, and enhancing the generator interconnection process.

The Board approved a management recommendation to develop and enter into reliability must-run contracts after NRG California South, LP, notified the ISO in February it intended to retire its Ellwood and Ormond Beach generating stations, located near Los Angeles, later this year. As with all plant retirements, the ISO conducted a study to determine the impact on the grid and concluded the retirements would leave the local area deficient in capacity needed to reliably serve load in 2019. The must-run contracts will supply the area with needed electricity.

The Board also voted to adopt a limited, interim modification to the reliability must-run agreements to enable the ISO to terminate current agreements and re-designate the units based on a comprehensive agreement. The new agreement language is under development with stakeholders and would need approval from federal regulators.

The Board also approved seven changes to the generator interconnection process, including requiring resources to provide a copy of their power purchase agreement to demonstrate commercial viability, and raising the interconnection study deposits to \$50,000 from \$10,000.

In other decisions, the Board approved its consent agenda, which included a way to accurately account for greenhouse gas emissions of Western Energy Imbalance Market (EIM) energy transfers into the ISO balancing area.

Learn more about the Western EIM on its dedicated website.

Lastly, as part of its <u>Reliability Coordinator services initiative</u>, the Board approved the rate design, terms, and conditions, which were developed in a robust public stakeholder process.

See the entire Board agenda and related documents for more information.



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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.