

News Release

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Energy Imbalance Market cost benefits surpass \$100 million

Associated reductions in carbon emissions using renewables now total about 144,000 metric tons

FOLSOM, Calif. – The California Independent System Operator (ISO) reported today that benefits of the western Energy Imbalance Market (EIM) for third quarter 2016 were \$26.16 million. This brings the total benefits since the western regional market was launched in 2014 to \$114.35 million.

The favorable results were driven primarily by the impact of the change in seasons on energy supply and demand. A similar trend was noted in the results for Q2 to Q3 in 2015.

During Q3 2016, the western EIM also reduced carbon emissions by 14,164 metric tons. These emission reductions were made possible by using 33,094 megawatt-hours of excess renewable energy instead of using energy generated by fossil fuels.

"The western EIM continues to be a healthy and robust marketplace that is delivering substantial benefits for its participants," said ISO President and CEO Steve Berberich. "Besides enhancing grid reliability, the EIM helps parties in the West to share low cost, renewable energy, which helps reduce carbon emissions and enables the achievement of clean air goals across the region. The benefits will grow as more utilities elect to participate in the EIM."

NV Energy realized a total benefit of \$5.6 million in the third quarter. Benefits to PacifiCorp came in at \$15.12 million, while the ISO realized \$5.44 million. Puget Sound Energy of Washington state and Arizona Public Service entered the EIM in October; their results will be noted in the Q4 2016 report. Meanwhile, Portland General Electric will begin participating in October 2017 followed by Idaho Power in April 2018. Most recently, the Sacramento Municipal Utility District (SMUD) and the El Centro Nacional de Control de Energía (CENACE) have separately announced their intention to enter or explore entering the EIM.

The EIM uses state-of-art technology to automatically optimize the real-time grid and find lower cost energy regardless of its location to serve consumers in California, Arizona, Oregon, Washington, Utah, Idaho, Wyoming and Nevada.

More efficiently using resources from across the West reduces the need to curtail renewables by using excess energy in one region to serve demand in another. Another benefit comes from lessening the amount of energy reserves utilities must carry as they can lean upon resources outside of their service area to serve their load at less cost.

Click <u>here</u> to view the third quarter 2016 EIM benefits assessment report. Here is the <u>news release</u> announcing SMUD's intention. Follow this <u>link</u> to read the CENACE announcement.

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