

News Release

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ISO Summer Assessment predicts adequate energy

Report shows low hydropower; remote chance of tight supplies late in summer

FOLSOM, Calif. – The California Independent System Operator (ISO) anticipates having enough energy to meet demand this summer, according to its annual forecast of summer electricity conditions.

The <u>2020 Summer Loads and Resources Assessment</u> modeled 2,000 unique scenarios to determine the ISO's resource adequacy for system capacity, ancillary services, and flexible capacity on an hourly basis from June 1 to September 30. This year's report does not reflect <u>load impacts</u> due to COVID-19. While the COVID-19 circumstances are putting downward pressure on load levels, there was insufficient data available during the modeling process to produce a viable scenario.

In its assessment, the ISO forecasts that the system has adequate resources to meet energy demand. Under the more extreme scenarios, power supplies may get tighter later in the season when hydroelectric resources dwindle. During that time, the ISO will turn to imports, and a heatwave impacting the larger western states region could diminish the amount of excess electricity for neighboring balancing authorities to sell in the ISO market, especially in the evenings when solar production ends and demand peaks.

California's snowpack peaked on April 7 at 63 percent of average, with the state's major reservoir storage levels at 101 percent of average. Northwest hydroelectric conditions are at 95 percent of normal.

Overall, the report shows system capacity levels of 48,012 megawatts (MW) in June, declining to 44,543 MW by September. These figures include the addition of 3,423 MW of newly installed capacity, and the retirement of 1,991 MW of generation capacity. While this represents a net increase of 1,432 MW. The effective capability of the new resources over the retired to serve load during ISO periods of peak demand is a slight increase of 38 MW for the month of September. The report also shows the peak demand this summer at 45,907 MW which is relatively unchanged from last year's weather normalized peak demand of 45,826 MW.

The report finds there is a low probability the ISO will need to initiate rotating power outages. If one does nonetheless occur, the ISO will activate demand response



programs to help maintain system reliability. The ISO estimates demand response participation could provide reduction of up to 1,339 MW.

The ISO can also issue a Flex Alert urging consumers to conserve energy by raising air conditioner thermostats, postponing the use of large appliances until after 9 p.m., and turning off unnecessary lights to help maintain system reliability. In 2019, the ISO issued one Flex Alert, on June 11.

Visit <u>Today's Outlook</u> to stay up-to-date on grid conditions and sign up on the ISO's subscription page to receive Flex Alert notifications.

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