

News Release

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BANC agrees to join ISO's Western Energy Imbalance Market

Folsom, Calif. – The California Independent System Operator (ISO) and the Balancing Authority of Northern California (BANC), acting on behalf of its member Sacramento Municipal Utility District (SMUD), signed an agreement today to participate in the ISO's western Energy Imbalance Market (EIM) beginning in April 2019.

"We are pleased to have a BANC member join the successful energy imbalance market," said Steve Berberich, ISO President and CEO. "SMUD is one of the premiere community-owned utilities in the country that will benefit from access to low cost resources from the entire EIM footprint."

BANC, a joint powers agency whose members include the Modesto Irrigation District, the City of Redding, the City of Roseville, SMUD, the City of Shasta Lake and Trinity Public Utilities District, announced last October it would begin negotiations on behalf of its members to develop the EIM implementation agreement with the ISO.

"We believe the implementation agreement and our partnership with ISO recognizes the unique situation of our public power members," BANC General Manager Jim Shetler said. "We are pleased to begin the work that will enable our members to participate in the EIM if they choose to do so."

SMUD, the nation's sixth largest municipal utility, will be the first BANC member to join the only real-time market in the West.

"We have coordinated with the ISO for many years and have a solid understanding of how the real-time market works, which will help smooth the technical work needed to align our grid systems," said Arlen Orchard, SMUD CEO and General Manager. "We look forward to realizing the benefits our EIM participation will generate for our customers as well as having another tool to help achieve California's energy and environmental goals."

The EIM enables participating utilities to balance supply and demand within their respective service areas in real-time by scheduling power deliveries every 15 minutes with five-minute power plant dispatching. Utilities across a larger geographic area can exchange resources more effectively while significantly lowering the cost of delivering power to consumers.

These efficiencies have led to savings totaling nearly \$142 million since the market was launched in November 2014 through the end of 2016.

Currently, utilities participating in the EIM include Oregon-based PacifiCorp, NV Energy of Las Vegas, NV, Puget Sound Energy of Washington state and Arizona Public Service of Phoenix, Ariz. Other utilities that have formally agreed to join the EIM include Portland General Electric on Oct. 1, 2017, Idaho Power on April 1, 2018 and Seattle City Light on April 1, 2019. The western EIM serves utility consumers in Arizona, California, Idaho, Nevada, Oregon, Utah, Washington, and Wyoming.

Mexican grid operator El Centro Nacional de Control de Energía (CENACE) Baja Norte and the Los Angeles Department of Water and Power have announced their interest and are exploring participation in the market.

Click [here](#) to view the implementation agreement with BANC/SMUD, which will be filed by the ISO with the Federal Energy Regulatory Commission.

For more information on the EIM, visit the ISO webpage [here](#).

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