



## News Release

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### **California ISO files waiver with FERC to align market prices with system conditions as new market transitions into full production** Filing requests 90-day waiver of constraint parameter prices

FOLSOM, Calif. – The California Independent System Operator Corporation (ISO) today filed a request with the Federal Energy Regulatory Commission (FERC) seeking a 90-day waiver of tariff provisions to ensure market prices more accurately reflect system conditions in the Energy Imbalance Market (EIM).

The ISO and its partner, Portland-based PacifiCorp, fully launched the EIM on November 1. Since then, system operators have made a number of strategic adjustments and data corrections to improve the automated market in dispatching the lowest cost energy resource to serve demand in real-time across six western states. While the market software is working well and as designed, a series of conditions that reduce the amount of flexibility and information available to the EIM systems is causing the market to appear more constrained than actual conditions warrant and triggering unrepresentative high prices. The waiver seeks to use an economic pricing mechanism that governs ISO operations in unconstrained conditions, and requests that it be made effective immediately.

“We continue to see improvements and optimization of energy resources in the operation of Energy Imbalance Market,” said Mark Rothleder, ISO’s Vice President of Market Quality & Renewable Integration. “The issues we are experiencing are not atypical in expanding a real-time energy market to other balancing authorities. We are confident we will resolve these issues to make way for considerable savings for customers.”

“We continue to be pleased at the overall functioning of the EIM,” said Natalie Hocken, PacifiCorp’s senior vice president for transmission and system operations. “Effectively linking the two largest grids in the West is a big undertaking, and we will continue to fine tune and adjust to operating in a brand new market during these early weeks.”

To unlock the advantages of regional collaboration, the ISO and PacifiCorp [formed a partnership](#) in February 2013 to develop a real-time market across California, Oregon, Washington, Utah, Idaho and Wyoming. Using the ISO’s proven state-of-the-art technology and market platform, the market optimizes real-time energy dispatch across the area by automatically balancing supply with demand every five minutes with the lowest cost energy available.

This also optimizes the integration of renewable resources, such as wind and solar power, to serve demand more efficiently. In addition, regional diversity will provide benefits by allowing the movement of wind or solar power to best serve demand in each participating area and improving overall integration of clean energy resources.

Cost savings for consumers of EIM market participants are estimated between \$21 million to \$129

million annually. Savings are expected to increase as additional balancing authorities participate.

To read the filing, click [here](#).

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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.