

News Release

For immediate release | **November 19, 2020**

Media Email | ISOMedia@caiso.com

For more information, contact

Vonette Fontaine | vfontaine@caiso.com

Anne Gonzales | agonzales@caiso.com

The ISO adopts new policies to accommodate battery storage resources to improve reliability for fall 2021

FOLSOM, Calif. – The California Independent System Operator (ISO) Board of Governors yesterday adopted market tools that will help integrate new battery storage resources, and improve overall reliability for next fall.

The board's approval of [Hybrid Resources Phase 2](#) was expedited to accommodate more than 1,500 megawatts (MW) of storage capacity expected to connect to the grid by the end of next year. The storage capacity is part of California's procurement goal of 3,300 MW of battery resources by 2023 to help replace retiring fossil fuel generation.

Battery storage is a rapidly growing sector that allows for electricity generated during the day to be stored for use in the evening when solar generation declines. In preparation for the infusion of storage technologies, the ISO for years has been developing market tools that enhance grid connectivity for storage resources, and is now facilitating situations where storage resources are being added to existing solar and wind generation facilities.

The proposal adopted yesterday by the board:

- allows hybrid storage resources to provide energy and ancillary services to help maintain the reliability of the transmission system. Additionally, the hybrid resource owners will use a newly developed tool that gives grid operators visibility into the amount of energy these hybrid energy resources can provide in real-time.
- expands the functionality of co-located batteries by allowing such storage resources to provide grid reliability services.
- requires both hybrid and co-located storage resources to provide the battery's maximum output data to help with forecasting, and improve operators' visibility into the resource during the day.

The Federal Energy Regulatory Commission (FERC) today adopted the [Hybrid Resources Phase 1 tariff](#). The Board of Governors approved the first phase of the [Hybrid Resources proposal](#) at its July 27 meeting. Implementation of Phase 1 is scheduled for fall 2020.

The Board also approved:

- The [pseudo ties of shared resources proposal](#), which establishes an equitable and enforceable cost allocation for shared resources between an entity in the ISO Balancing Authority Area and an entity in an Energy Imbalance Market Balancing Authority Area.
- The [variable operations and maintenance cost review](#) proposal to provide a more accurate accounting of costs in the ISO markets.

For more information on grid conditions, visit the California ISO website at www.aiso.com.

###

California ISO Media Email | ISOMedia@caiso.com

250 Outcropping Way | Folsom, California 95630 | www.aiso.com



The California Independent System Operator (ISO) is a nonprofit public benefit corporation dedicated, with its partners, to continuous improvement and secure operation of a reliable grid operated for the benefit of consumers. It provides comprehensive grid planning, open and nondiscriminatory access to one of the largest networks of high-voltage transmission power lines in the world, and operates a \$9 billion competitive electricity market. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help provide a sustainable energy future efficiently and cleanly.

The Western Energy Imbalance Market (EIM) Governing Body is the governing authority designed by regional stakeholders with delegated authority from the ISO Board of Governors to resolve rules specific to participation in the Western EIM.