WESTERN ENERGY IMBALANCE MARKET



News Release

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ISO welcomes NorthWestern Energy to the Western EIM

FOLSOM, Calif. – The California Independent System Operator (ISO) welcomes today's announcement by <u>NorthWestern Energy</u> of their intent to participate in the ISO's Western Energy Imbalance Market (EIM).

The utility serves over 718,000 customers in Montana, South Dakota and Nebraska with electricity and natural gas. With roots going back more than 100 years, the utility based in Butte, Montana, today operates with 28,055 miles of transmission and distribution lines and counts 11 hydroelectric dams and two wind farms among its resource portfolio. NorthWestern will begin participating in April 2021.

"We welcome NorthWestern participating in our market and hope they will see the same benefits as the other participants," said Steve Berberich, ISO president and CEO. "For current participants, the real-time market has generated just over a half billion dollars in benefits since its inception. NorthWestern's participation will only add to the market's efficiency and resource diversity."

The Western EIM is a real time, wholesale power market managed by the ISO that enables participants to buy low-cost energy available anywhere across the eight western states of Arizona, California, Idaho, Oregon, Nevada, Utah, Washington, and Wyoming. The efficiencies created by pooling resources across a wide geographic area provide cost and environmental benefits. Experience from the past four years demonstrates the value of accessing low-cost renewable energy across state lines in real-time that can offset power generated from local fossil-fueled plants.

The cost and environmental benefits produced by the Western EIM to date have been significant. Since it began operation in November 2014, the western EIM has produced \$502.31 million in benefits. It also has reduced the collective need for real-time flexible reserves, as well as carbon emissions by more than 314,258 metric tons by using excess renewable energy in place of fossil-fueled generation resources.

Current EIM participants include Portland-based PacifiCorp (2014), NV Energy of Las Vegas (2015), Arizona Public Service (2016), and Puget Sound Energy of Washington (2016).

Portland General Electric joined in 2017 while Idaho Power and Canada's Powerex followed in April 2018.

Four more entities will join over the next few years, including the Balancing Authority of Northern California/Sacramento Municipal Utility District in April 2019, while the Los Angeles Department of Water and Power, Salt River Project, and Seattle City Light will follow in April 2020. In addition, the Public Service Company of New Mexico (PNM) is seeking regulatory approval to participate in the EIM.

For more information on the Western EIM, visit the overview webpage.

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