

News Release

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ISO Board approves enhancements to support storage, DR Also approved system upgrade for improved renewable energy management

FOLSOM, Calif. – With a continued goal to operate a cleaner energy grid, the California Independent System Operator Corp. (ISO) Board of Governors today approved several proposals that support improved integration of storage and demand response resources in the wholesale electricity market.

The Board also approved replacing aging technologies to improve the ability for renewable energy resources to respond quickly to periods of steep increases in demand.

“The proposals continue our ongoing efforts in creating a flexible grid that will serve us well into the 21st century,” said Steve Berberich, ISO President and CEO. “Infusing our market design with more flexibility means more efficient grid operations that help keep costs low, meet state and federal environmental goals, and strengthen grid reliability to meet the needs of sophisticated energy consumers across the West.”

The approved proposals include market design enhancements that provide more flexible rules to consider the special operating characteristics of a particular resource. These considerations allow storage and demand response resources to more easily participate in the wholesale market, helping to lower carbon emissions and increase grid reliability.

The Board also approved a proposal to create a new energy product to meet ramping needs. Ramping — or steep increases in demand over a short period of time — often involves thousands of megawatts in which many power plants must be ready to provide energy when called upon. The flexible ramping product will compensate generation resources that have the technology capabilities to respond quickly to real-time conditions. This capability supports renewable resource integration and environmental goals across the West more efficiently and economically.

The Board agreed with a staff proposal to undertake a capital improvement project to design and implement a new energy management system as well as replace aging technology infrastructure. The \$13.5 million project will not require any debt financing and will be funded from capital reserves on-hand. The energy management system is highly sophisticated software and hardware technology that supports critical grid operations. A new system will better monitor and control the integration of renewable resources, energy storage devices and demand response aggregations, improve grid reliability, and better support an expanded regional market.

The Board decisions will be filed at the Federal Energy Regulatory Commission for its review.

Find more about these decisions and the entire Board agenda by clicking [here](#).

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