

Integrating battery energy storage in electric markets and operations

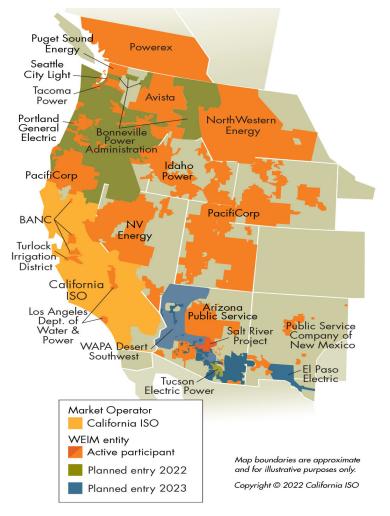
Eric Hildebrandt, Ph.D.

Executive Director, Department of Market Monitoring California Independent System Operator

2023 ELECTRICITY MARKET EXCHANGES (EMX) Generator Recent Enhancements and Future Innovations June 20-21, 2023

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CAISO has achieved regional integration through the realtime Western Energy Imbalance Market (WEIM)

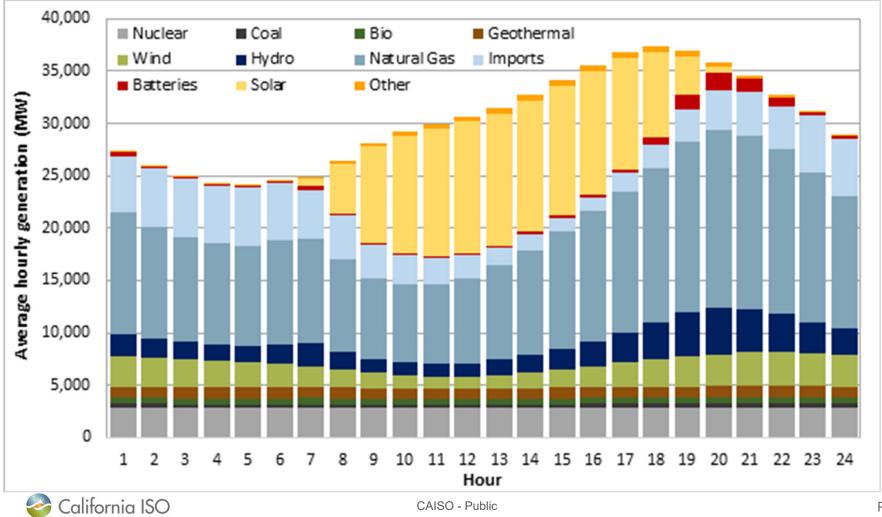


	Peak load		Load during WEIM system peak (06-Sep-22)	
BAA	Date	Load (MW)	Load (MW)	Percentage
CISO	6-Sep-22	49,312	49,269	37.9%
PACE	6-Sep-22	9,408	9,408	7.2%
NEVP	12-Jul-22	8,867	8,682	6.7%
ВСНА	19-Dec-22	11,899	7,800	6.0%
BPAT	22-Dec-22	10,941	7,305	5.6%
SRP	11-Jul-22	7,512	6,850	5.3%
AZPS	11-Jul-22	7,373	6,720	5.2%
LADWP	6-Sep-22	6,041	5,941	4.6%
BANC	6-Sep-22	4,744	4,710	3.6%
PGE	2-Jun-22	4,354	3,481	2.7%
IPCO	3-Aug-22	3,793	3,413	2.6%
PACW	23-Feb-22	3,976	3,234	2.5%
PSEI	22-Dec-22	5,017	2,950	2.3%
TEPC	11-Jul-22	2,890	2,462	1.9%
PNM	19-Jul-22	2,617	2,163	1.7%
NWMT	22-Dec-22	2,016	1,586	1.2%
AVA	22-Dec-22	2,206	1,562	1.2%
SCL	22-Dec-22	1,863	1,109	0.9%
TIDC	6-Sep-22	728	722	0.6%
TPWR	24-Mar-22	1,310	505	0.4%
Total			129,872	



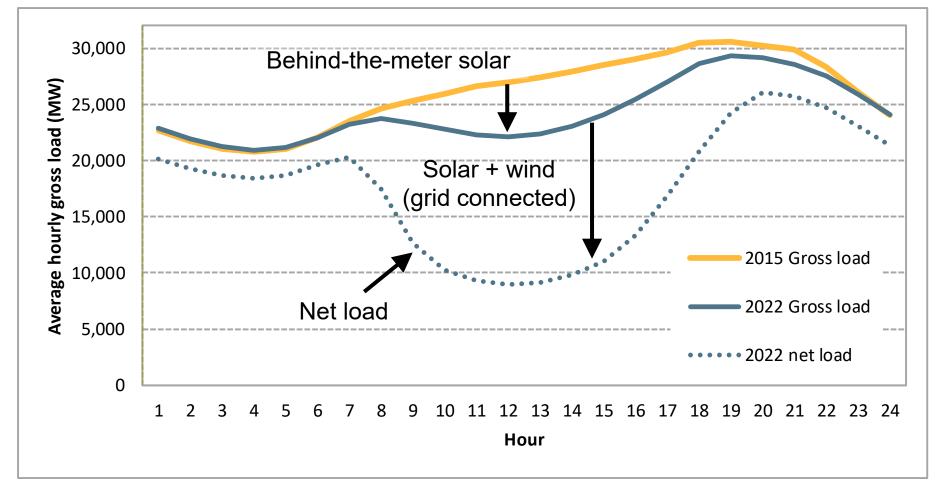
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CAISO fuel mix comprised of about 30% solar and wind in 2022 (excluding "behind-the-meter" solar)



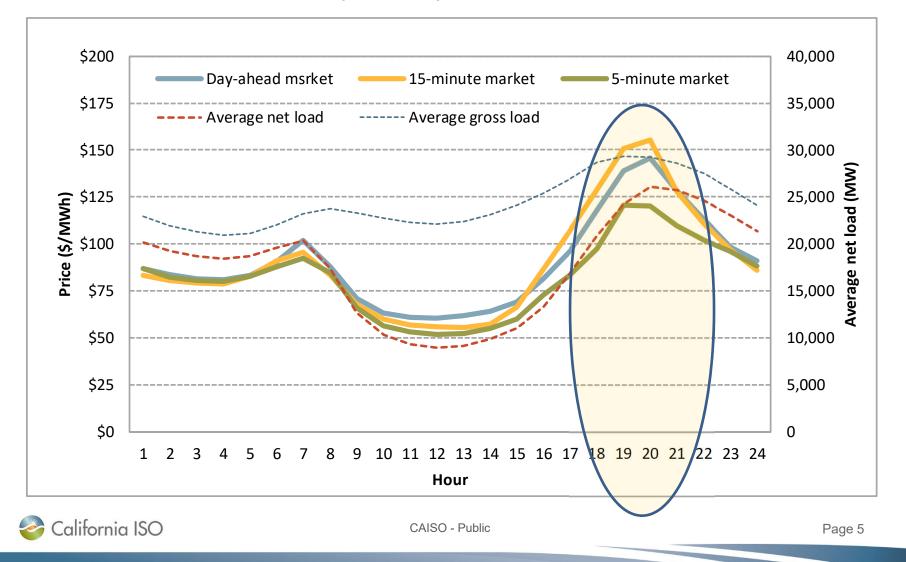
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CAISO operation and market now focused on "net load" (system load minus solar+wind output)

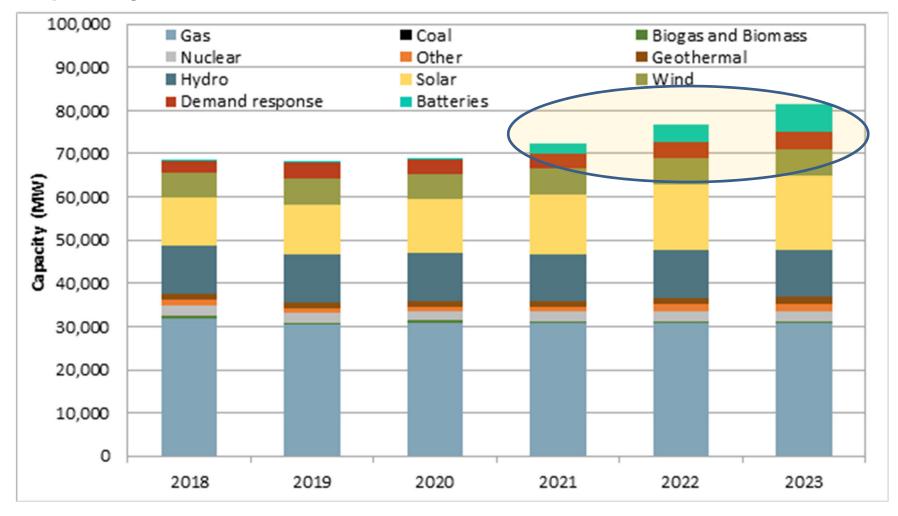




Prices in CAISO markets are now highest during the peak net load hours (18-22) when solar drops.



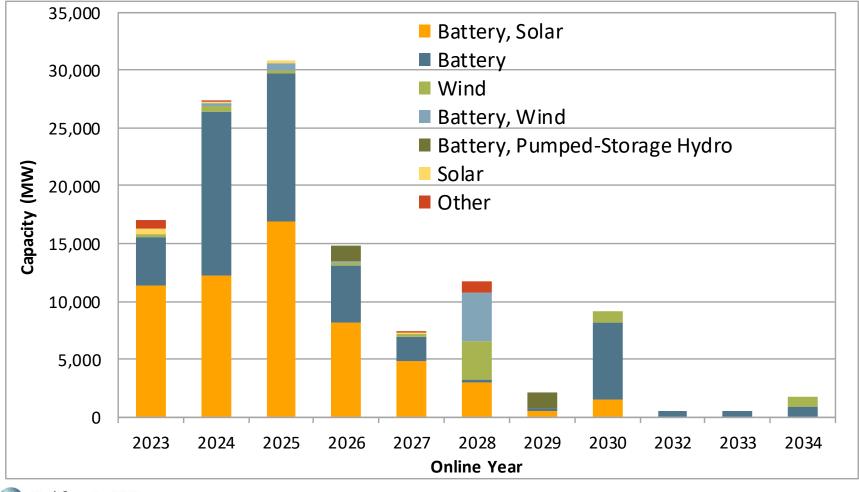
Battery storage has been the main source of new capacity since 2021





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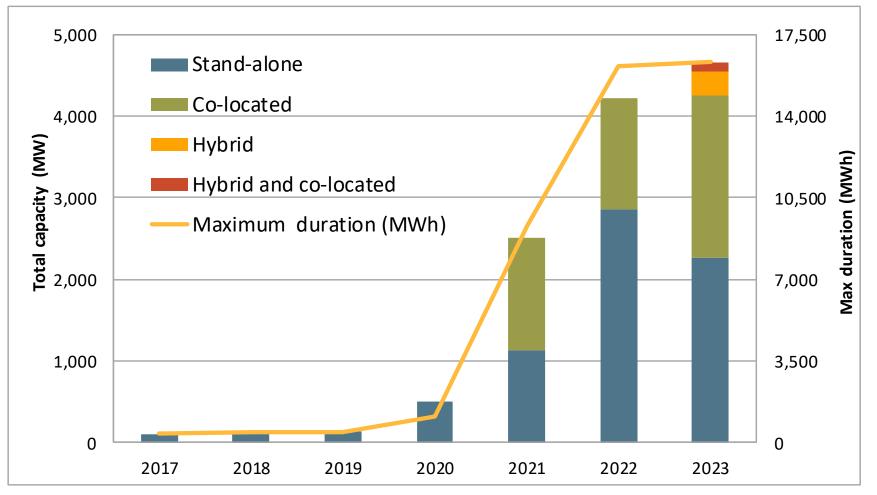
Battery storage and combined solar/battery facilities will continue to be the main source of new capacity





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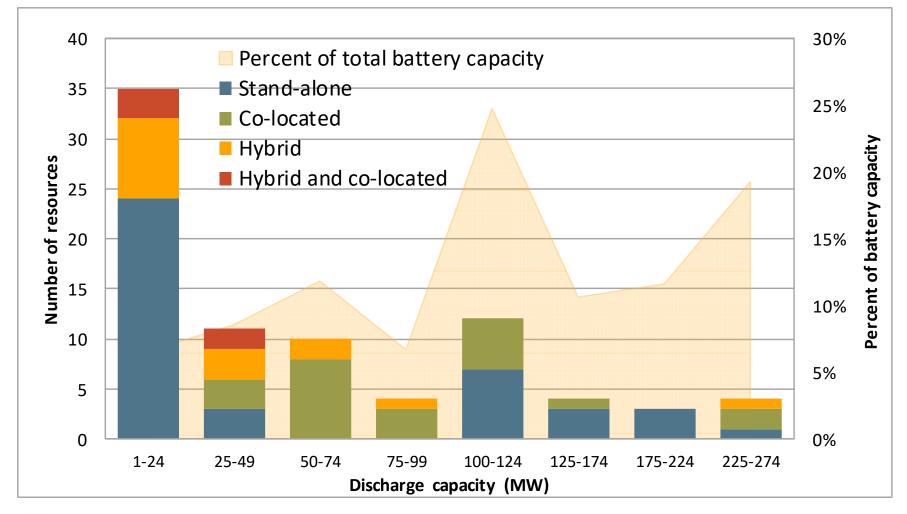
Most batteries being designed so that they can discharge at maximum capacity for 4 hours.





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Size of batteries ranges widely – from large batteries on power plant sites to small batteries located near solar farms.





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Batteries are modeled and dispatched using a variety of unit characteristics and bids submitted by operators.

- Separate energy bids to <u>charge</u> and <u>discharge</u>
 - Bid prices from 0 MW to maximum charging capacity to <u>charge</u>
 - Bid prices from 0 MW to maximum discharge capacity to <u>discharge</u>
- Batteries also submit <u>ramp rate curves</u>.
- Battery operators may also submit <u>state-of-charge constraints</u> to manage how batteries are dispatched in the market:
 - Initial state-of charge for the day-ahead market (Hour 1)
 - Minimum and maximum state-of-charge limits
 - Real-time end-of-hour state-of-charge range
- Batteries may also bid to provide ancillary services.
 - ISO market software includes constraints that manage state-of-charge to ensure deliverability of ancillary service schedules.



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