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Contact: [ISOMedia@caiso.com](mailto:ISOMedia@caiso.com)

## Western Energy Imbalance Market surpasses \$2 billion in benefits

Results provide further evidence of the value of Western market expansion

FOLSOM, Calif. – The Western Energy Imbalance Market (WEIM) has reached a new historic milestone, reporting more than \$2 billion in cumulative benefits for entities participating in the rapidly growing real-time energy market.

During the [first-quarter](#) of 2022, the WEIM achieved \$172.3 million in benefits, making it one of the highest quarterly benefits reports since the market began in 2014. Operated by the California Independent System Operator (ISO), WEIM's cumulative benefits hit \$2.1 billion as of February 2022.

“This remarkable milestone is further evidence of the value of West-wide market coordination,” said Elliot Mainzer, the California ISO's president and CEO. “We are very appreciative of the partnerships established through the WEIM and look forward to working together to bring even greater value to the people we serve.”

The WEIM is designed to enable participants to buy and sell power close to the time electricity is consumed. With state-of-the-art technology, the market finds and delivers lowest-cost resources to meet immediate power needs and manages congestion on transmission lines to maintain grid reliability. The WEIM also provides system operators real-time visibility across neighboring grids, resulting in a more efficient balancing of supply and demand.

“Our collaborative efforts in the West demonstrate the enormous economic and environmental value that can be gained from the integration of Western electricity markets,” Ash Bhagwat, chair of the ISO Board of Governors, said. “We look forward to even greater gains through the diversification of resources and operational efficiencies that can be attained as we work to expand market opportunities in the West.”

The WEIM topped the \$2 billion mark for savings only 20 months after reaching \$1 billion, a reflection of the market's rapid growth. In just the past two years, the WEIM has added six members, with another four entities joining under the Balancing Authority Area of Northern California (BANC). The significant growth in participants has further diversified energy resources while improving transmission efficiencies and reducing greenhouse gas emissions.

“The Western Energy Imbalance Market has certainly exceeded expectations on all fronts in creating benefits for participating utilities outside and within California,” Anita Decker, chair of the WEIM Governing Body, said. “We now have an opportunity to capture even greater reliability and economic benefits for Western electricity consumers through an Extended Day-Ahead Market.”

By 2023, the WEIM will have 22 participants serving nearly 80% of the electricity demand in the Western United States.

The environmental benefits of the market have also been noteworthy. With more variable resources such as solar and wind on the grid, excess clean power would typically tend to be curtailed and go unused to keep the grid from becoming overloaded.

With greater regional coordination enabled by the WEIM, that clean power can be moved across a large geographic area to displace other resources. Since 2014, greenhouse gas emissions have been reduced by more than 700,000 metric tons, or the equivalent of taking almost 150,000 passenger cars off the road for one year.

Additionally, grid operators have more resource options for balancing supply and demand, which is particularly helpful during summer evenings when electricity use remains high but solar generation is declining.

During the first quarter of 2022, the economic benefits by participant includes:

	<i>(millions \$)</i>
Arizona Public Service	\$ 7.41
Avista	\$ 1.95
BANC	\$18.58
California ISO	\$63.56
Idaho Power	\$ 6.29
LADWP	\$10.35
NV Energy	\$ 4.41
NorthWestern Energy	\$ 5.53
PacifiCorp	\$26.40
Portland General Electric	\$ 8.59
PNM	\$ 3.31
Puget Sound Energy	\$ 3.85
Powerex	\$ 1.54
Seattle City Light	\$ 3.60
Salt River Project	\$ 5.50
Tacoma Power	\$ 0.15
TID	\$ 1.29
<b>Total</b>	<b>\$172.31</b>

Building on the success of the WEIM, the ISO is collaborating with utilities, independent power producers, regulators, environmental advocates and other partners to develop an Extended Day-Ahead Market (EDAM). The day-ahead timeframe is where the majority of energy transactions occur. By optimizing diverse generation resources and transmission connectivity on a day-ahead basis across the WEIM's wide geographic footprint, market participants and consumers could realize even greater reliability, economic and environmental benefits.

Following three months of intensive stakeholder meetings on a variety of key market issues, the ISO plans to release an [EDAM straw proposal on April 28](#). The straw proposal will describe key design elements of the day-ahead market as well as areas requiring additional work and stakeholder input. The ISO will be taking comments on the market design through early June and will continue working actively with stakeholders across the West to finalize the design this year. Current plans call for implementation testing in 2023 and onboarding the first set of EDAM participants in early 2024.

See "[What others are saying](#)" about the [WEIM milestone](#). For information about the real-time energy market's participants, quarterly benefits, governance, initiatives and upcoming meetings, [visit the WEIM website](#).

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California ISO | 250 Outcropping Way | Folsom, CA 95630 | [www.caiso.com](http://www.caiso.com)



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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 (WEIM) is a real-time wholesale energy trading market that enables participants anywhere in the West to buy and sell energy when needed. The WEIM Governing Body is the governing authority designed by regional stakeholders and has shared authority with the ISO Board of Governors to resolve rules specific to participation in the WEIM.