

# WESTERN ENERGY IMBALANCE MARKET



California ISO

## News Release

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### **ISO announces the Western EIM surpassed \$1 billion in benefits** Q2 report and July analysis shows the real-time market reached milestone

FOLSOM, Calif. – The Western Energy Imbalance Market (EIM), operated by the California Independent System Operator (ISO), surpassed \$1 billion in economic benefits, marking a significant milestone for the real-time energy market launched in 2014.

The Western EIM reached the historic level in early July after a [second-quarter report](#) showed the market's total gross benefits topped \$998 million. With benefits averaging \$1 million daily, the total figure was boosted to more than \$1 billion on July 3, 2020.

ISO President and CEO Steve Berberich, who's retiring from the ISO later this summer, envisioned the western real-time market to optimize resources and integrate high amounts of renewable energy while improving the reliable operation of the grid.

"This milestone demonstrates the Western EIM is providing significant operational efficiencies and greater integration of variable resources for its participants," said Berberich. "As many entities strive to meet the demands of the quickly evolving grid, the Western EIM will continue to be an important market for supporting a cleaner, greener system in the West."

"This benefits milestone shines a spotlight on the value of regional collaboration," said ISO Board of Governors Chair David Olsen. "The ISO will build on this momentum, together with its Western EIM partners, to develop even more efficient ways to share resources and improve reliability west-wide, in order to further reduce costs and emissions for all."

John Prescott, Chair of Western EIM's Governing Body, said that as the Western EIM continues to grow, so too will the benefits.

"The Western Energy Imbalance Market is helping utilities and participants across the West use their energy resources much more efficiently, while reducing costs to their consumers," Chair Prescott said. "With the EIM slated to see record growth by adding

10 balancing authorities over the next two years, the Governing Body looks forward to seeing the valuable regional coordination grow tremendously.”

With increasing levels of variable resources on the grid, such as solar and wind, there are times when output from these resources exceed demand for electricity. To balance the grid, those resources are often curtailed. Through the Western EIM and regional collaboration, clean energy resources are transferred across a large geographic area to serve demand where needed, leading to a reduction in curtailments for the second quarter of the year by 147,514 megawatt hours (MWh), and 1.24 million MWh overall since 2015.

With the increased generation of carbon-free energy, the cumulative CO<sub>2</sub> emissions have been reduced by 533,381 metric tons, or the equivalent of taking 112,141 passenger cars off the road. Additionally, operators are seeing qualitative benefits from the increased visibility and resource options available, especially during times such as the evening ramp or the variable nature of storm cloud cover.

During the second quarter of 2020, the economic benefits by participant includes:

	<i>(millions \$)</i>
Arizona Public Service	\$6.40
BANC	\$9.17
California ISO	\$21.25
Idaho Power	\$6.08
NV Energy	\$4.73
PacifiCorp	\$8.46
Portland General Electric	\$9.15
Powerex	\$1.15
Puget Sound Energy	\$2.84
Seattle City Light	\$1.63
Salt River Project	\$8.14
<b>Total</b>	<b>\$79.0</b>

The Western EIM will experience another large expansion period with the entry of 10 new balancing authorities by 2022. Once these new participants are operational, the Western EIM will serve 82 percent of the Western Electricity Coordinating Council’s (WECC) total load.

To see what others are saying about the Western EIM milestone, [click here](#). To learn more about the market, quarterly benefits reports, participants, initiatives, and upcoming meetings, visit the [Western EIM](#) website.

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