



BALANCING AUTHORITY OF NORTHERN CALIFORNIA

News Release

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Four more Balancing Authority of Northern California members join California ISO's Western Energy Imbalance market

Improving reliability and cost for customers

Today, the Balancing Authority of Northern California (BANC) and Western Area Power Administration (WAPA) announced that WAPA's Sierra Nevada region (SN), along with BANC members from the City of Redding, the City of Roseville and Modesto Irrigation District, began participating in the California Independent System Operator's Western Energy Imbalance Market (EIM).

This transition occurred a week earlier than the originally scheduled cut-over date of April 1 announced in September 2019.

The Western EIM is the west's first real-time energy market. It enables participating utilities to find the lowest cost energy to balance real-time supply and demand by scheduling power deliveries every 15 minutes with five-minute power plant dispatching. Utilities across a larger geographic area can exchange resources more effectively while significantly lowering the cost of delivering power to consumers.

BANC is a joint powers authority whose members, in addition to the utilities aforementioned, include SMUD, the City of Shasta Lake and Trinity Public Utilities District. SMUD, the nation's sixth largest municipal utility, became the first BANC member to join the WEIM April 3, 2019.

"We're excited that our leadership in the Western EIM demonstrated enough success for our partners to join and expand participation," said BANC General Manager Jim Shetler. "This means greater reliability, lower costs and improved renewable generation for our customers."

This move affects only WAPA's SN region in northern California and Nevada, which operates a sub-balancing authority within BANC. WAPA is a power marketing administration within the Department of Energy responsible for selling and delivering federal hydropower across high-voltage transmission lines to customers in 15 Midwest and Western states. It is organized in five regions and a management center.

"The Western EIM will help SN better manage real-time supply and demand on a more frequent basis, harness market efficiencies, improve cost-effectiveness and mitigate the

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loss of bilateral trading partners in real-time energy transactions," said WAPA Interim Administrator and CEO Tracey LeBeau. "Having a sub-BA put us in a unique position to join the Western EIM; our status required innovative coordination and solutions for market economics, generator dispatch and grid reliability. We greatly appreciate the efforts of BANC and CAISO, as well as ongoing engagement from our customers, to help accommodate these novel challenges and ensure our transition was a success."

Turlock Irrigation District also began participating in the Western EIM today. Visit the Western EIM's website for more information.

About BANC

BANC is the third largest balancing authority in California and the 16th largest within the Western Electricity Coordinating Council. BANC is a joint powers agency whose members include the Modesto Irrigation District, Redding Electric Utility, Roseville Electric, Sacramento Municipal Utility District, the City of Shasta Lake, and the Trinity Public Utilities District. BANC began operations in May 2011. BANC's footprint currently extends from the Oregon border to Modesto and from Sacramento to the Sierra and includes the Western Area Power Administration's transmission grid and the U.S. Bureau of Reclamations' generation resources in California. BANC includes the California-Oregon Transmission Project (COTP), as well as the systems of its members. For more information, visit thebanc.org.

About WAPA

Western Area Power Administration annually markets and transmits more than 25,000 gigawatt-hours of clean, renewable power from 57 federal hydroelectric powerplants owned and operated by the Bureau of Reclamation, Army Corps of Engineers and International Boundary and Water Commission in 15 western and central states. It is part of the Department of Energy. Follow us on Twitter: @WesternAreaPowr or visit the website at wapa.gov.