SB 350 and Regional Integration

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The California ISO is one of nine independent system operators in North America.

Two-thirds of the United States is served by these independent grid operators.
California ISO by the numbers

- **65,300 MW** of power plant capacity (net dependable capacity)
- **50,270 MW** record peak demand (July 24, 2006)
- **27,500** market transactions per day
- **26,000** circuit-miles of transmission lines
- **30 million** people served
- **235 million** megawatt-hours of electricity delivered annually
What does the ISO do?

**Reliability**
- System operations
- Outage Coordination
- Emergency Response

**Markets**
- Utilize advanced technologies
- Optimized energy dispatch for California and participating states in the West
- Scheduling energy with neighboring balancing authorities
- Procurement of operating reserves

**System Planning**
- Transmission planning
- Interconnection studies and process
- Renewable integration studies
The western grid

• The ISO is the largest of about 38 balancing authorities in the Western Interconnection, handling an estimated 35 percent of the electric load in the West.

• A balancing authority is responsible for operating a transmission control area.

• It matches generation with load and maintains electric frequency of the grid.
A regional ISO has significant potential benefits

- Economies of scale could reduce
  - Green house gas emissions
  - Energy costs
  - Fuel procurement costs
  - Oversupply of renewable energy
  - Peak capacity needs
- Enhanced reliability
- Improve market pricing transparency and liquidity
SB 350: Clean Energy and Pollution Reduction Act of 2015

- By 2030, double energy efficiency for electricity and natural gas by retail customers
- 50% Renewable Portfolio Standard (RPS) by 2030
- Process for the ISO to transform into a regional organization
SB 350 requires the ISO to conduct studies of the impacts of a regional market

Studies will determine the overall benefits to ratepayers including:

- The creation and retention of jobs and other benefits to the California economy
- Environmental impacts in California and elsewhere
- Impacts in disadvantaged communities
- Emissions of greenhouse gases and other air pollutants
- Reliability and integration of renewable energy resources.
## Study plan includes regular public outreach

<table>
<thead>
<tr>
<th>Activity</th>
<th>Schedule</th>
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<tbody>
<tr>
<td>Governor signs SB 350</td>
<td>October 7, 2015</td>
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<tr>
<td>ISO assembles team</td>
<td>October 2015</td>
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<tr>
<td>Develop study assumptions and methodologies</td>
<td>November 2015 – December 2015</td>
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<tr>
<td>Seek input on study methodologies and share preliminary results</td>
<td>January - February 2016</td>
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<tr>
<td>Conduct stakeholder outreach and studies</td>
<td>January - March 2016</td>
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<tr>
<td>Studies and governance proposal presented at CPUC hosted public workshop with multi-agency participation (CARB, CEC, CAISO)</td>
<td>April 1, 2016 – June 1, 2016</td>
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<tr>
<td>Studies and governance proposal presented to Governor’s office</td>
<td>July 2016</td>
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