



California ISO

WESTERN ENERGY MARKETS

Market Performance Update

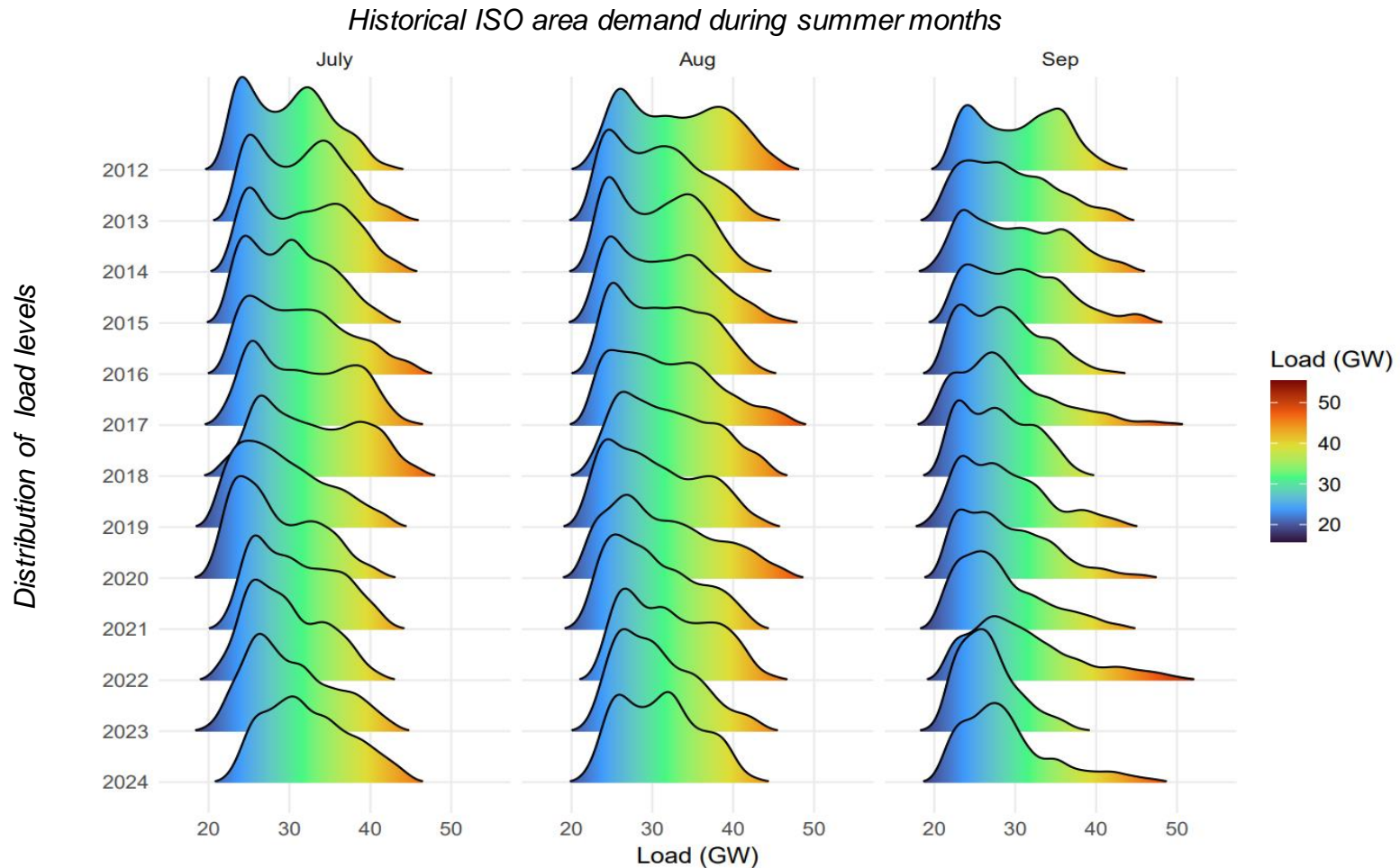
Guillermo Bautista Alderete

Director, Market Performance and Advanced Analytics

Joint ISO Board of Governors and WEM Governing Body meeting
General Session

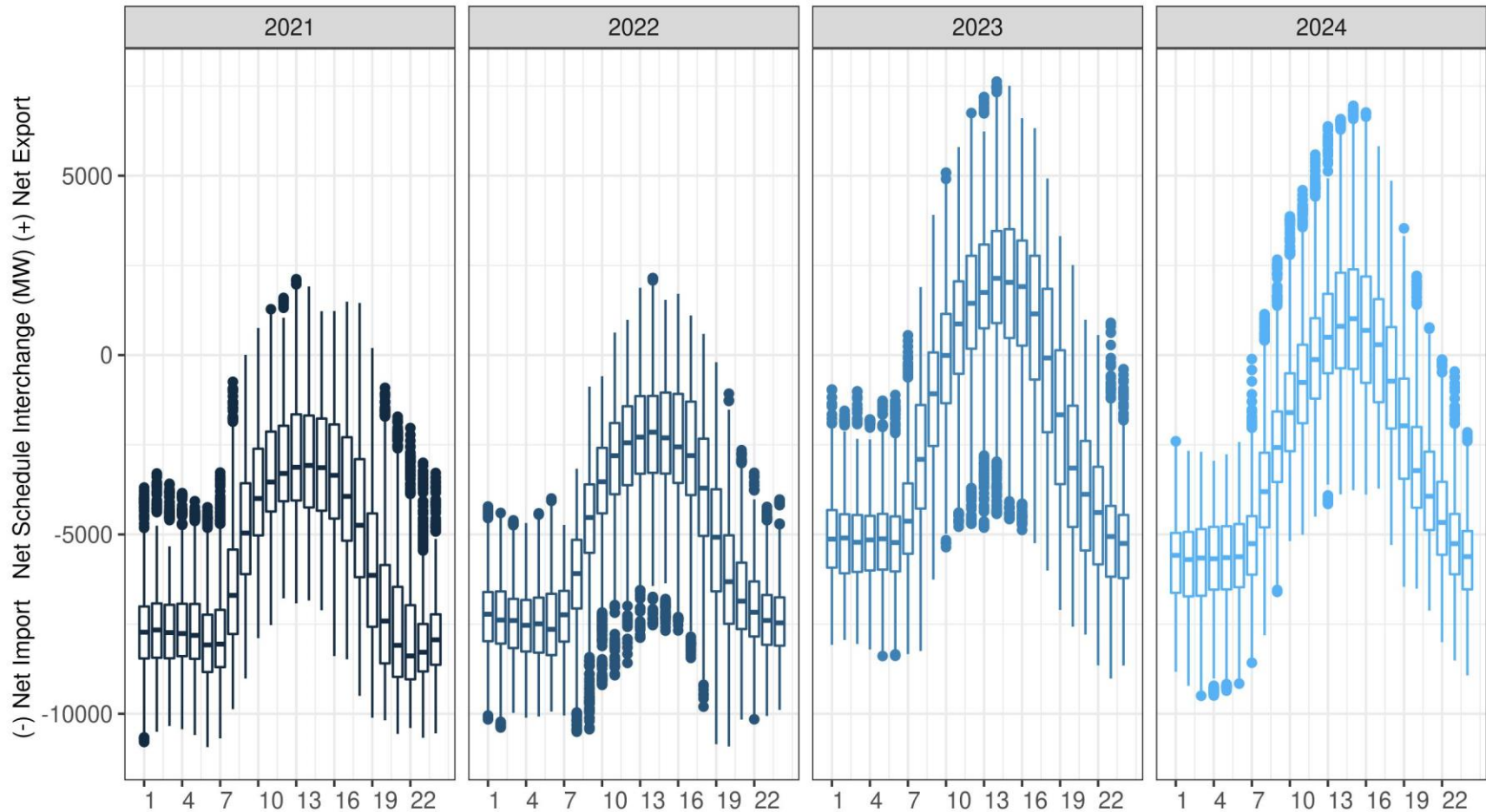
November 7, 2024

The CAISO balancing area observed the annual peak on September 5 at 48,353 MW

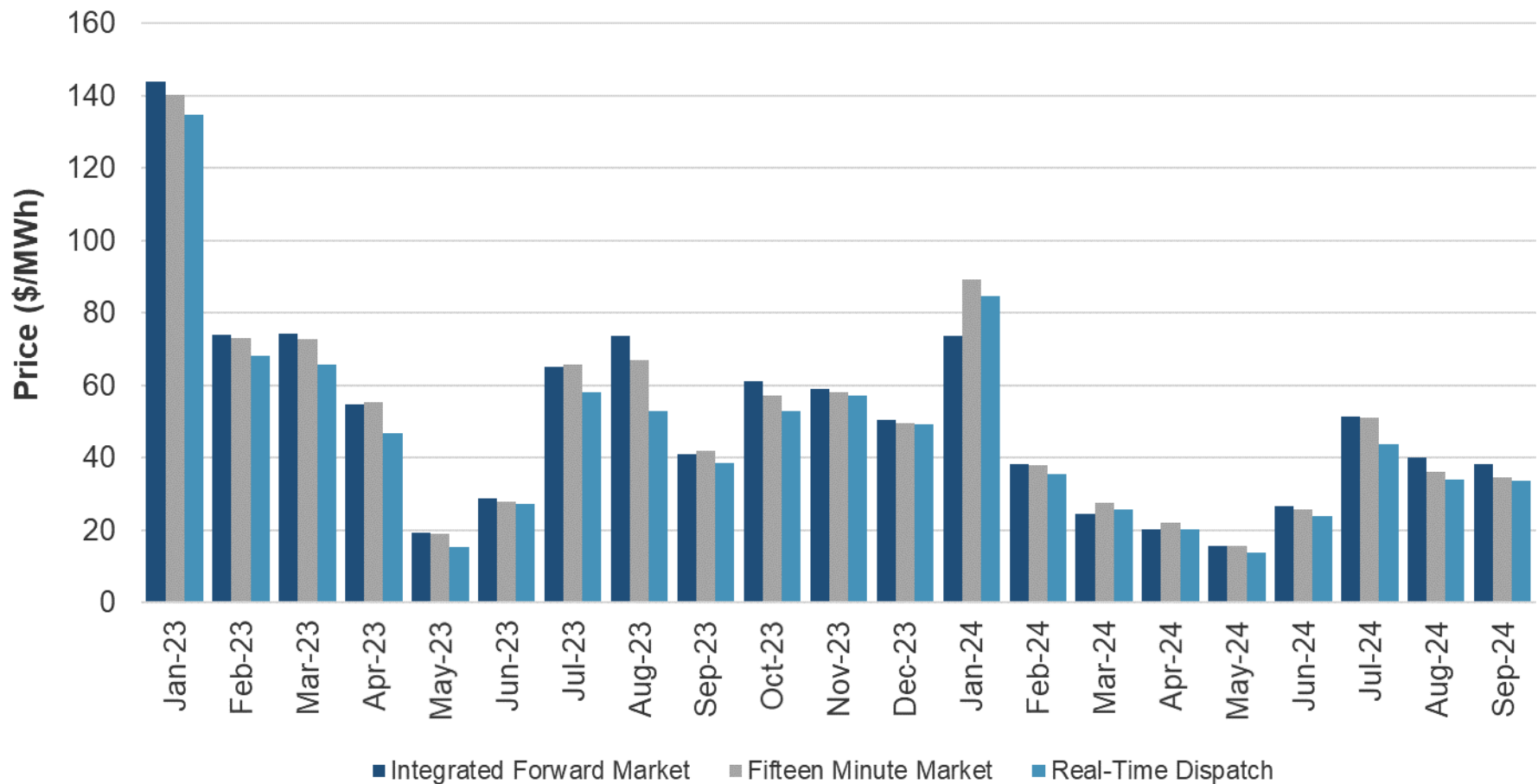


This 2024 load peak was significantly lower than the all-time system peak demand of 52,061 MW on September 6, 2022

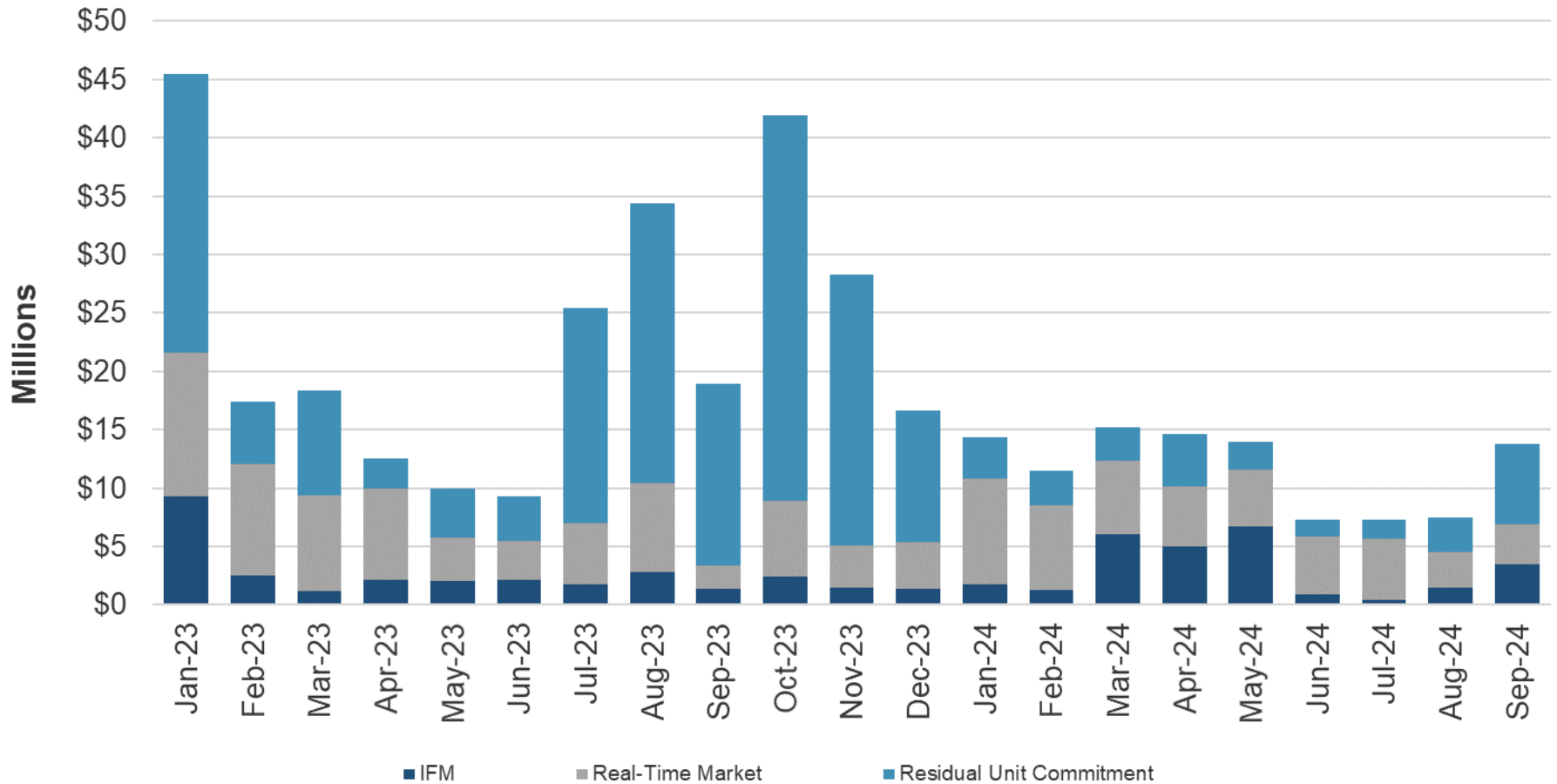
The CAISO balancing area is a net exporter more frequently during summer months



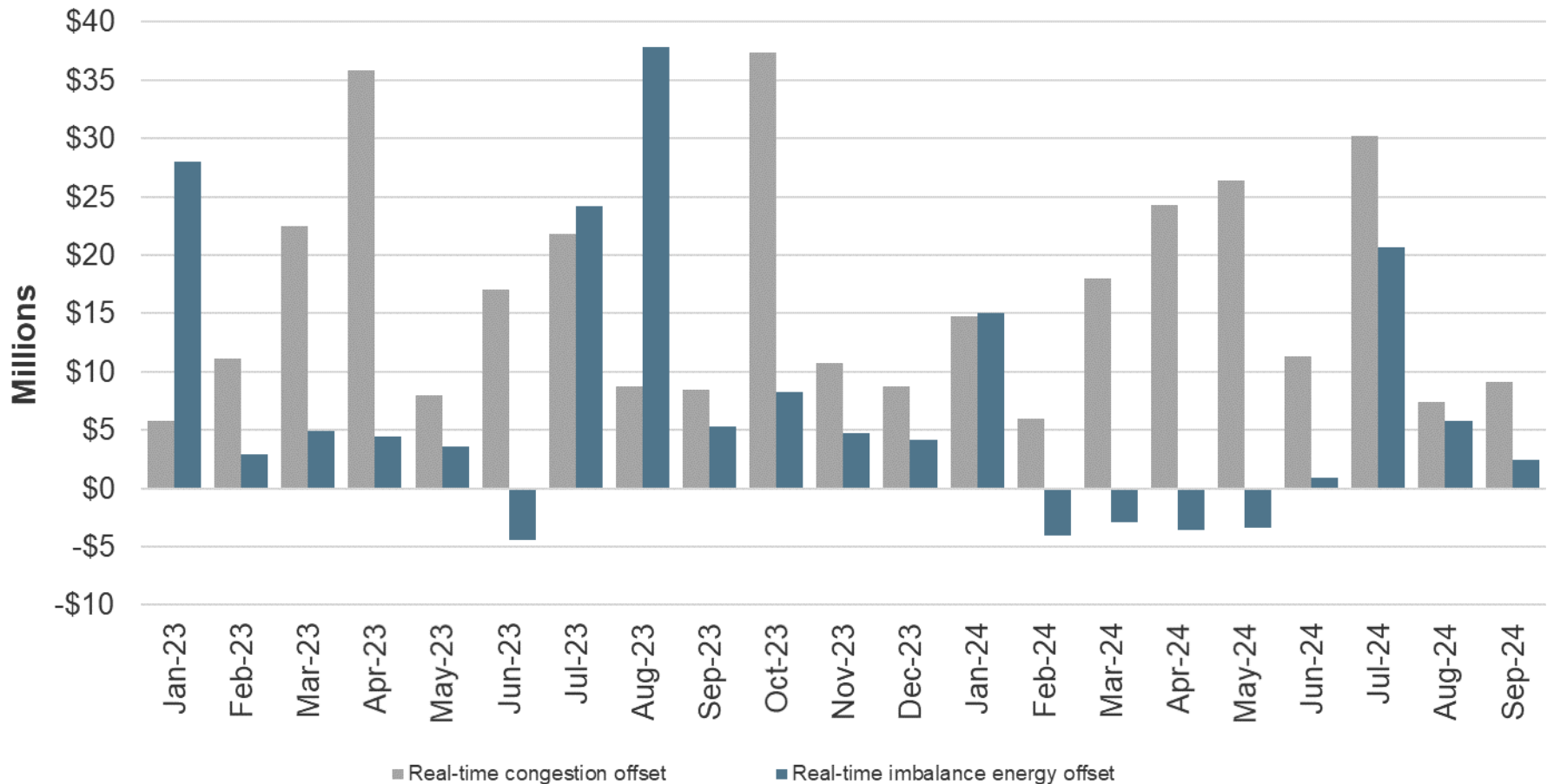
Prices in the CAISO balancing area declined as summer conditions subsided



Bid cost recovery in the CAISO balancing area stayed within lower range in recent months



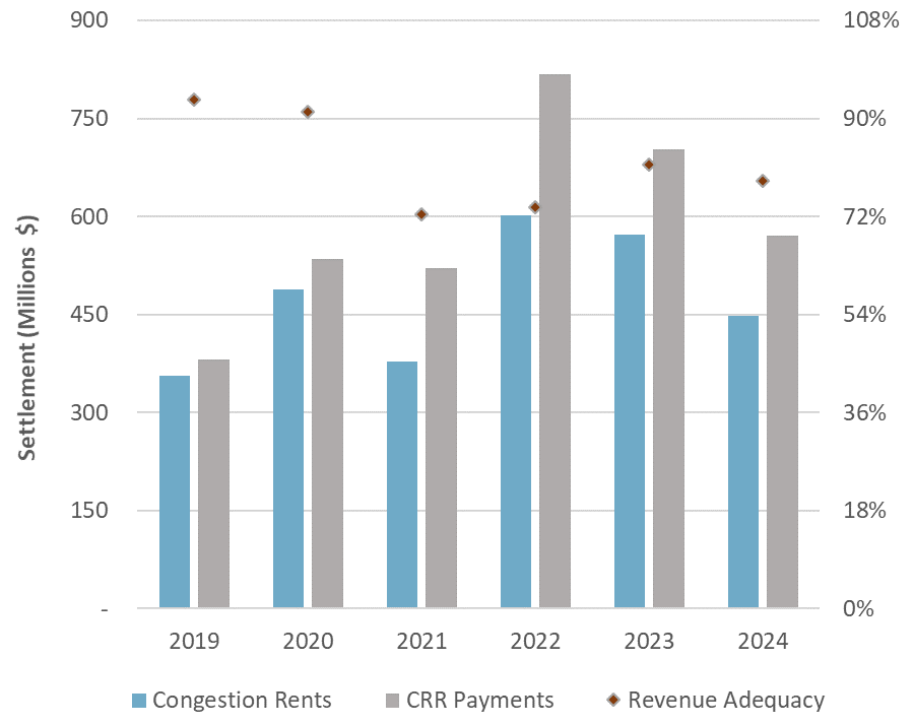
Real-time offset costs in the CAISO balancing area subsided as summer conditions ended



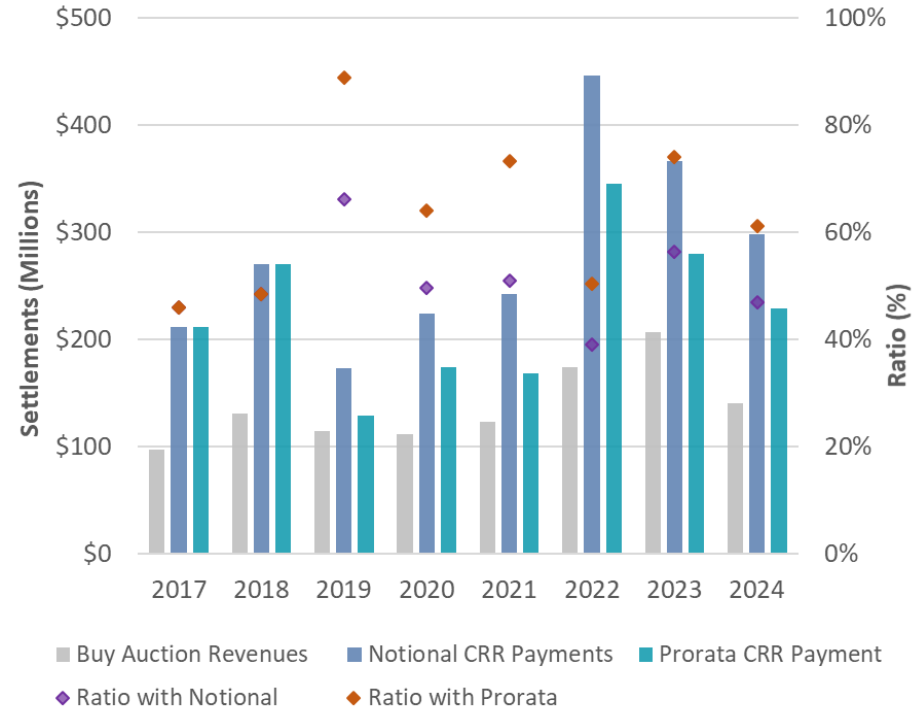
*Both real-time congestion offsets and congestion revenue right surplus/shortfalls are allocated to metered load and exports

Revenue adequacy and auction efficiency for congestion revenue right markets within typical ranges in 2024

CRR Revenue adequacy at 81%



CRR Auction efficiency at 65%



Changes to rules allowing bid caps for storage and hydro resources to increase were implemented on August 1

- Changes removes the \$1,000/MWh cap on default energy bids to allow fuel or fuel equivalent prices resources to bid up to a value above \$1,000/MWh
- Allows hydro resources to bid up to a value above \$1,000/MWh that reflects their opportunity costs already defined in their default energy bids
- In addition, we are working to implement an enhancement to the estimation of the maximum import bid prices by mid Nov 14, 2024

Market conditions in August and September did not trigger the use of the new logic

- Storage bid cap remained at \$1,000/MWh in September as none of the components of the storage bid cap calculation exceeded \$1,000/MWh
- There were no default energy bids for storage resources above \$1,000/MWh
- There were no cost-verified bids above \$1,000/MWh either from a change request or from a bid above \$1,000/MWh when that resource's default energy bid was above \$1,000/MWh
- The 4th highest real-time import price reached a maximum of \$488/MWh on September 5