

BPA NEWS

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BONNEVILLE POWER ADMINISTRATION
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BPA joins Western Energy Imbalance Market

Portland, Oregon – The Bonneville Power Administration joined the Western Energy Imbalance Market today, enabling another tool for marketing surplus power from the Federal Columbia River Power System.

“Joining the Western EIM is a monumental and meaningful step in the modernization of our operations that unlocks a range of benefits for Bonneville and our customers,” said BPA Administrator and CEO John Hairston. “As we explore additional market-based opportunities to maximize the value of our surplus power and the Northwest’s federal transmission system, we will ensure that they are consistent with our statutory authority, and further our ability to deliver affordable, reliable energy to our customers.”

Participating in this organized market will help BPA optimize surplus capacity and load service, providing operational and economic benefits for surplus power and savings on short-term purchases.

“Just like our current surplus power sales, any revenues generated by our EIM participation will help keep Bonneville power rates low,” said Hairston.

The Western EIM is a voluntary, real-time energy market that dispatches electricity from participating energy resources to balance fluctuations in power supply and demand every five minutes. New market opportunities like the Western EIM have the potential to both reduce BPA's costs through greater efficiencies and increase revenues by providing a new way to market surplus power, maximizing the capability of the existing federal transmission system.

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“This is a great opportunity for BPA to manage our transmission system more efficiently,” said Michelle Cathcart, vice president, BPA Transmission System Operations. “This will benefit Bonneville and its transmission customers by maximizing the value of our assets.”

The Western EIM provides an additional grid management tool by optimizing congestion relief across the entire market footprint instead of looking at only local congestion relief. It is expected to provide more precision and effectiveness in implementing intra-hour flow relief, which could reduce non-optimized curtailments.

BPA started considering EIM participation in winter 2018. In September 2021, BPA issued a letter indicating it would join the market in spring 2022.

“Getting to this point was a mammoth undertaking,” said Chief Operating Officer Joel Cook. “I want to thank all of our highly dedicated staff who played a role in getting us to this historic juncture.”

BPA’s participation in the EIM will provide valuable experience as the agency helps shape more elaborate day-ahead markets being considered throughout the region and beyond. While day-ahead markets offer additional upside and risk, how they would interface with grid reliability obligations and integrate with real-time markets like EIM can inform this balance of risks and opportunities. BPA has been and will continue to be an active participant in discussions about the structure and governance of these markets.

“We will continue to monitor developments and formation of new markets,” said Mark Symonds, commercial operations director. “Any additional market participation must have the right governance structure and include operational and economic benefits for our customers.”

About BPA

The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer that sells wholesale, carbon-free hydropower from 31 federal dams in the Columbia River Basin. It also markets the output of the region’s only nuclear plant. BPA delivers this power to more than 140 Northwest electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA also owns and operates more than 15,000 circuit miles of high-voltage power lines and 261 substations, and provides transmission service to more than 300 customers. In all, BPA provides nearly a third of the power generated in the Northwest. To mitigate the impacts of the federal dams, BPA implements a fish and wildlife program that includes working with its partners to make the federal dams safer for fish passage. It also pursues cost-effective energy savings and operational solutions that help maintain safe, affordable, reliable electric power for the Northwest. www.bpa.gov