California Electric Market: Overview and Focal Points

California Electric Regions

This map was created using Platt's PowerMap.
Overview

Geography

States covered: California (most of) and northern Baja California (Mexico)

Reliability region: California-Mexico Power Area (CAMX) sub-region of the Western Electric Coordinating Council (WECC)

Balancing authorities: California ISO (CAISO), Sacramento Municipal Utility District (SMUD), Turlock Irrigation District (TID), Los Angeles Department of Water and Power (LADWP), and Comision Federal de Electricidad (CFE).

Approximately 80% of demand in the CAMX subregion is within the area of the CAISO balancing authority. The portion of the CAMX area within Mexico is comparatively small. The remaining 20% of California's load is managed primarily by municipal utilities and irrigation districts such as the Los Angeles Department of Water and Power, the Sacramento Municipal Utility District, and the Imperial Irrigation District.

CAISO zones: NP-15, ZP-26, SP-15

RTO/ISO

California ISO (CAISO) (established 1998) operates the region's power grid and wholesale electric markets:

- Real-time imbalance energy,
- Ancillary services, and
- Transmission usage.

CAISO 2008 State of the Markets Report
Market Monitor: Keith Casey – Director, Department of Market Monitoring
California Electric Market: Overview and Focal Points

Generation/Supply

Marginal fuel type: natural gas
Generating capacity (summer 2006): 56,347 MW
Capacity reserve (summer 2006): 6,077 MW
Reserve margin (summer 2006): 12%

Demand

All time peak demand: 50,270 MW (set July 24, 2006)
System peak loads declined in 2008, due in large part to a generally mild summer

Peak demand change: -3.5% (2007-2008)

<table>
<thead>
<tr>
<th>Year</th>
<th>Summer Peak Demand (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>45,597</td>
</tr>
<tr>
<td>2005</td>
<td>45,562</td>
</tr>
<tr>
<td>2006</td>
<td>50,270</td>
</tr>
<tr>
<td>2007</td>
<td>48,615</td>
</tr>
<tr>
<td>2008</td>
<td>46,897</td>
</tr>
</tbody>
</table>

Source: Derived from CAISO data.
Load pockets: Humbolt, North Bay, Greater San Francisco Bay, Sierra, Stockton, Los Angeles Basin, and San Diego areas.
Prices (CAISO only)

Annual Average Price (ISO Real-time)

NP-15:

2004: $38.35/MWh
2005: $54.39/MWh
2006: $43.17/MWh
2007: $54.44/MWh

SP-15:

2004: $39.47/MWh
2005: $55.57/MWh
2006: $46.50/MWh
2007: $54.45/MWh

Interconnections/Seams

Load serving entities within CAISO rely on imports for approximately one-fourth of their annual energy needs.
Western Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.
Southwestern Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.

Updated: July 08, 2011
Northwestern Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.
Western Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.
Southwestern Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.

Updated: July 08, 2011
Northwestern Daily Bilateral Day-Ahead On-Peak Prices

Source: Derived from Platts data.

Updated: July 08, 2011
Implied Heat Rates at Western Trading Points Weekly Averages

Source: Derived from Platts on-peak electric and natural gas price data.
Weekly Electric Generation Output and Temperatures California

Source: Derived from EEI and NOAA data.

Updated: July 08, 2011
Pacific Northwest Hydroelectric Production

Source: Derived from USACE data reflecting the output of the 24 largest facilities.

Note: Trend lines are 7-day moving averages.

Updated: July 08, 2011