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## **CREPC and SPSC Statement on an Energy Imbalance Market**

### Issue Statement

State and provincial renewable energy goals have increased the need for variable energy resources across the West.

It is in the interest of state policy and consumers for the West to pursue efficient mechanisms to lower the cost of the integrating variable energy resources.

The rapid increase in variable energy resources presents an integration challenge and increases the need for more efficient balancing and utilization of the transmission grid, along with greater access to the region's balancing resources.

### Desired End State

The Committee on Regional Electric Power Cooperation and the State-Provincial Steering Committee believe that increased Balancing Authority coordination will lower costs and make more efficient the integration of variable energy resources in the West. A Western Energy Imbalance Market holds significant promise to lower costs and make more efficient the integration of variable energy resources, *provided* that the cost, and performance, of operating such market can be controlled through the deployment of a tested market design and an efficient market operator.

### Next Steps

1. The decision to create an EIM in the West lies ultimately with Balancing Authorities. However, because the creation of an EIM is imbued with the public interest, states and provinces will be involved throughout the development of an EIM. The states and provinces support the following next steps:
  - a. Develop a detailed market design that captures the benefits of an EIM at minimum cost and at a reasonable level of risk; and
  - b. Identify a low-cost market operator.
2. After development of the market design and other critical elements of an EIM, and before the decision to implement an EIM, there should be a further analysis to verify the costs and benefits of an EIM and the ability of the EIM to mitigate potential risk of unintended consequences of the EIM.
3. CREPC and SPSC members agree to cooperate across state and provincial boundaries in their evaluation of a Western Energy Imbalance Market.

NOTE: [ColumbiaGrid](#) and [WestConnect](#) have adopted statements on an EIM.

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