



PacifiCorp to build on success of real-time energy market innovation as first to sign on to new Western day-ahead market

This next evolution of western energy markets will enable PacifiCorp to deliver additional customer savings, increase grid resilience in severe weather conditions and accelerate emissions reductions

PORTLAND, Ore. (Dec. 8, 2022) — Electricity customers in the West expect reliable, affordable and clean power on demand. To help advance that commitment to its 2 million customers in six states, PacifiCorp is announcing its plan to join two new innovative efforts that have been years in the making: the Extended Day-Ahead Market (EDAM) being developed by the California Independent System Operator (CAISO) and the Western Power Pool's Western Resource Adequacy Program (WRAP).

PacifiCorp has been working with the CAISO and a wide range of stakeholders to develop the new day-ahead market. The EDAM builds upon the existing Western Energy Imbalance Market (WEIM) that has delivered over \$500 million in PacifiCorp customer savings and more than \$3 billion in West-wide customer benefits since its inception in 2014. In addition to enhancing grid resilience during several extreme weather events, the WEIM is contributing to reducing PacifiCorp's CO2 emissions by 35 million metric tons (relative to pre-WEIM 5-year average emissions).

Plans call for the EDAM to begin operation in 2024, subject to federal regulatory approval. The initial launch of the EDAM will join the West's two largest grid operators, PacifiCorp and CAISO.

"This next step to a day-ahead market is another game-changer to increase the triple benefit to our customers of cost reductions, increased reliability and reduced emissions," said Stefan Bird, president and CEO of Pacific Power, the PacifiCorp division that serves customers in Oregon, Washington and California. "A modernized western energy market is a key component of PacifiCorp's strategy to connect and optimize the West's abundant and diverse energy resources to deliver the lowest cost and most reliable pathway to a net-zero energy future."

The current real-time WEIM optimizes the energy imbalances throughout the West by transferring energy between participants in 15-minute and 5-minute intervals throughout the day. The proposed EDAM builds on this real-time market by extending optimization to a high volume of resource commitments that must be made a day in advance, which are then re-optimized in the real-time WEIM as conditions change.

"The new day-ahead energy market strikes the right balance between bringing together the best resources the West has to offer while ensuring local independence for participants," said Gary Hooegeveen, president and CEO of Rocky Mountain Power, the PacifiCorp division that serves customers in Utah, Wyoming and Idaho. "PacifiCorp is committed to advancing innovation in markets and new energy technologies to meet its commitment to affordability and reliability while supporting its communities throughout the energy transition."

Today, PacifiCorp is also joining the Western Resource Adequacy Program, which is managed by the Western Power Pool. PacifiCorp has worked extensively with the Western Power Pool and other

potential participants in the development of the WRAP, which is expected to provide regionwide reliability benefits to its participants by pairing regional diversity with common resource adequacy standards.

This means WRAP participants will be held to common planning standards to serve winter and summer peak loads. The common planning standards and increased regional collaboration will create a pool of resources that can be used to serve load, if needed, thus increasing reliability for the entire region. PacifiCorp sees WRAP as a vital component of a modernized Western grid.

“EDAM, WEIM and WRAP will work together to ensure the benefits and certainty needed to meet our customers’ growing demands for a reliable and clean grid,” Bird said. “We are extremely excited to work with our partners to move the region forward into greater collaboration and secure even more benefits for customers.”

About PacifiCorp

PacifiCorp is one of the lowest-cost electrical providers in the United States, serving 2 million customers. The company operates as Rocky Mountain Power in Idaho, Utah and Wyoming and as Pacific Power in California, Oregon and Washington. PacifiCorp provides safe and reliable service through a vast, integrated system of generation and transmission that serves hundreds of communities as the largest private owner/operator of transmission and the largest regulated utility owner of wind power in the West. For more information, visit www.pacificorp.com.