

Welcome to the first issue of *WAPA and markets* for 2022. We expect to publish this newsletter every couple of months this year to keep you apprised of the latest news and activities regarding market and related efforts at WAPA.

This month there is more information about WAPA's participation in new market offerings including the [Southwest Power Pool's Markets+](#) and the [California Independent System Operator's Extended Day-Ahead Market](#).

Updates on the ongoing market commitments are provided in this newsletter also, including DSW's transition activities

2022

into the CAISO Western Energy Imbalance Market and the potential expansion of the SPP Regional Transmission Organization in the West.

DSW HOLDS FIRST EIM IMPLEMENTATION MEETING WITH CUSTOMERS

On Feb. 23, Desert Southwest held its first customer meeting on the EIM implementation. In addition to sharing activities up to this point, employees discussed the expected timeline of future events and opportunities for customers to engage, including in the rate-making process and updates to the Open Access Transmission Tariff.

Informal rates and OATT meetings are tentatively scheduled for April.

DSW has made significant progress in fulfilling CAISO's system design and market pre-requisites. This intensive effort required WAPA-wide support and is expected to conclude this spring. After that, DSW will work on implementation activities that focus on establishing procedures and tools required for EIM participation.

Work has begun to consolidate DSW's meter inventory to ensure compliance with both WAPA's and CAISO's metering

policies and reprogramming them to five-minute intervals as required by the market. At the other end of that process, Settlements is examining its processes to ensure proper charges.

Finally, WAPA is coordinating with the Bureau of Reclamation to determine the operational parameters of the hydro-power generation within the Western Area Lower Colorado Balancing Authority. Although contracts will remain the same, it is likely many contractors will need to revise their Boulder Canyon Project scheduling practices and switch to pseudo tie arrangements. The details of this change are still being worked through.

More information on DSW's effort is available on the [DSW energy imbalance market activities webpage](#). The Feb. 23 customer meeting materials area also available on that webpage.



EXPANDED BRATTLE MARKET STUDY UNDERWAY FOR SPP-RTO WEST

The updated Brattle Study to evaluate the SPP RTO-West expansion is underway and expected to produce results in early spring. This effort will revise the Brattle Study commissioned by SPP in 2020 to include the Colorado Springs Utilities footprint, updated hydrology forecasts from the Bureau of Reclamation and updated gas price forecasts. WAPA will consider the study results, anticipated in spring 2022, and

many other factors before initiating a public process in a *Federal Register* notice.

Stay apprised on the latest news regarding this effort at the [SPP RTO membership effort webpage located on The Source](#).



WEIS MARKET EXPANDS WITH NEW PARTICIPANTS

The Western Energy Imbalance Service market footprint will increase substantially next year with the introduction of new members along the Front Range. On Jan. 25, Public Service Company of Colorado, Platte River Power Authority and Black Hills Colorado Electric announced plans to join the WEIS market in April 2023. PSCo plans to integrate its balancing authority area into the WEIS footprint during this transition. Part of accepting new members into WEIS included revising the Western Joint Dispatch Agreement and filing that with the Federal Energy Regulatory Commission Feb. 11.

New market participants in WEIS are expected to optimize



generation resources across a larger footprint, create additional flexibility through reductions in transmission constraints and reduce participant fees for WAPA.

Nearly a year after deployment, WAPA continues to work with SPP on opportunities to enhance the use of generation and transmission resources within the WEIS market.

WAPA PARTICIPATES IN DAY-AHEAD MARKETS DEVELOPMENT

In late 2021 both SPP and CAISO announced day-ahead market initiatives for the Western Interconnection, which are Markets+ and EDAM, respectively. Since then, both entities have established several working groups to assist with developing the proposals for implementation.

The objective of the day-ahead markets is to expand on the real-time energy imbalance markets already in place and capture the remaining 85% to 95% of energy transactions made each day. If established, day-ahead markets would allow market operators to make decisions in the day-ahead horizon to improve the efficient use of both generating resources and transmission.

WAPA representatives are participating in all the working groups based on regional needs and circumstances. DSW and Sierra Nevada are participating in stakeholder activities for both EDAM and Markets+. Upper Great Plains, Rocky

Mountain and the Colorado River Storage Project are participating in Markets+ to support a market design that would optimize the interconnections between a prospective Markets+ and the full RTO.

Although WAPA remains committed to fulfilling its current market activities, we will continue to evaluate and participate in other market developments in the West. Neighboring markets affect each other, and regardless of which path entities choose, it's important for WAPA to have a voice in the market design to protect the interests of our regions and our customers.

For more information on both day-ahead market designs, visit the [SPP Markets+](#) and the [CAISO EDAM](#) webpages.



Thank you for reading the *WAPA and Markets* newsletter. For more information, call your regional representative or visit the [WAPA and markets](#) webpage on The Source.

