Big Picture

Mark A. Gabriel | Administrator and CEO
WAPA’s Interest

• WAPA’s significant transmission system
  ▪ More than 17,000 circuit miles
  ▪ 15 states
  ▪ Among top 10 in the country

• Expanding geographic scope of markets

• Expanding number of participants

• Increasingly limited trading partners
WAPAs Concerns

- Statutory requirements
- Each region has unique legislation and needs that must be addressed on case-by-case basis
- Cost
Joining Southwest Power Pool

- Joined SPP October 1, 2015
- SPP provides greater flexibility
  Creates more options for buying and selling
- Reduces constraints in delivering power
- Helps keep costs low for customers
- Alternate Operations Study $11.5 M
  net benefits predicted initial year savings/cost avoidance
- Savings estimated to be greater than the AOS
MWTG

• Goal – Create a single multi-company transmission tariff and explore “Day 2” market alternatives

• MWTG TSPs include: two IOUs, two municipals; two REA G&Ts; two Federal PMA projects

• MWTG members are a sub-set of the WestConnect planning region members and are members of the Colorado Coordinated Planning Group (CCPG)

• Currently includes seven parties with nine transmission tariffs
Exploring EIM Alternatives

• DSW exploring and analyzing existing markets and EIM alternatives

• Participation in EIM or alternative must provide value for DSW customers

• Ultimate Objectives: Determine any customer benefits of EIM or potential alternatives
  ▪ Weigh opportunities for market participation
  ▪ Evaluate operational benefits, including renewable integration
  ▪ Provide stakeholders and customers with thorough analysis of all options
CPI: latest savings

Unlocked Potential

Federal Register Notice:
$19,924

Oil-filled equipment disposal (SN)
$39,824

Just Do It: AmpJack Tower Raising
$4,300,000

Just Do It: Web Page Approvals
$73,654

$9.3 million program cost avoidance as of 7-15-16

NCPA Annual Convention
Risk asset management

ASSETS ANALYZED

2015 Transformers
2016 Transformers
2015 Transmission lines
2016 Transmission lines
2015 Circuit breakers
2016 Circuit breakers

NCPA Annual Convention
Growing changes in security

- Meeting growing challenges
  - Met CIP requirements ahead of schedule and affordably

- Multi-factor authentication
  - $265K vs. up to $1.8M at other organizations

- IT Evolution
  - $5M in cost avoidance
  - Controlling middle-ware costs
E-ISAC: communicating saves

• Create real time, actionable items
• Build trust environment where who needs to know, knows
• Improve timeliness
• Anonymity versus specificity
• Sign up today!
Key take away

Customer engagement is critical.
Cooperative efforts result in shared success.
Regional Picture

Subhash Paluru | Senior VP and SN Regional Manager
BANC emerging market initiative

• Partnering with customers
  ✓ Pursuing alternative markets
  ✓ Assessing benefits, costs, opportunities
  ✓ Investigating risks

• Situational awareness
  ✓ What’s happening in industry
  ✓ Maintaining open and flexible
Key SNR Topics

• Cost Allocation
• Physical Security
• Cyber Security
• Drought and Market Costs
• CVPIA
Schedule: 2025 Power Marketing Plan

- *May 6:* FRN published
- *June 1:* public information forum
- *July 12-August 4:* public comment period
- *Summer 2017:* Anticipated FRN publication
- *Jan. 1, 2025- Dec. 31, 2054:* service life of proposed plan
Thank you

www.wapa.gov