



Western
Area Power
Administration

Upper Colorado River Commission Update

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December 14th, 2016

UCRC Meeting
Las Vegas, NV



WAPA Updates

- 2016 HFE
- Basin Fund Status
- Non-market Values Work
- SLCA/IP Remarketing and 2025 Contracts
- Olmsted Remarketing Plan
- Mountain West Transmission Group
- Aliso Canyon

2016 HFE Results

- 2016 HFE Duration was 96 Hours plus ramp up and down (119 hours total).
- Cost for HFE was approximately \$1.5M
- 126 kaf bypassed the powerplant
- 150 kaf added to November release



Basin Fund Status

- FY16 Ending Balance - \$114.6M
- FY17 Projected Ending Balance - \$97.4M
- Current Balance (as of December 13th) - \$128.9M

- FY16 Purchase Power - \$12.8M
- FY17 Projected Purchase Power - \$13.8M

Non Market Values Work

- Phase III has been completed
- Public survey data gathered by OU was utilized for phase III
- Public places a high value on water and hydropower, and would be willing to pay more to maintain current Glen Canyon operations
- Report is final and will be provided upon request
- WAPA can schedule additional meetings to go over project results in further depth



Final 2025 SLCA/IP Power Marketing Plan

- Final 2025 Salt Lake City Area Integrated Projects Power Marketing Plan 81 FR 85946 (November 29, 2016)
 - The contract term will be 40 years from execution.
 - The Marketing area will remain unchanged.
 - Existing CROD commitments, with associated energy, to the existing SLCA/IP long-term, firm power customers will be extended.
 - Continue the current SLCA/IP summer and winter seasons.
 - Use existing SLCA/IP FES contract provisions with only limited modifications.
 - CDP and WRP will continue to be included in the new SLCA/IP FES contracts.
 - Will not establish a new customer resource pool.



Proposed Olmsted Power Marketing Plan

- WAPA will be responsible for marketing the energy from the replacement Olmsted Powerplant, which should begin operation in the Summer of 2018.
- The Department of Interior will own the replacement Olmsted Powerplant.
- Energy production will average 27,000 MWh/year.
- Service is expected to begin on July 1, 2018
 - The contract term through September 30, 2024.



Olmsted Proposal cont'd

- WAPA has set forth its Proposed Olmsted Power Marketing Plan in 81 FR 87035 (December 2, 2016).
 - A public information forum will be held January 13, 2017, from 10:00 a.m. to 12:00 p.m.
 - A public comment forum will be held that same day from 1:00 p.m. to 3:00 p.m.
- The public information forum and comment forum will be at the Bureau of Reclamation's office Salt Lake City, Utah.



Mountain West Transmission Group

- Significant work to date
 - Created initial transmission rate design and cost shift mitigation structure
 - Developed a Request for Information for RTO response
 - Sent to CAISO, MISO, SPP, and PJM
 - Market Study to evaluate resource-side benefits of having a joint tariff or joining an RTO



Mountain West Transmission Group – Key Decisions

1. Establish Joint Tariff?

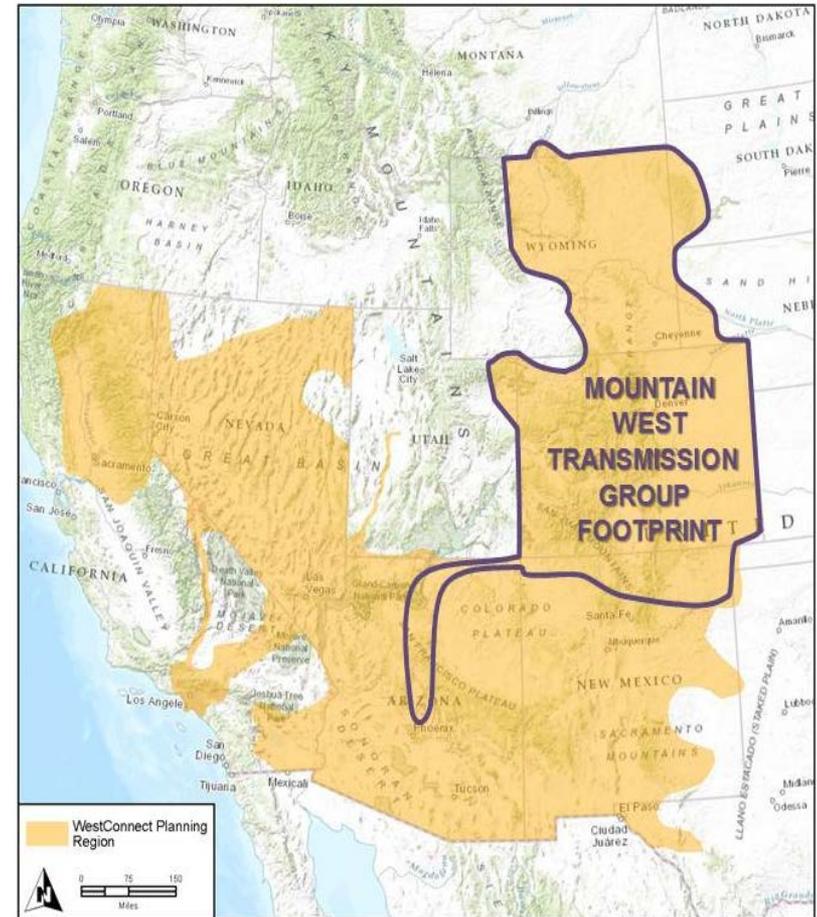
- Yes – Foundation for Market
- No – Energy Market option

2. What level of Market?

- No Market
- Energy Only Market
- Full Market

3. Which RTO/ISO?

- Membership
- Contract Relationship



Aliso Canyon Emergency Support

- Summer concluded with no emergency response
- Winter expected to be secure unless multiple issues occur
- WAPA and Reclamation still prepared to provide emergency assistance



Questions?

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