



Western
Area Power
Administration

Discussion on Markets

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Desert Southwest Update
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DSW Footprint



Current Situation

- WAPA CAISO EIM participation not good fit (2013)
 - Based on Argonne study
 - Little energy imbalance
- Since 2013, significant growth in participation in markets in the Southwest
- Growth presents potential for new opportunities as well as costs
- Recognized need to re-evaluate costs/benefits:
 - EIM options or alternatives
 - Effects of existing bi-lateral markets in Southwest
 - Effects on regional grid operations



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



Key Take Away

Whatever option is ultimately chosen will be based on WAPA's promise to continue delivering on its federal mission and what provides the highest value and least risk for preference customers.

