The Colorado River Storage Project Management Center and Desert Southwest region have embarked on a joint initiative with their customers to explore the feasibility and desire for a combined transmission rate across their footprints.

The initiative includes the transmission systems of the:

- Parker-Davis Project
- Intertie Project
- Central Arizona Project
- EDS-Palo Verde Hub
- Colorado River Storage Project

You can read more about the initiative at the Combined transmission service rate fact sheet and Participating projects in proposed combined service rate document.

CRSP MC and DSW began discussing the effort with their customers in March. The idea is not a new one for DSW and its customers, who have explored combining the transmission rates for its four projects in the past and identified a combined transmission rate as an important activity for 2020. The CRSP transmission system has now been included in the discussion as the rates for all five projects have converged and are now closely aligned. DSW and CRSP also share several customers.

The goal of the effort is to improve efficient transmission use across the five transmission projects by:

- Permitting more efficient scheduling and use of a large segment of WAPA’s transmission system.
- Eliminating rate pancaking from one WAPA transmission project to another.
- Providing rate stability while ensuring transmission cost allocations are appropriate for federal projects.
- Reducing administrative expenses for WAPA to manage five different transmission rates.

On Sept. 24, CRSP and DSW held their first Work Group meeting on the initiative with customers. This meeting was largely devoted to discussing a preliminary transmission rate design and revenue sharing methodology. Customers expressed interest in continuing discussions as well as scheduling additional meetings about operational issues. Following the meeting, WAPA posted its presentation along with a sample rate-calculation spreadsheet for customers to review.

WAPA is holding additional meetings with customers to answer questions and gain insight and feedback. The next customer meeting will be scheduled toward the end of October. Customers are already reaching out to their points of contact in the DSW and CRSP offices to discuss areas of specific interest or concern. WAPA is committed to working through this process with its customers and encourages customer engagement and interaction as we further examine a combined transmission rate.

For more information on this initiative, visit the CRSP/DSW Combined Transmission Rate Process webpage or contact Brent Osiek and Scott Lund at onerate@wapa.gov.

Rodney Bailey | Senior Power Marketing Advisor
Western Area Power Administration | Head Quarters | Salt Lake City, UT
(O) 801.524.4007 | (M) 801.309.0713 | rbailey[at]wapa.gov