CRSP Update for CREDA Board

Tim Vigil
SVP and CRSP Manager
CREDA Board Meeting, Nov. 5, 2020
Continuous Process Improvement
Salt Lake City CRSP Office

Reducing WAPA’s footprint – leased space.

• SLC office currently exploring ways to reduce office space.
  – Partner with BOR to share their space
  – Reduce square footage of currently leased space.
• Future hiring in Montrose office – CRSP owned facility.
• HQ facility- potential reduction in 2027
• All leased spaced in WAPA will be analyzed.
FY2021 Rates Update

• Latest rate action published, WAPA-190 Final, effective Oct 1, 2020 – Sep 30, 2025.
• FES rate decreased, $29.42 $27.45 mills/kW-hr (composite, 5 years)
• Firm Transmission rate increased, $1.55 $1.69 kW-month (annual update)
• No Cost Recovery Charge (CRC) for calendar year 2021, but monthly review shows lower water conditions, so its projecting higher than expected energy purchases. Latest forecast is double the purchased power expense stated on the last CRC determination letter:
  – ~$17.7M, August’s forecast
  – ~$35.6M, October’s Forecast
CRSP Rates Next Steps

• FRNs for WEIS
  – Short-term Rate
  – Joint Dispatch Transmission Service

• Continue collaboration on DSW/WAPA OneRate
CRSP/DSW Combined Rate Proposal

Customer meeting on November 19 at 1:00 p.m.

Agenda will cover:

– Discussion and responses to CREDA letter
  • Aspects of CREDA letter addressed throughout presentation
– Transmission Table and ATC Discussions
– Multi-Year Rate Projections and Assumptions for all 5 projects as well as Combined Rate
– Project Schedule Discussion
– Potential market impacts on Combined Rate
Glen Canyon Emergency Exception Criteria

Emergency Exception Criteria is only used as a last option to prevent load shedding in the Western Interconnection.

• This capacity/energy is restricted and only available for response to emergencies and is subject to ramping restrictions when returning to schedule post emergency.
• This capacity/energy cannot be utilized for SHP/AHP/WRP scheduling purposes.
• This capacity/energy is only used in RT. Day ahead purchases/sales have no relevance to ramping in RT.
• There will be further discussion on GC Emergency Exception Criteria in the future.
Glen Canyon Emergency Exception Criteria and CRSP scheduling philosophy

- When CRSP SHP account has long positions the excess energy is typically sold to day ahead WRP customers at market price in the day ahead market creating a net neutral position in real time.
- When CRSP SHP has short positions, purchases can be made in day ahead or real time- typically both.
- Real Time WRP requests are typically met by bilateral purchases in real time from 3rd party customers as day ahead SHP long positions have usually been sold to day ahead WRP customers.
- CRSP SHP surplus sold to WRP customers is always sold at fair market price to properly return revenue to the firm electric service rate (SHP).
- When CRSP surplus levels rise to meet the AHP threshold, all surplus will be marketing to SHP/AHP customers as part of FES allocation.
Questions?

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