Reflect, Recharge, Resolve

Montana Electric Cooperatives’ Association
Manager’ Group Annual Summer Meeting
June 15, 2022

Lori Frisk
VP of Power Marketing
Upper Great Plains Region
Agenda

- WAPA-wide overview
  - FY 2022 theme
  - Strategic Plan update
  - Leadership updates
  - Critical issues
- UGP update
  - Leadership update
  - Rate process
  - Contracts and Energy Services
  - Renewable Energy Credits
  - Polar Vortex update

We are WAPA

Mission

Safely provide reliable, cost-based hydropower and transmission to our customers and the communities we serve.

Vision

Empowering communities, securing a resilient energy future.
FY 2022 theme

REFLECT
- Mission and vision
- Core Values
- Transparency commitments
- Recent successes
- 45-year anniversary

RECHARGE
- New strategic plan
- Future work environment
- Renew our connections & collaborative partnerships

RESOLVE
- Define our future
- Solve today’s challenges
- Evaluate opportunities
- Make best decisions for regions, customers, WAPA and our mission
Strategic Plan progress

• Senior Leadership Team reconvened in late April to incorporate feedback from WAPA mid-level managers on the proposed strategic themes and long-term results.

• More discussion was needed on WAPA’s purpose and value proposition to ensure that our proposed strategic themes and objectives help WAPA continue to provide valuable products and services to our customers in 2030.

• Senior Leadership Team meeting next week to continue discussions.

• We will continue to engage with you as this process moves along.
Leadership updates

- Rodney Bailey selected as Senior VP and CRSP Manager.
- New Senior VP and TIP Manager Paul Schwabe.
- Jack Murray selected as Senior VP and DSW Regional Manager.
- Acting Executive VP and COO Tina Ko from BPA.
- Ron Klinefelter is acting Senior VP and General Counsel.
Markets in the West – WEIS & SPP RTO-West

SPP Western Energy Imbalance Service market
• New members joining: PSCO, Black Hills & Platte River.

SPP RTO-West
• Membership updates: Colorado Springs Utilities 2021; Platte River 2022.
• Performing an updated market benefits study (Brattle Study). Results due in late spring.
• If we propose a decision to move forward, we will initiate a public process in a Federal Register notice in mid-2022.
Drought Map

Map from University of Nebraska-Lincoln Drought Monitor for June 7, 2022.
COVID-19 and Future of Work

- Re-entry completed April 24.
- Pilot project will maximize telework opportunities for employees based on position, performance and desire to work from home.
- Travel and visitor restrictions lifted.
- Visitor requirements and guidance available on the wapa.gov COVID-19 webpage.
UGP Update
UGP leadership update

- Lloyd Linke is the UGP Senior VP and Regional Manager.
- Mark Kress is the VP of Maintenance.
- Gayle Nansel is the VP of Operations.
- Lori Frisk is the VP of Power Marketing.
- Steve Sanders is the Strategic Advisor.
Missouri River mainstem system forecasted energy generation

Upper Basic: 7,200 GWh
Basic: 7,100 GWh
Lower Basic: 7,100 GWh
Mainstem system generation
(in million megawatt-hours)

June 1, 2022 Forecast: Upper Basic: 7.2, Lower Basic: 7.1
2023 rate adjustment schedule

• FRNs on proposed rates published.
• Public Information Forum scheduled for June 15.
• Public Comment Forum scheduled for June 29.
• More information on proposed rate available on UGP website.
Contracts and Energy Services

• New 30-year FES contracts began Jan. 1, 2021.
• Kicked off the FES Exhibits B & C Project with 350 FES customers.
  • Exhibit B – Operating Agreement Including Quantitative Determinations
  • Exhibit C – Transmission Path and Delivery and Measurement Conditions
• Contract & Energy Services staff starting with ND, SD, IA, MN, MT then NE.
  • Some of the FES customer contracts are much more complex.
  • Some also require updates to their Consolidated Facility Arrangements (maintenance) and Interconnection Agreements.
• Estimate project will continue through 2023.
• Contact Contracts & Energy Services Manager Nancy Senitte; senitte@wapa.gov; (406) 545-9284.
Renewable Energy Credits Program

• Held two informational REC meetings with FES customers Dec 2021.
• Outlined UGP REC principles.
• Completed Contracts with generating agencies.
• Registered generation in the M-RETS System.
• M-RETS approved our waiver for 2020 and 2021 generation data.
• Next steps:
  • Calculate FES customers’ proportionate share of RECs.
  • Issue RECs first quarter of 2023 for the calendar year 2022.
• Contact Contracts & Energy Services Manager Nancy Senitte @ senitte@wapa.gov (406) 545-9284.
Polar Vortex update

• Price risk mitigation steps.
• Load shedding improvement.
• Developing load shedding plan.
• Energy emergency communication.
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