Reflect, Recharge, Resolve
2022 WAPA Update

Lori Frisk
VP of Power Marketing for UGPR
SD Municipal Electric Association
Conference and Technology Expo
April 6, 2022
WAPA-UGPR 2022 Update

• WAPA-wide Overview
  • FY 2022 Themes
  • Drought
  • Markets in the West

• 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
Markets in the West update -- Timing and decision process

SPP Western Energy Imbalance Services (WEIS) Market
• New members joining:
  • PSCO, Black Hills, Platte River

SPP RTO-West
• Colorado Springs Utilities looking to join
• Platte River evaluating joining
• Performing an updated market benefits study (Brattle Study). Results due in late May.
• If we propose a decision to move forward
  • Administrator will make decision to move forward.
  • Public Process to seek comments.
  • Issue a Federal Register Notice in mid 2022.
UGP Update
UGP Leadership

• 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.
2022 Missouri River Mainstem System
Forecasted Energy Generation

Upper Basic: 7,300 GWh
Basic: 7,200 GWh
Lower Basic: 7,200 GWh
Mainstem System Generation
Million Megawatt Hours

April 1, 2022 Forecast
Upper Basic: 7.3
Lower Basic: 7.2
On April 3, 2022, the mountain Snow Water Equivalent (SWE) in the “Total above Fort Peck” reach is 12.0” and 75% of the (1981-2010) average. The mountain SWE in the “Fort Peck to Garrison” reach is 10.1” and 71% of the (1981-2010) average. The normal peak for both reaches occurs near April 15. The 30-year average lines (1981-2010) for both reaches will be updated when the data becomes available to (1991-2020).
2023 Rate Adjustment Schedule

- Informal meetings Feb/March 2022
- FRN Proposals Published ~mid-May 2022
- Formal Information and Comment Forums June 2022
- Final FRNs Approved November 2022
- Final Rates 30-Day Notice NLT December 1, 2022
- New Rates January 2023
P-SMBP--ED UGP Composite Proposed Base and Drought Adder
P-SMBP--ED UGP Composite Rate

![Composite Rate Graph]

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Contracts and Energy Services


• Kicked off the FES Exhibits B & C Project.
  • New Exhibits being offered to over 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 the B&C Project will continue through 2023.

• Questions Contact Contracts & Energy Services Manager Nancy Senitte @ senitte@wapa.gov (406) 545-9284.
Renewable Energy Credits (RECs) Program
Upper Great Plains Region

• Held two informational REC meetings with FES Customers Dec 2021.
• Outlined UGPR REC Principles.
• Completed Contracts with CORPS and BOR.
• Registered Generation in the M-RETS System.
• Requested Waiver for 2020 and 2021 generation data.

• Next Steps:
  • Calculate FES Customer’s proportionate share of REC
  • Issue RECs first quarter of 2023 for the Calendar Year 2022.

• Questions Contact Contracts & Energy Services Manager Nancy Senitte @ senitte@wapa.gov (406) 545-9284.
Polar Vortex – Price Risk Mitigation Steps

• Worked with Corps of Engineers on process for releasing additional water during reliability events.
• Reviewed internal UGP processes and procedures.
• Work with SPP on options for protecting UGP’s customers in the future.
• Making bilateral power purchase arrangements to protect against exposure to potentially high market prices (e.g., during Winter 21-22).
Polar Vortex – Load Shedding Improvement

• Utilize an email exploder to send the required load shed amount to UMZ load-serving entities.
  • Have gathered emails.
  • Plan to do testing of broadcast during our Spring training in April.

• WAPA will operate customer’s approved, non-critical load breakers, if needed.

• WAPA will split the load sheds between the load-serving entities on a fair and equitable manner (based on load ratio share) as best we can.

• Not a one and done. Will be looking for continued process improvement. New Advanced Apps project may provide more opportunity for improvement.
Development of Load Shedding Plan

WAPA has been coordinating one on one with load-serving entities with >10 MW of load to identify:

- Critical loads (hospitals, gas plants, pipeline, etc.).
- Loads available for manual shed (independent of UFLS).
- Breakers available for WAPA TOP to open, if needed.
  - SPP expects WAPA and the load-serving entities to implement our required load shed within 30 minutes or less.
  - May be no time for notification.
- Information will be updated annually.
Energy Emergency Communication Broadcasts

- Will broadcast to email contacts collected from the SPP Energy Emergency Alerts.
  - Email exploders will be a cut and paste of SPP-directed Emergency Actions.
    - Include specific directions added for each action.
    - If an Emergency Actions call for manual load sheds, a spreadsheet will be provided that will show granularity of directed manual load sheds for each UMZ load serving entity.
  - Will be asking for acknowledgement of email of EEA3 from >10 MW load-serving entities.
  - Plan to test the emails during our upcoming Spring training sessions in April.
  - SPP quarterly simulated testing of load shed should allow us to keep emails up to date going forward.
Questions
Contact information

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