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The energy industry in the West is fundamentally changing, from the generation mix to load profiles to the increasing and changing demands on the power grid.

WAPA has committed to keeping pace with these changes to ensure we, along with our customers, are optimally positioned to take advantage of the myriad opportunities before us, ensure the continued success of our mission in the energy frontier and keep rates as low as possible consistent with sound business principles.

Our goal is to remain relevant and valuable to our customers and the nation, and to that end, we have participated in every major and most minor industry developments in the Western Interconnection since our founding in 1977. These efforts have included evaluating the various market options that have arisen in the West over the past 30 years, including:

- Transitioning Upper Great Plains-East to the Southwest Power Pool Regional Transmission Organization in 2015. UGP's participation in the SPP market has saved customers more than \$125 million.
- Participating in the Mountain West Transmission Group with a number of Front Range utilities through 2018.
- Working toward implementing the SPP Western Energy Imbalance Service market for the Western Area Colorado Missouri and Western Area Upper Great Plains West balancing authorities.
- Progressing toward integrating the Sierra Nevada sub-balancing authority into the California Independent System Operator Western Energy Imbalance Market.
- Collaborating with other utilities in the Southwest Markets Assessment Group.
- Participating in the CAISO stakeholder processes for the EIM Governance Review and the Extended Day Ahead Market.

We are now embarking on the next chapter of evaluating more efficient, cost-effective and reliable ways of doing business. We have [notified SPP that we intend to consider participation in the RTO](#) for the Loveland Area Projects and UGP-West.

This investigation extends only to the UGP-West and LAP. WAPA will continue to evaluate options for the Colorado River Storage Project and Desert Southwest region, including energy imbalance management solutions for DSW and a unified rate across the CRSP and DSW transmission systems.

Participating in SPP's exploratory effort to expand the RTO into the West is consistent with our commitment to evaluate alternative ways of doing business that will retain and increase the value of WAPA to customers.

Each of WAPA's projects is unique and one size does not fit all in terms of market options for the regions. WAPA's business decisions are customized based on the best outcome and benefits to each region.

Although we have expressed interest to SPP to explore expanding the RTO into the West, it is only the first page in the next chapter of WAPA's story. Additional customer discussions and technical studies are expected to follow.

WAPA will regularly communicate its activities and the potential benefits with our customers and other stakeholders as we assess this opportunity. If this idea continues to show promise, WAPA will work through its formal processes with customers and other stakeholders before any decisions are made.

Stay safe. Wash your hands. Wear your mask.

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