

Combined CRSP-DSW Transmission Rate

Meeting Notes

11/19/2020

Please submit questions, comments, or corrections about the notes to onerate@wapa.gov

Discussion

WAPA reviewed the meeting presentation also available on its [website](#). The [presentation](#) included a summary from the September 24, 2020 meeting, organized market impacts on the combined rate, identified customers with transmission pancakes, available transmission capacity for most paths of the combined transmission system, and multi-year rate projections for each individual system as well as the combined transmission rate.

WAPA has posted to its website updated [questions](#) received to date about the combined rate and answers for many of them. Additionally, responses to many of the recent [questions](#) from CREDA have been included in the material for this meeting.

Reviewed Total Transfer Capability (TTC) and Available Transfer Capability (ATC) [data](#) for many paths on the combined transmission system. The capacity amounts are based on system data as of November 1st and does not reflect changes that may occur from combining the rates. WAPA anticipates additional capacity will be available under a combined rate since current path congestion is partly due to pricing differences between systems.

Ten-year rate projections were reviewed for each individual system and the combined rate. Projections of the combined rate include a 25% increase in short-term sales phased in over a two-year period and a 10% increase in firm sales over a three-year period. The projections are available on WAPA's website in [Excel](#).

WAPA recapped the project timeline. Work group meetings will continue with the next scheduled for December 16, 2020, at 10 am.

A list of possible future meeting topics was briefly discussed, actions items were reviewed, and the meeting was closed.

Questions / Comments

Does the elimination of pancakes reduce revenues for WAPA?

No. The reduction of pancakes reduces the denominator of the rate calculation thereby increasing the resulting rate.



Could you relate Rodney's report on market considerations to the following response to one of CREDA's comments? " A combined rate would not be feasible if a region were to join a full market since a full market includes TSP services and charges. Currently, WAPA is not considering CRSP or DSW participating in either CAISO or SPP's full market."

A combined rate is not possible if a region were to join a day 2 or full market; however, at this time WAPA is not considering CRSP or DSW joining either SPP or CAISO.

Is a "day 2" market considered a "full market"?

Yes. WAPA has been using those terms interchangeably.

What is the ATC on the PV 500 – ED5 230 path?

At this point in time, the ATC is zero.

How much of the forecasted increase in sales activity is tied to assumptions on market participation/energy imbalance market?

None. The forecast increases in short-term and long-term sales are not contingent on market participation.

Are there projections of additional sales in the reservations for the individual projects or are the numbers based on contracts in place today?

The reservations (sales) assumptions do not contain additional sales, they are based on current contracts with adjustments for known and measurables.

Would any of ~~these~~ the additional sales be made to existing WAPA network customers? - It is possible a customer may change their usage of the system and which would not necessarily result in increased revenues.

————Yes, that is possible, and more flexibility in system usage is a benefit of the combined rate. WAPA's projection of additional sales is the amount that we believe will result in increased revenue.

Given the new software projects and changes from HQ, would there need to be changes made to systems other than possibly OATI?

Unlikely. At this point, WAPA has only identified that changes will be necessary to OATI for the combined rate.

What percent of transmission revenues are firm vs. non-firm today?

WAPA will provide a comparison for the past 5 years by system and post on its website.

If either the Parker-Davis Project or Intertie were to be combined with Boulder Canyon Project legislatively, what does that do to the combined transmission rate proposal? Does it complicate it?

Yes, but not unduly. WAPA would need to develop separate rates for transmission and power services for such a system, similar to what it does today for CRSP and Parker-Davis Project.

Action Items

1. Provide a 5-year overview of transmission revenues (firm vs. non-firm) by system
2. Provide a summarized ten-year rate calculation for each system, similar to what was provided for the combined rate.

Next Meeting

December 16, 2020

Website / Resources

<https://www.wapa.gov/regions/DSW/Rates/Pages/CombinedTransRate.aspx>

