

# MSTR Informal Customer Meeting

May 23, 2003

## Meeting Purpose

- To re-look at/continue to review the Multiple System Transmission Rate (“MSTR”)
- To open up additional/continued discussion with our customers.
- To provide additional information based on customer requests at 4/23/03 meeting.

## Meeting Purpose-cont'd

- Today we'll cover:
  1. Re-cap of 4/23/03 meeting
  2. Discussion of Transmission Losses
  3. Addition of CRSP (Southern Portion)
  4. Customer Choice ideas brought up at 4/23/03 meeting.

## Re-cap of 4/23/03 meeting

- Presented 3 alternatives for implementation of "MSTR":
  - a) Going to MSTR immediately
  - b) MSTR in the first year (of five years)
  - c) MSTR in the fifth year.
  - d) B and C above refer to the "convergence model" presented 4/23/03-converge to the MSTR from current single system rate at 20% of the difference between the two rates each year.

## Answers to 4/23/03 requests

- Addition of CRSP piece of control area:
  - Involved in continued discussions with CRSP office.
  - Working to determine if/how this could be implemented.
  - Will provide additional information as soon as it's available.

## Requests—cont'd

- In 4/23/03 meeting you asked about over/under collections;
- Show complete collections over 5 year rate window
- In a given year with an under collection-assumption is a deficit is taken-repaid the next year.
- There is a cost—1/2 year's interest on the amount of the deficit.
- Some of the over/under in today's MSTR presentation result from allocation/rounding issues.
  - Note in today's MSTR presentation you'll see some minor under-collections in Intertie but study shows no deficits in 5 yr. period

## Requests-cont'd

- You requested a web site—that's been accomplished & today's presentation will be posted to website
- Address: [www.wapa.gov/dsw](http://www.wapa.gov/dsw)
  - Go to "Power Marketing" then "MSTR Process"

## More Requests

- Today's presentation will include discussion of additional ATC available as a result of un-pancaking.
- Customers asked us to investigate losses—will be discussed today.
- Asked to look at customer choice—we had done earlier but didn't present. Will go over that information today & post on website.

## Last but not least

- This is an informal meeting—
- We want to hear your comments and feedback
- We are interested in your ideas

## Single Loss Rate

- Nick Saber

## Methodology

- Focus on two methods
  - Real time data using ISA
  - Flow based analysis

## Using Real time data

- Establish meaningful data set
- Average data over the hour
- Average hour over the year

## Using Flow based analysis

- Snap shot values
- Different cases for variety of loadings
- Combine cases

## Status

- Data has been gathered
- Most of the flow base cases are run
- Comparisons need to be made
- Checks by other Planning Staff will be made

# Additional Transmission Sales from MSTR

John Delgado

## General Assumptions

- In year MSTR is implemented
- Load currently contracted on PDP could be moved to Intertie
- No rate impact to Load which moved



## Specifics

- Deliveries from Mead South
- Path G
- Approximate load = 78 MW

## Potential Sales

- Western has requests for new transmission to satisfy part of this
- Western will use part of this for sale of generation

# Customer Choice

Bill Snowden

## CUSTOMER CHOICE

- Allow each customer to choose between a multi-system rate or a single system rate
- Two methods were compared
  - Calculation of MSTR 1<sup>st</sup>
  - Calculation of SSTR 1<sup>ST</sup>

## CALCULATE MSTR 1<sup>ST</sup>

- 1.  $MSTR = \text{Total RR} / \text{Total CROD} / 12$
- 2. Estimate revenue from unpancaked CROD
- 3. Allocate to the appropriate Projects
- 4. Determine the remaining RR for each Project
- 5.  $SSRT = \text{Remaining Revenue} / \text{SS CROD} / 12$

## Calculate SSTR 1<sup>st</sup>

- 1.  $SSTR = \text{SS RR} / \text{SS CROD} / 12$
- 2. Estimate revenue from SS CROD
- 3. Allocate revenue to appropriate projects
- 4. Determine remaining revenue for MS
- 5.  $MSTR = \text{Remaining Revenue} / \text{MS CROD} / 12$

## General Assumptions

- The customer will make an economic decision on which rate to take
- The customer may make a final choice after iterations are presented
- Final may be changed only in yearly increments

## EFFECT OF CUSTOMER CHOICE

- The MSTR 1<sup>ST</sup> method is not different than MSTR Only
- The SSTR 1<sup>ST</sup> method is not different than not introducing the MSTR.