



**Western Area
Power Administration**

**SPP Energy Imbalance Information Session Questions & Answers
November 12, 2019**

Q: How is Western Energy Imbalance Service (WEIS) beneficial to trading partners if they are all market participants?

A: WEIS can work with a minimum of only two participants; however, it becomes more efficient with a larger group of participants. Additionally, WEIS enables more efficient trading by automatically evaluating the economics of trade on a 5-minute basis rather than more manual trading with hourly granularity. WEIS automatically captures value by economically dispatching on-line generation as efficiently as possible.

Q: Who are the participating entities in WEIS?

A: To date, Basin Electric Cooperative, Tri-State Generation and Transmission Association, and WAPA's WACM and WAUW Balancing Authorities (BA) have committed to participate in WEIS. There are some entities within the participating BA's that have not yet signed up to represent themselves in WEIS, however they may at a later date. Until then, WAPA will represent those embedded entities in WEIS as all load and generation within a participating BA is required to register so that all energy imbalance can be accounted for in the market.

Q: If WEIS is operated on a flow basis does the BA entity need to be operating on a flow basis?

A: No they are separate. The Southwest Power Pool's (SPP) Reliability Coordinator footprint will be operated on a flow basis. The provision of transmission service (whether flow based or path based) by transmission service providers will be unchanged by operating WEIS on a flow basis.

Q: Are settlements calculated in five minute increments?

A: Yes. Energy imbalance will be settled every five minutes. Five minute increments will be aggregated to determine hourly and daily charges.

Q: Is there compensation for the use of transmission capacity?

A: No – the network load has already paid for transmission and it is the unused, lowest priority transmission capability that is used by WEIS on an intra-hour basis. This does not prevent a transmission provider from continuing to sell transmission service pursuant to its tariff.

Q: How far in the future is a generator modeled?

A: Typically one month. There is no value in modeling years out because WEIS is real-time. Minimums and maximums can be moved up or down to accommodate hydrogeneration restrictions/releases.



Q: How does WEIS handle jointly owned generators?

A: Each generation share can be registered by each joint owner as a separate resource or the resource may be modeled as one combined resource by one of the owners.

Q: What if the generation percentage share changes hour to hour?

A: At this time WEIS will not allow for dynamically changing ownership shares. SPP would need to look at it further to see how the system would support the changes and if any modifications were required. In the interim, the owners of a resource of this type could choose to register the jointly owned unit using one of the methods described above and account for the dynamic allocations outside of the market.

Q: Does WEIS allow for contractual ownerships to register or only actual ownership?

A: WEIS allows for both. For example, CRSP is dispatched as an aggregate resource.

Q: Would a BA entity's regulation requirement be impacted if participating in WEIS?

A: Based on SPP's experience, they did not see any change in regulation requirements with just the imbalance market. However, in a Day-2 market with consolidated balancing authorities overall regulation requirements decreased.

Q: How do you track and determine the cost of operating the market and how do participants have visibility of those costs?

A: SPP is tracking and identifying the costs. They are adding 13 FTE to administer WEIS. There is a time tracking tool that the staff uses to report their hours. Every year there is a budget which is reviewed at SPP's Western Market's Executive Committee meeting. Additionally, each year deviations in collections are applied to subsequent budgets.

Q: Why would it matter if the supply is greater?

A: SPP does not want the market to impact reliability; loads must be balanced. Being oversupplied in the market can also be problematic if the market is unable to dispatch resources down far enough to balance load in minimum generation conditions.

Q: How many billing determinants are there for WEIS?

A: Five to seven, which includes the uplift charge.

Q: What is the dispute process for charges?

A: SPP will have a detailed WEIS settlements and invoice dispute process documented in the WEIS Tariff when it is filed with the Federal Energy Regulatory Commission.

Q: Will WEIS settle on revenue quality metering or telemetry?



A: Settlement is on revenue quality metering. WEIS has the ability to profile hourly data and break down to five minute increments using a state estimator.

