Hi Paul,

After our meeting, SNR reconsidered the calculations to create the resource pools because of the suggested change in the total average base resource. Because we can’t be certain of how the different methodologies will affect each customer, SNR decided it would be best to go back to the across the board 2 and 1% reductions for the 2025 and 2040 resource pools.

At the time SNR determines the new average base resource, we will determine if there are any customers that have allocations, based on the average base resource, that are larger than their loads. SNR will consult with those customers to ensure the allocations are larger than their loads. If it is determined those allocations are too large, SNR will reduce those customers allocations to 100% of their loads. Any over-allocation will be added to the resource pools which would increase the size of the resource pool.

SNR will reduce the percentage reductions across all customers in the event that a customer(s) returns its allocation. As an example, if a customer returned its 0.5% allocation, SNR would reduce all customers’ base resource percentages by 1.5% for the 2025 resource pool rather than by 2%. However, if a customer returned its 3.5% allocation, SNR would not reduce the current customers’ base resource percentages at all, and would have an additional 1.5% to be allocated to resource pool applicants.

The concept above ensures all customers that they will not be reduced by more than 2% and 1% for the resource pools (unless they are over-allocated). In the event the resource pools are increased, it provides more resource availability for those customers who desire to increase their allocations in addition to adding new customers.

Please feel free to contact me with any other questions.

Thanks so much!! Sandee
Hello Sandee,

Does the last sentence of your message (below) indicate there could be a possibility of a resource pool over 2%?

"In the event of any over-allocations, SNR will include those percentages in the resource pools. All customers will be welcome to apply for a resource pool allocation."

Best,

Paul Cummings
Assistant Director – Power Supply
O: 530.245.7016
C: 530.524.8849
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From: Peebles, Sandee [mailto:Peebles@WAPA.GOV]
Sent: Tuesday, November 10, 2015 1:32 PM
To: cmudd@exeterassociates.com; pgs@starstream.net; dsmith@lmud.org; mauryK424@gmail.com; brent.tenpas@ncpa.com; monica.pacilla@cityofpaloalto.org; MHurley@presidiotrust.gov; Cummings, Paul; bzard@roseville.ca.us; gary.lawson@smud.org; dbattles@ssjid.com; wgmanuel@tid.org; dbseverson@tid.org; pheuser@trinitypud.com
Subject: Creating Resource Pools

Dear Resource Pool Committee,

Thank you for attending our meeting to go through the various resource pool methodologies. After the discussion about the Greenbook and the possibility of the average base resource changing, we ran the examples using lower base resource megawatt-hours. The lower base resource resulted in much larger reductions to customers' percentages to create the resource pools using the new methodologies.

Due to the possible consequences of creating a methodology without knowing the actual Base Resource megawatt-hours, SNR has determined the best route to create the Resource Pools will be to take 2% and 1% from all customers for the 2025 and 2040 resource pools, respectively. SNR remains agreeable to applying any returned allocations to the resource pools in order to reduce the percentages taken from the customers.

In the event of any over-allocations, SNR will include those percentages in the resource pools. All customers will be welcome to apply for a resource pool allocation.

Please feel free to contact me with any questions you may have.

Thanks, Sandee