

**Western Area Power Administration
Sierra Nevada Region**

**Customer Energy Imbalance Market Meetings
Questions and Responses**

As the Western Area Power Administration Sierra Nevada (SN) region and the Bureau of Reclamation (Reclamation) explore participation in the California Independent System Operator's (CAISO) Energy Imbalance Market (EIM), we want to assure our customers that our plan is to not impact or change any of our current day-ahead processes. We plan to continue as-is for now. We are only looking at opportunities for benefits in the real-time market. Our goal is to get SN and Reclamation set up to participate in the EIM.

Customer Meeting, Questions-Responses from June 4, 2019

	Question	Response
1.	Do we have any sense of cost of the EIM for customers who are already in CAISO?	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
2.	How will SNR benefit from participating in the EIM	WAPA and Reclamation have evaluated several strategies that can potentially provide benefit to WAPA and our customers. WAPA held discussions with our customers during the July 16 and July 30 EIM meetings to explain these potential benefits. Additionally, WAPA has posted all slides from our meetings online. https://www.wapa.gov/regions/SN/PowerMarketing/Pages/western-eim.aspx
3.	How does Regulation up/down impact EIM?	WAPA's participation in EIM will not impact the current Regulation up/down program. If in the future WAPA wants to explore a change to our Regulation up/down program, we will engage our customers in the decision-making process.
4.	Can we bid Regulation up/down during low energy hours?	WAPA is working with Reclamation and will provide an update at the Customer Coordination Meeting on August 22, 2019.

EIM Meeting, Questions-Responses from June 27, 2019

	Question	Response
5.	NCPA asked for more understanding on the evaluation of resources to be used in EIM. Specifically, will this impact Base Resource deliveries to customers? Will it impact the regulation that WAPA provides to customers?	WAPA is committed to ensuring that our participation in EIM will not impact deliveries of base resource or regulation provided to our customers.



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6.	Will WAPA's participation in the EIM impact the Displacement Program?	WAPA is committed to ensuring that our participation in EIM will not impact the Displacement Program.
7.	Will WAPA's participation in the EIM impact the Hourly Exchange Program administered under the Base Resource contracts?	WAPA is committed to ensuring that our participation in EIM will not impact the Hourly Exchange Program administered under the Base Resource contracts.
8.	What transmission does WAPA envision using for EIM? Is it only excess transmission? Is it CVP, COTP, and PACI?	Currently WAPA only plans to use CVP transmission for EIM. WAPA will designate unused available transmission capacity for moving generation out of the sub Balancing Authority Area. CVP Transmission rights holders will need to designate the capacity available for serving their load. We have no plans at this time to include our rights on the COTP or the PACI in EIM
9.	Will WAPA's participation in the EIM impact the Max Peaking Program?	WAPA and Reclamation have talked about the potential resources to be used in the EIM. For the Max Peaking Program, we may be able to explore using shoulder hours, but have no plans at this time to alter the fundamental principles of the Max Peaking Program.
10.	Will regulation currently provided to customers remain if WAPA decides to participate in the EIM Market?	WAPA expects to maintain the current provisions of regulation to its customers, and our participation in EIM will not impact this.
11.	Who will allocate the costs for EIM to CVP customers, BANC or WAPA?	WAPA will allocate EIM costs to its customers. WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
12.	SMUD requested that Cary Fox provide regular updates/progress on the resource/benefit analysis at the next scheduled EIM Customer Meetings	WAPA and Reclamation held robust discussions with our customers during the July 16 and July 30 EIM meetings to explain these potential benefits. Additionally, WAPA has posted all slides from our meetings online. https://www.wapa.gov/regions/SN/PowerMarketing/Pages/western-eim.aspx
13.	NCPA commented on BPA presentation and noted that BPA is projecting a \$30 million start-up cost for EIM. For WAPA how will we allocate our start-up costs – to who and over what time period?	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
14.	Will there be changes to rate schedules as a result of WAPA's EIM participation – such as Ancillary Services? What	Yes, WAPA anticipates changes to rate schedules as a result of our participation in EIM. WAPA plans to go through a public



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	changes are contemplated for WAPA's OATT?	process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process. We also expect to make changes to our OATT to include the EIM construct.
15.	NCPA noted that in the BPA filing that there was a divergence of wind from their BA. Does WAPA anticipate that its participation in EIM could impact current requests in its OASIS queue?	WAPA does not anticipate any changes to current transmission service requests in our OASIS queue as a result of WAPA's participation in the EIM.
16.	Does WAPA expect to need a full-blown NEPA process, or Categorical Exclusion as a step in making its decision to participate in the EIM?	WAPA has determined that we will need to prepare a Categorical Exclusion for our participation in EIM.
17.	How will WAPA's costs to participate in EIM be allocated? What if a customer pays for WAPA's costs to participate in EIM now through 2024, then decides not to renew its contract in 2025? What happens to the money that the customer paid through 2024?	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.

EIM Meeting, Questions-Responses from July 16, 2019

	Question	Response
18.	Has WAPA looked at the risks of participating in EIM?	WAPA and Reclamation have looked at historical data to determine potential benefits had we been participating in EIM at that time. There are risks to joining EIM, especially related to modeling our system and ensuring we schedule correctly. However, joining and participating in EIM is voluntary, and if we determine that we are not seeing the benefits expected, we can elect to not bid our energy into the EIM.
19.	Could WAPA elaborate on some of the implementation costs of EIM, related to line items 'SMUD reimbursement, and Phase 1 Reimbursement' and others?	During Phase I implementation, SMUD incurred costs to join EIM, including setting up an additional EIM desk and software expenses. Since WAPA is participating with SMUD and the other BANC members (MID, City of Roseville, City of Redding) in Phase II, SMUD is assessing a portion of the Phase I implementation costs to the Phase II participants. WAPA, MID, and the Cities of Roseville and Redding are benefitting from the infrastructure put in place during Phase I.



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20.	Is there any cost avoidance through some of the activities in EIM? In particular, maybe in real time.	Cost avoidance is possible if we decide not to join EIM now. However, if we decide to join later in 2022 or 2023 then WAPA will be responsible for all of the implementation costs instead of sharing costs with the BANC members participating in EIM.
21.	What is Utilicast project oversight?	There is an 18-month implementation phase once we decide to participate in Phase II. Utilicast will manage all aspects of the 18-month implementation phase, including project schedule, subject matter expertise, and working with WAPA and the other BANC entities on gap analysis and resolution. Utilicast has worked with several other companies that have joined EIM, as well as working with SMUD during Phase 1 implementation. Their expertise and support will be invaluable during phase II.
22.	Does WAPA anticipate providing more refined EIM cost information at a later date in other meetings regarding costs (one-time vs ongoing)?	WAPA provided SNR's share of BANC's EIM cost estimates during the July 16 th EIM Customer meeting and provided revised cost estimates during the July 30 th EIM Customer meeting. During the July 16 th meeting, WAPA mentioned it will have its own and Reclamation's internal costs to implement EIM. These costs include one-time and ongoing costs. WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
23.	Why is regulation up/down not affected by EIM; is it because of real time? What market are you bidding into?	Regulation is allocated in the day-ahead market and is a capacity product. EIM is in the real-time energy market and doesn't impact the regulation market.
24.	Will the Displacement program change the savings under EDAM?	CAISO is targeting EDAM implementation for 2022. WAPA will work with customers to evaluate the Displacement program under EDAM closer to that time.
25.	For revenues from EIM transactions, has a decision been made on what will happen to those revenues?	WAPA has not made a decision on treatment of EIM revenues. WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
26.	If you join EIM, and the deadline for an economic transaction is T-55, and you are able to find something bilateral	Yes, there is no reason we can't still do it. It's still an option, however the question is whether we would be able to find a bilateral



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	before T-20, are you still able to do the bilateral transaction?	trading partner if the majority have also joined EIM and are bidding their resources into EIM.
27.	Looking at case 1 on the slides, is that what you are bidding on average? That indicates you are importing during the period, so the breakeven cost is less than some price in the system?	Presentation slides from the July 16 meeting are posted on-line. (https://www.wapa.gov/regions/SN/PowerMarketing/Pages/western-eim.aspx). Please refer to slide #25. The system price is below the breakeven point. Market price is less than CVP price. In this case it is a weighted average price. That means this much water is in the reservoir.
28.	Are all the scenarios based on a 50MW assumption? Capacity and Energy Cap at 50MW?	Yes that is correct. We have looked into how much capacity was offered historically and it made a good volume without affecting day-ahead practices.
29.	Is there anything that provides an alternate if the water had been stored instead?	Reclamation has looked at this in terms of neutral across the span of days, the idea is ideally the same water volume; during lower value, produce less, and produce more when value is high. Day-Ahead would operate on same volume as net neutral concept.
30.	Do you know the value of spinning reserve capacity? If we don't join EIM then what would the value be, and what would you do with that product?	WAPA and Reclamation provide a report of the value of marketable reserve sold at our Customer Coordination Committee (CCC) meetings. Available capacity does not affect the spinning reserve product today. It's a resource trying to find a home as a product.
31.	If WAPA participates in EIM, do you utilize the transmission that Redding purchases from you?	No, WAPA would not be using Redding transmission. WAPA merchant has its own transmission rights which they would submit and use for EIM. This is separate from what our customers have purchased for their own use.
32.	How is the unreserved use penalty held in context to EIM?	Transmission rights would be utilized up to the quantity of rights purchased. Any overage would be subject to the unreserved use penalty.
33.	Are you looking at point to point transmission for EIM? Is it easier to measure the transmission rates for point to point than NITS? Energy you are talking about are loads, right?	Both NITS and point to point can be submitted by participants. Participants like Roseville have their own loads, etc. Additionally, we are not anticipating that customers' regulation bandwidth will change. The customers in WAPA's SBA have requested to keep their regulation bandwidth even after joining EIM.



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34.	Does CAISO need to give WAPA and the other SBA members special provisions for dealing with bandwidth?	The regulation issue between WAPA and our SBA members is an issue for WAPA and the SBA members to resolve. The CAISO should not care about how regulation within the BANC BA is dealt with.
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EIM Meeting, Questions-Responses from July 30, 2019

	Question	Response
35.	Would WAPA be reducing or eliminating spin sales in favor of going with EIM sales?	We are planning to set a priority for EIM over spin sales and allocate 50 MW per hour to the EIM market.
36.	Why 50 MW? Is this just a starting point?	Right now this is a number that WAPA worked on with Reclamation by looking at availability in the generators. Both WAPA and Reclamation want to ensure that we don't move too much water. This could change.
37.	We can see an advantage of approximately \$2 per MWh for the 50 MW on Sunday shown on the slide, but how do other week days look when you make a comparison?	We haven't made comparisons to other days. We haven't done a lengthy analysis on this since the decision has not yet been made whether we are participating in EIM. If the decision is made to participate, then more analysis can be done and shared with customers at future CCC and customer meetings.
38.	It seems like if you allocate 50 MW for EIM, based on the odds, there will likely be a savings, but CAISO spin sales are variable, and spin prices might be better than EIM, so is this process going to be dynamic?	The process is going to be very dynamic. The numbers used in our scenarios are basic, and only used for the purpose of getting a baseline. Once we make a decision as to whether or not we will participate in EIM, we can get more specific. There are a lot of options in the day ahead market. We will talk with customers regarding our EIM strategies at future CCC and customer meetings.
39.	Right now, the rules are if you are an entity buying power from CA, as buyer, you don't have a carbon obligation. Therefore, if you buy from the market, you do not incur the carbon obligation; however, in the future this can change. Is this being taken into consideration for EIM?	Yes. We will take this into consideration when we are putting out for bids. This will be adjusted on a daily basis and as the regulations change.
40.	Looking at your figures, and these are just round numbers from the tables, we see 200 to 300 MWh in sales going into EIM, which is representing a certain	There is a daily netting process. On a given day, we hope to make the schedules even. In the scenarios for the tables, we are not doing a lot to rebalance them. In the future, if the



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	amount of acre feet of water that will no longer be in storage. Have you looked at how many acre feet this is and what it does to the reservoirs? Are we going to regret making EIM sales?	decision is made to participate in EIM, we will avoid the type of scenario where we are putting out more water than we normally would if we didn't participate in EIM. This is a daily adjustment. Schedules can be adjusted. The goal is to try to avoid a net change to water. It will stay in the reservoirs in the less valuable timeframes. Right now we are also planning for a 600 MWH per week cap.
41.	Imported energy is replacing CVP generation. Is this built into the LMP price?	Yes, it is built into the LMP price. To simplify, if you have 300 MWh that you can move from low value hours to high value hours, and at the end of the day you are water neutral, you will see a value in this. Every day, in the real time market, you are going to see the duck curve. As a benchmark, if you grab the 6 hours during the day (low value hours) and shift them to the evening (high value hours), and only bid those hours, you are going to see an approx. \$20 to \$30 spread. There is value in doing this.
42.	Is WAPA considering price forecasting? Should the cost of this software be included in the cost for EIM?	Price forecasting is a key component and one thing we learned to look at from other participants. There are a couple of things that we can do. We can get a forecast model that's really good, but subjective, or we can develop a strategy to bid in at low hours, based on historical averages. We will build our position as we move forward. We are looking at getting a tool, but have not decided on one yet.
43.	For the transmission that has to be tagged by T-75, is this just for what WAPA is holding for their use?	Participants have to submit their own e-tag, so the entity with transmission rights for the load will submit the e-tag. If moving the transmission out of the SBA, the e-tag is submitted by WASN.
44.	If you take the COTP and PACI out, and we assume transmission is only between WAPA and ISO, what WAPA facilities would this include?	The same scheduling points we are using now, Tracy and Cottonwood.
45.	How might WAPA evaluate the opportunity to harvest some additional value from COTP and PACI transmission through EIM? What are the advantages or impediments to using some COTP and PACI capability for EIM additional participation?	In BANC phase II efforts, we are not including COTP and PACI. We have not done any analysis to measure the value of including them. Maybe in the future this can be evaluated, and we would work with BANC and our customers to see if we should include COTP and PACI.



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46.	What is the thought for how benefits will be passed on to customers? Will it be through the PRR?	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
47.	I did not follow your response on PRR. Perhaps you can explain how the costs flow to CVP and how the benefits flow back.	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.
48.	How will the costs be passed on to customers?	WAPA plans to go through a public process for EIM cost and revenue allocation methodology. This public process will be in conjunction with Rate process.

Email from Customer, Questions-Responses from July 30, 2019

	Question	Response
49.	The schedule shows two days between the final EIM meeting (August 14) and the WAPA's decision point (August 16). Is this the comment period?	The comment period closes on August 16. WAPA is going through an informal process on EIM. The informal process began on June 4, 2019. Since that time, WAPA has been meeting with customers in an effort to help inform WAPA's decision. WAPA will consider all comments received. Currently, WAPA expects to make a decision on or before August 30.
50.	WAPA is evaluating EIM participation through BANC/SMUD, rather than becoming an EIM entity. What are the differences/benefits?	CAISO's Tariff defines an EIM Entity as a Balancing Authority that enters into an EIM Entity Agreement with ISO. BANC is SNR's BA, as such WAPA is not evaluating participating as an EIM Entity.
51.	On July 16, WAPA shared BANC EIM Implementation Costs. Can you provide additional detail/explanation on the following items: a. SMUD Support \$385,000: What type of support will you receive from SMUD? b. Phase 1 Reimbursement \$471,000: What percentage does this cost represent as total Phase 1 costs and how was it allocated? c. Utilicast Project Oversight \$500,000: Please provide more detail (who is Utilicast, what is its role, how long will Utilicast provide oversight?) d. Legal support (BBSW) \$21,000: Is BBSW BANC's legal counsel and what is its role?	a. SMUD manages EIM Entity for BANC b. This represents 10.9% of total Phase I Reimbursement cost. It was allocated based on 2017 Net Energy for Load. WAPA's 2017 NEL was 1,987,830 MWH c. Utilicast provides consulting services to energy and utility industry. BANC has contracted with Utilicast to provide EIM Phase II project oversight. Utilicast will provide on-site PM for project support and coordination. d. Yes, BBSW is BANC's legal counsel and their role is to provide legal support.



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52.	Other costs (OATI upgrade, miscellaneous labor @ 3.0 FTE) a. Are the OATI upgrade costs to schedule with BANC or the CAISO? b. Misc labor 3.0 FTE are these new WAPA costs and positions?	a. OATI upgrade costs are to integrate WAPA in BANC EIM Entity scope. b. 3.0 FTE costs are part of SMUD support cost and not WAPA FTE costs.
53.	If CVP energy is sold in the RT EIM, is base resource reduced at a later date?	No. Just as it is today, real-time adjustments are made to allow day-ahead processes to work as planned and not reduce base resource in future days.
54.	Can you review the factors that change the availability of the energy resources—day-ahead spinning reserves (capacity) that is bid into the market to real-time energy product available to EIM?	Day-ahead Spinning Reserves are only being used as a proxy for potential EIM energy transactions. This proxy was chosen because there is a multi-year historical record available and it avoids the complication of start/stop costs in the analysis. If the decision is made to participate in EIM, the actual energy made available would be based on real-time decisions that consider the project needs for corrective reservoir operations, unplanned outages, and economic opportunities for each day.
55.	Can all CVP generators participate?	All SCADA controlled units in the WAPA Sub-BA project could potentially participate (this would exclude resources at San Luis and O'Neill). Methods and strategies for various units will depend on how CVP is eventually modeled into the EIM.
56.	Do CVP generators participate through SMUD?	CVP generators will participate in EIM through WAPA. More specifically, through a new WAPA EIM Participating Resource Scheduling Coordinator. SMUD generators are in EIM through the SMUD EIM Participating Resource SC.
57.	Will WAPA forecast net EIM benefits as a reduction to the PRR?	At this time WAPA does not know what the net EIM benefits will look like; therefore, it will be hard for us to forecast this for future PRRs. If the decision is made to participate in EIM, we will likely need a few years of information as a basis to estimate any reductions to future Power Revenue Requirements.



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Phone Call from Customer, Question/Response from July 30, 2019

58.	Can WAPA provide more information on the Utilicast Project Oversight estimate? It went up from \$500,000 to \$750,000	The original cost estimate for Utilicast of \$500,000 was an initial order of magnitude estimate WAPA received from BANC without Utilicast input from the gap analysis. The latest estimate of \$750,000 reflects Utilicast's input based upon their review of what will be needed in the form of on-site project support and SME engagement for WAPA. In either case, these are estimates and not committed dollars. Actual expenditures will be based upon approved invoices for labor hours and expenses.
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Email from Customer, Questions-Responses from August 13, 2019

59.	It seemed that Charles outlined two options for resource availability for EIM: a) use available spin <i>not</i> awarded in regular DA scheduling process or b) reduce available spin to meet the 50MW bid requirement. He also mentioned a requirement of a minimum of 50MW bid for the EIM. For the b) option, I thought that EIM required participants to “enter in balance.” How would that be possible if WAPA were to “set aside” some available spin? Is it because participants have to enter with a balanced <i>energy</i> schedule but reducing spin/ancillary services is allowed?	During the July 30, 2019 meeting, Charles Faust elaborated on the hypothetical cases that WAPA/Reclamation have been using to evaluate the economics of potential EIM participation strategies. All of the parameters or limitations Charles discussed were experimental boundaries which allowed plausible use of energy resources without disturbing the existing Day-Ahead processes. Once we make a decision as to whether or not we will participate in EIM, we will discuss EIM strategies with our customers at future Customer Coordination Committee and customer meetings.
60.	When Charles said it's most economic to use spin sales for resources to bid into EIM, can you elaborate more on this? Most economic as compared to what other options?	During the July 30, 2019 meeting, Charles Faust elaborated on the hypothetical cases that WAPA/Reclamation have been using to evaluate the economics of potential EIM participation strategies. Day-ahead Spinning Reserves are only being used as a proxy for potential EIM energy transactions. This proxy was chosen because there is a multi-year historical record available and it avoids the complication of start/stop costs in the analysis. Once we make a decision as to whether or not we will participate in EIM, we will discuss EIM strategies with our



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		customers at future Customer Coordination Committee and customer meetings.
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Email from Customer, Questions-Responses from August 15, 2019

61.	<p>Please confirm total estimated one-time start-up costs (~\$3.3 million), estimated annual recurring costs (~\$1 million), and estimated annual benefits (~\$2 million, average).</p>	<p>Estimated one-time start-up costs: \$3,493,150.00, which includes costs for Utilicast contractor support, SMUD, WAPA and Reclamation software upgrades, SMUD project management support, BANC legal support, CAISO implementation fees, and security and collateral costs. WAPA is still discussing the applicability of the security and collateral costs (\$163,500).</p> <p>Estimated annual recurring costs: WAPA annual recurring costs for EIM software are \$170,000. BOR doesn't expect any on-going EIM software costs. WAPA's share of annual recurring costs from BANC is \$459,331.89. This estimate is based on 2017 Net Energy for Load. Should WAPA decide to join EIM, WAPA will be working with BANC and the other BANC EIM participants, in accordance with the BANC EIM Participating Agreement, to consider adjustments to the allocations based on updated data. This may include exploring an "average of years" or other methods.</p> <p>Estimated annual benefits: Actual benefits may vary based on CAISO's EIM dispatch instructions but WAPA and BOR estimate an average of \$2.2M annual benefits from the scenarios we prepared, which involved the assumption of bidding a portion (up to 50 MW) of the historical Spinning Reserve hourly capacity as proxy resource for EIM from January 2017 – June 2019. Our scenario assumes that we enforce a 300 MWh cap for cumulative dispatch in one direction (e.g., inc dispatch) before we dispatch in the opposite direction (e.g., dec dispatch) in a one day. We also assume a similar cap (600 MWh) for cumulative daily net MWh dispatch on a weekly basis. The scenario assumes inc and dec dispatch for a</p>
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		week and uses a uniform bid price of \$0/MW for HE 1-12 and the CVP breakeven cost (\$30.92/MWh) for HE 13-24 compared with the BANC or NV Energy EIM LAP LMPs during the simulation period.
62.	WAPA was allocated 10.9% of Phase 1 reimbursement costs based on 2017 Net Energy for Load. How much does WAPA's NEL change based on hydrology, and which entities' loads (project use, first preference, etc.) are included in 1,987,830 MWh?	<p>Based on the analysis of 2010 – 2019 YTD data, dry year NEL could be about 20%-24% less than the average year NEL and wet year NEL could be 14%–18% more than the average NEL</p> <p>WAPA NEL includes following loads:</p> <p>Lawrence Livermore National Lab (DOE), Tracy Pump Load (Project Use), Trinity PUD, City of Shasta Lake, SBA Losses and Station Service, East Contra Costa Irrigation District, Contra Costa Water District, Byron Bethany Irrigation District.</p> <p>The 2017 NEL data was selected because it was the most up to date information available at the time BANC determined the allocation of the Phase I costs. Because of the deadline for the BANC Commission and the BANC members to take the Phase II participation agreement before their individual boards and commissions, BANC was unable to review and potentially recalculate the cost sharing percentages for the Phase I costs.</p> <p>The ongoing costs are far more consequential. For this reason, should WAPA join, WAPA will be working with BANC and the other BANC EIM participants, to correct NEL components and adjust on-going cost allocations based on more than a single snapshot. This may include exploring an “average of years” or other methods.</p>
63.	WAPA has legal support, can you elaborate on why WAPA also has to pay BANC legal support?	Legal support is a reasonable BA cost. It's generally included as part of a BA's cost of service. In this case, as part of EIM cost of service, WAPA pays its pro rata share of reasonable costs which includes BANC legal support cost.
64.	WAPA indicated costs would not be passed through rates until WAPA	Yes, WAPA will not pass any costs through the PRR until WAPA determines a



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	determines a methodology on how to allocate costs and benefits. Is that correct?	methodology on how to allocate costs and benefits.
65.	WAPA mentioned it can elect not to bid energy into the EIM if the benefits are less than expected or needed. If WAPA decides to not bid energy into the EIM for a decent period, like months or years, will customers still be responsible for the ongoing costs or can WAPA forego some of the yearly cost obligations?	Even if WAPA decides not to bid energy into the EIM, WAPA is still responsible for any ongoing costs it has committed to pay. WAPA will pass through ongoing costs to customers according to the methodology developed through the public process.
66.	When does WAPA anticipate starting the EIM public rate process? How long do you anticipate that process will take?	The EIM public rate process is anticipated to start in April, 2020, and is expected to take approximately 9 months to complete.
67.	If WAPA does participate in CAISO EIM, what is the anticipated start date?	The anticipated EIM participation start date is April 2021.
68.	A critical component from a customer perspective is the methodology WAPA will adopt to assign costs and share benefits. Will there be a decision point regarding EIM participation following the conclusion of the public rate process?	WAPA will make a decision on EIM participation by August 30, 2019. During the public rate process, WAPA will provide information on EIM rates, and cost and benefit allocation methodology. If, during the rate process, WAPA determines there are factors precluding us from continuing our participation in EIM, then WAPA has the option to re-evaluate its continued participation in EIM.
69.	Is the term “benefits” in the context of WAPA’s EIM benefit analysis synonymous with revenue?	Benefits include the revenue. In addition to revenues, benefits include intangibles such as participating in a liquid market. A liquid energy market ensures fair pricing.

