

# NOTES



July 26, 2018

## Joint Planning Agreement (JPA)

<https://www.wapa.gov/regions/DSW/pages/jpa.aspx>

No.	Subject	Discussion
1.	Introductions	<ul style="list-style-type: none"><li>All</li></ul>
2.	Administrative Matters <ul style="list-style-type: none"><li>Sign in sheet, mute phones, WebEx</li></ul>	<ul style="list-style-type: none"><li>Jack Murray</li></ul>
3.	<b>Discussion</b> <ul style="list-style-type: none"><li>WAPA's Draft of JPA (7/11/18)<ul style="list-style-type: none"><li>Agreement Approach</li><li>Approvals – Voting</li><li>Reporting</li></ul></li><li>Arizona Tribal Energy Association Letter (6/15/18)</li><li>Other Topics</li></ul>	<ul style="list-style-type: none"><li>All</li></ul>
<b>Timelines</b> <ul style="list-style-type: none"><li>The next JPA meeting is scheduled for August 27<sup>th</sup>, from 10:30 a.m. to 3:00 p.m.</li></ul>		

### Action Items:

4.	Assigned To	Task Description
4a.	WAPA	Consider comments provided by the customers to date in the next round of drafting.
4b.	Customers / WAPA	Customers will seek consensus on their positions regarding voting. WAPA will reconsider what customers are able to vote on; inform customers if WAPA is flexible on the voting process set forth in the WAPA draft JPA.
4c.	WAPA	Post Open Access Transmission Tariff (OATT) Attachment P to JPA website.
4d.	WAPA	Post the Customer Technical Committee (CTC) provided agreement crosswalk to JPA website.
4e.	Customers	Review OATT Attachment P and identify what preferred provisions are not addressed in Attachment P or already provided for in other sections that are requested to be added to Attachment 5.

4.	Assigned To	Task Description
4f.	WAPA	Post notes of the July 26, 2018, JPA meeting to the WAPA's website.

**Notes:**

At the beginning of the meeting, the CTC provided a handout consisting of WAPA's agreement crosswalk with an additional column that listed the CTC's comments and questions on WAPA's July 11<sup>th</sup> draft JPA. This handout was used to guide the meeting discussion through Section 6.1.3, Funding Plans of the CTC draft and Exhibit A of WAPA's draft. The meeting ended before the entire handout was discussed so the remaining sections will be addressed at the next JPA meeting. Discussion on the sections of the handout that were addressed are noted in the following table:

Customer Comments & Questions in Response to WAPA's 7/11/18 Draft JPA	WAPA Response
<p>Customers stated that the updating of attachments should be done on a bilateral basis. WAPA should not have the ability to update the attachments without the approval of the customers.</p> <p>Definitions in particular have the ability to fundamentally change the meaning of the agreement.</p>	<p>The attachments document various WAPA processes and how WAPA will report information to customers. The processes are fundamentally WAPA's to manage so WAPA's draft reflects the ability to unilaterally manage these attachments after collaborating with, and seeking input from, customers.</p> <p>WAPA will consider the bilateral updating of all attachments and/or moving Attachment No. 1 "Definitions" into the body of the contract or adding language to Section 15, Attachments so one party does not have unilateral ability to change the definitions.</p>
<p>The applicability of WAPA's GPCPs to the JPA was questioned.</p>	<p>WAPA will review its GPCPs to determine which provisions apply to the JPA (revise language in GPCP section as necessary).</p>
<p>A customer noted their comments emailed prior to the meeting regarding certain exclusions for tribes and offered suggested language regarding tribal sovereign immunity.</p>	<p>WAPA will consider proposed language.</p>
<p>Subjects of interest, such as RRADs, O&amp;M, and rates, are not explicitly stated in the Goals and Objectives section. It should be made clear that these topics are to be addressed in the Goals and Objectives section.</p>	<p>WAPA will consider adding clarifications to the Goals and Objectives section based on comments.</p>
<p>Customers do not want WAPA to have the ability to terminate the agreement. The option to include a termination date was discussed as an alternative and add automatic renewal language.</p>	<p>WAPA is not inclined to enter contracts in perpetuity and void the ability to terminate. WAPA will consider alternatives</p>

<b>Customer Comments &amp; Questions in Response to WAPA's 7/11/18 Draft JPA</b>	<b>WAPA Response</b>
	to include a termination date with the potential of an evergreen clause.
<p>Customers prefer to vote on more than prepayments for construction and would like to vote on the entire ten year plan regardless of funding source or anything substantial to be collected through the rates. In the event WAPA is not able or willing to provide for additional voting capabilities, some customers suggested a non-binding voting mechanism on items beyond the use of prepayments for construction. Some customers expressed an interest in voting without signing the JPA or Exhibit A.</p> <p>The customers will meet prior to the next JPA meeting to seek consensus on their positions regarding voting.</p>	<p>WAPA to consider customer voting on something more than prepayments for construction.</p> <p>WAPA to consider a non-binding type vote for projects funded by sources other than prepayments.</p>
<p>Why does approval of all projects not work?</p>	<p>Approval means an up or down vote on more than what is currently provided for under the MOU. There are occasions where WAPA may not be able to provide a vote because it has the responsibility to keep the system reliable and safe or to comply with network upgrade requirements under WAPA's OATT.</p> <p>WAPA is not willing to allow a binding customer vote on the use of appropriations. By the time we know what appropriations, if any, will be available for a given year, the TYP capital projects will have already been vetted and vote conducted on use of prepayments.</p> <p>Further, the approval could be inconsistent between projects and thereby discourage potential new customers or additional sales.</p>
<p>Comments received noting that Attachment No. 5 does not sufficiently address the role customers have in the transmission planning process. Attachment No. 5 should be expanded to include coordination not covered under Attachment P of the OATT or other sections of the draft JPA.</p>	<p>Customers will identify those coordination functions that they believe should be captured in this JPA that are not already provided for in Attachment No. 5 or elsewhere in the draft JPA.</p>
<p>A suggestion was made to seek a more streamlined option to transition from the MOU to the JPA Exhibit A. For example, can the execution of Exhibit A be a party's vote to terminate the MOU. Some were concerned that this approach could erode a customer's ability to</p>	<p>WAPA will consider alternative methods to streamline the transition from the MOU to the JPA Exhibit A, if applicable. No method should prevent an existing signatory to the</p>

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vote under the MOU prior to having a JPA Exhibit A in place.	MOU from voting before Exhibit A is executed.
References to collaboration on rates and Purchase Power and Wheeling Expenses (PPW) have been removed. Customers are concerned that these topics should be included in the JPA. Consider including “what if” scenarios related to rates.	Attachment No. 4 references information sharing and reporting related to rates and PPW. WAPA is open to additional language in the JPA on these topics as long as the public process used to formulate rates or other WAPA collaboration efforts are not infringed upon or duplicated.
Customers expressed concerns about their ability to provide input to the AOA’s and stated that WAPA previously committed to allowing customers to be members of the Capital Planning Committee (CPC) and CPC sub-committees.	WAPA agrees that customers should have opportunities to collaborate with WAPA on what is studied via the AOAs. WAPA will consider additional language to make this clear. WAPA had previously discussed having the CTC engage with WAPA’s internal CPC and CPC sub-committees. However, WAPA reserves its ability to have internal committees in order to develop, facilitate, and prepare for planning activities and customer engagements related to capital planning.
In the WAPA draft, AOA’s describe both a process and a document and there is inconsistency when using the term Replacement, Retirement, Additions & Deletions.	WAPA will audit the draft JPA and attachments for consistency in the use of these terms.
Customers stated the WAPA draft is overly expansive and provides WAPA too much latitude to declare materials confidential and restrict disclosure. Suggest reviewing language provided in Section 28 of the Boulder Canyon Project electric service contracts “Access to Books and Records”.	WAPA will reconsider language associated with its ability to disclose information that may be confidential, proprietary, or interfere with procurement efforts.
Why is there a concern with sharing information?	WAPA has concerns regarding arrangements with 3 <sup>rd</sup> parties that may entail Non-Disclosure Agreements covering proprietary or confidential information. WAPA is also required to protect information regarded as Official Use Only for system security and safety purposes.
Yuma County Water Users’ Association expressed concern that WAPA removed language from the CTC draft speaking to a priority on the transmission system for the Priority Use Power customers and asked that the language be restored. Others expressed concern about pulling in special one-off provisions from other	Legislative and contractual provisions already exist giving the Priority Use Power (PUP) customers priority of delivery over the Parker-Davis Project. It is well established that PUP deliveries have a higher priority. This JPA will affect neither the current agreements nor statute, and is

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agreements that if contested could put the JPA at an unnecessary risk.	not intended to bestow additional rights to anyone.
WAPA should review the CTC draft JPPA to incorporate language regarding the goals and objectives in the recitals.	WAPA to review Section 5 of the CTC draft.