

# WAPA-SN Rates Informal Public Process

Western Area Power Administration

Sierra Nevada Region

Friday, July 10, 2020

9:00 AM – 12:00 PM

Web Conference

# WebEx Housekeeping Items

- All participants are muted on entry to ensure a smooth remote meeting
- For questions during Q&A periods, please choose one of the following options:
  - Send questions to the host in the WebEx chat
  - Use the “Raise Hand” icon next to your name in participant list. The host will unmute and call on you
- Phone only participants: When prompted by the host, press \*6 from device to unmute yourself on WebEx
- Some questions may be answered later in other presentations
- We will have time for additional questions at the end of the meeting
- Make sure you are not “double-muted” when attempting to talk (i.e. muted on your device in addition to the WebEx client)



# Agenda

1. WebEx Host	Tony Henriquez, Public Utilities Specialist - Rates
2. Proposed Rates Process Timeline	
3. Overview of Proposed Energy Imbalance Market Rate Schedules	
4. Review BANC EIM Entity Settlement Allocation Summary Table	Autumn Wolfe, SN Rates Manager
5. Overview of Proposed Revisions to Existing Rate Schedules	
6. Overview of Proposed Sale of Surplus Products Rate Schedule	

# Agenda (cont.)

7. Rate Brochure	Autumn Wolfe, SN Rates Manager
8. Review of Allocation of EIM Charges and Benefits for Conforming & Non-Conforming Loads	
9. WEIM Allocation for Non-Conforming Loads	Tong Wu, SN Settlements Manager
10. Posting of WAPA Business Procedures for EIM Entity Settlements on OASIS	Robert Delizo, SN Resources and Scheduling Manager
11. Additional Information of Resource Sufficiency	Rosemary Jones, SN Power Marketing and Energy Services Specialist
12. Respond to Questions from Customers – EIM and Sale of Surplus Products	SN Subject Matter Experts
13. Closing Remarks	Autumn Wolfe, SN Rates Manager

# WAPA-SN's Proposed Rates Process Timeline

Autumn Wolfe  
SN Rates Manager

# Proposed Timeline

May 11, 2020	1 <sup>st</sup> Informal Customer Meeting
Jun 8, 2020	2 <sup>nd</sup> Informal Customer Meeting
Jun 25, 2020	3 <sup>rd</sup> Informal Customer Meeting
Jul 10, 2020	4 <sup>th</sup> Informal Customer Meeting
Jul 2020	Federal Register Notice Published (90-Day Comment Period Begins)
Aug 17, 2020	Formal Customer Public Information & Comment Forum (WebEx only)
Oct 2020	90-Day Comment Period Ends
Feb 2021	Final Federal Register Notice Published
Apr 1, 2021	New Rate Schedules Effective Date

# Overview of Proposed Energy Imbalance Market Rate Schedules

Autumn Wolfe  
SN Rates Manager

# Overview of Proposed Energy Imbalance Market Rate Schedules

- Revisions to the proposed new EIM Rate Schedules were made to define the terms “EIM Market Operator” and “EIM Entity”

## Character and Conditions of Service:

EIM Administrative Service recovers the administrative costs for participating in the EIM by WAPA-SN as a Transmission Provider, including but not limited to such administrative charges as may be incurred by WAPA-SN from CAISO as the EIM Market Operator (MO) and/or Balancing Authority of Northern California (BANC) as the EIM Entity.



# Overview of Proposed Energy Imbalance Market Rate Schedules

- See Proposed EIM Rate Schedules (CV-EIM1S, CV-EIM4S and CV-EIM9S) posted on WAPA-SN's Rate Case website at:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>

# Formula for Proposed EIM Rate Schedules

Schedule	Formula	Type
Schedule CV-EIM1S	Sub-allocated based on Load Ratio Share	EIM Administrative Service
Schedule CV-EIM9S	Direct Assign and/or Sub-allocate based on Load Ratio Share	<u>Interchange Operational Adjs:</u> Instructed Imbalance Energy
Schedule CV-EIM4S	Sub-allocated based on Load Ratio Share	<u>Load:</u> Uninstructed Imbalance Energy Unaccounted for Energy Under-and Over-Scheduling Load Uplifts and Offsets Bid Cost Recovery Flexible Ramping Product Operating Reserves

# BANC EIM Tier 1 Charge Allocation by Charge Codes with Rate Schedules

## BANC EIM Entity Settlement Allocation Summary

BANC Allocation Charge Code		BANC Allocation Basis	WAPA 1 <sup>st</sup> Tier Allocation	WAPA 2 <sup>nd</sup> Tier Allocation		Allocation Granularity	Applicable Rate Schedule
				TPUD to BANC	Others		
100*	BANC Balancing Account	BANC Daily Load Ratio	Load Ratio	Load Ratio	WAPA PRR	Daily	N/A
101*	BANC PTB Charge	Custom Allocated or by default, Daily Load Ratio.	Load Ratio	Load Ratio	WAPA PRR	Daily	N/A
102*	BANC Miscellaneous Charge	Custom Allocated	Load Ratio	Load Ratio	WAPA PRR	Daily	N/A
2999	Default Invoice Interest Payment	BANC Cost Allocation Ratio	Load Ratio	Load Ratio	WAPA PRR	Monthly	4S
3999	Default Invoice Interest Charge	BANC Cost Allocation Ratio	Load Ratio	Load Ratio	WAPA PRR	Monthly	4S
4564	GMC-EIM Transaction Charge	BANC EIM Participant Hourly Load and Intertie Absolute Imbalance Ratio	Load Ratio	Load Ratio	WAPA PRR	Hourly	1S
4575	Scheduling Coordinator Identification Charge	BANC EIM Participant Fixed Cost Allocation Ratio	Load Ratio	Load Ratio	WAPA PRR	Monthly	4S
5024	Invoice Late Payment Penalty	BANC Cost Allocation Ratio	Load Ratio	Load Ratio	WAPA PRR	Daily	4S

# BANC EIM Tier 1 Charge Allocation by Charge Codes with Rate Schedules

- See BANC EIM Tier 1 Charge Allocation Table posted on WAPA-SN's Rate Case website at:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>

- Customers should have received an email from WAPA Merchant on July 1<sup>st</sup>, with the Business Practices attached.

# Overview of Proposed Revisions to Existing Rate Schedules

Autumn Wolfe  
SN Rates Manager

# Energy Imbalance Service Proposed Rate Schedule CV-EID5

## Current Component 1

El service is applied to deviations as follows: (1) for deviations within the bandwidth, **there will be no financial settlement,** unless otherwise dictated by contract or policy; rather, El will be tracked and settled with energy...

## Proposed Component 1

El service is applied to deviations as follows **unless otherwise dictated by contract or policy:** (1) deviations within the bandwidth **will be tracked and settled financially,** at the greater of the California Independent System Operator market price, or WAPA-SN's actual cost...

# Generator Imbalance Service Proposed Rate Schedule CV-GID2

## Current Component 1

GI is applied to deviations as follows: (1) for deviations within the bandwidth, **there will be no financial settlement,** unless otherwise dictated by contract or policy; rather, GI will be tracked and settled with energy...

## Proposed Component 1

GI is applied to deviations as follows **unless otherwise dictated by contract or policy:** (1) deviations within the bandwidth **will be tracked and settled financially,** at the greater of the California Independent System Operator market price or WAPA-SN's actual cost...

# Overview of Proposed Revisions to Existing Rate Schedules

- See Proposed Revisions to Existing EI and GI Rate Schedules (CV-EID5 and CV-GID2) posted on WAPA-SN's Rate Case website at:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>



# Overview of Proposed Sale of Surplus Products Rate Schedule

Autumn Wolfe  
SN Rates Manager

# Overview of Proposed Sale of Surplus Products Rate Schedule

- A revision was made to the Sale of Surplus Products Rate Schedule Component 1 to ensure the recovery of WAPA's cost should it be greater than market rates

## Component 1:

WAPA-SN would determine the charge for each product at the time of sale to be the greater of WAPA-SN's cost or market rates to include transmission charges. WAPA-SN would use a separate agreement(s) to specify the terms of sale(s). The customer may be responsible for acquiring additional transmission service necessary to deliver the product(s), for which a separate charge may be incurred from the transmission provider.

# Overview of Proposed Sale of Surplus Products Rate Schedule

- See Proposed Sale of Surplus Products Rate Schedule (CV-SSP1) posted on WAPA-SN's Rate Case website at:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>

# Rate Brochure

Autumn Wolfe  
SN Rates Manager

# Rate Case Brochure

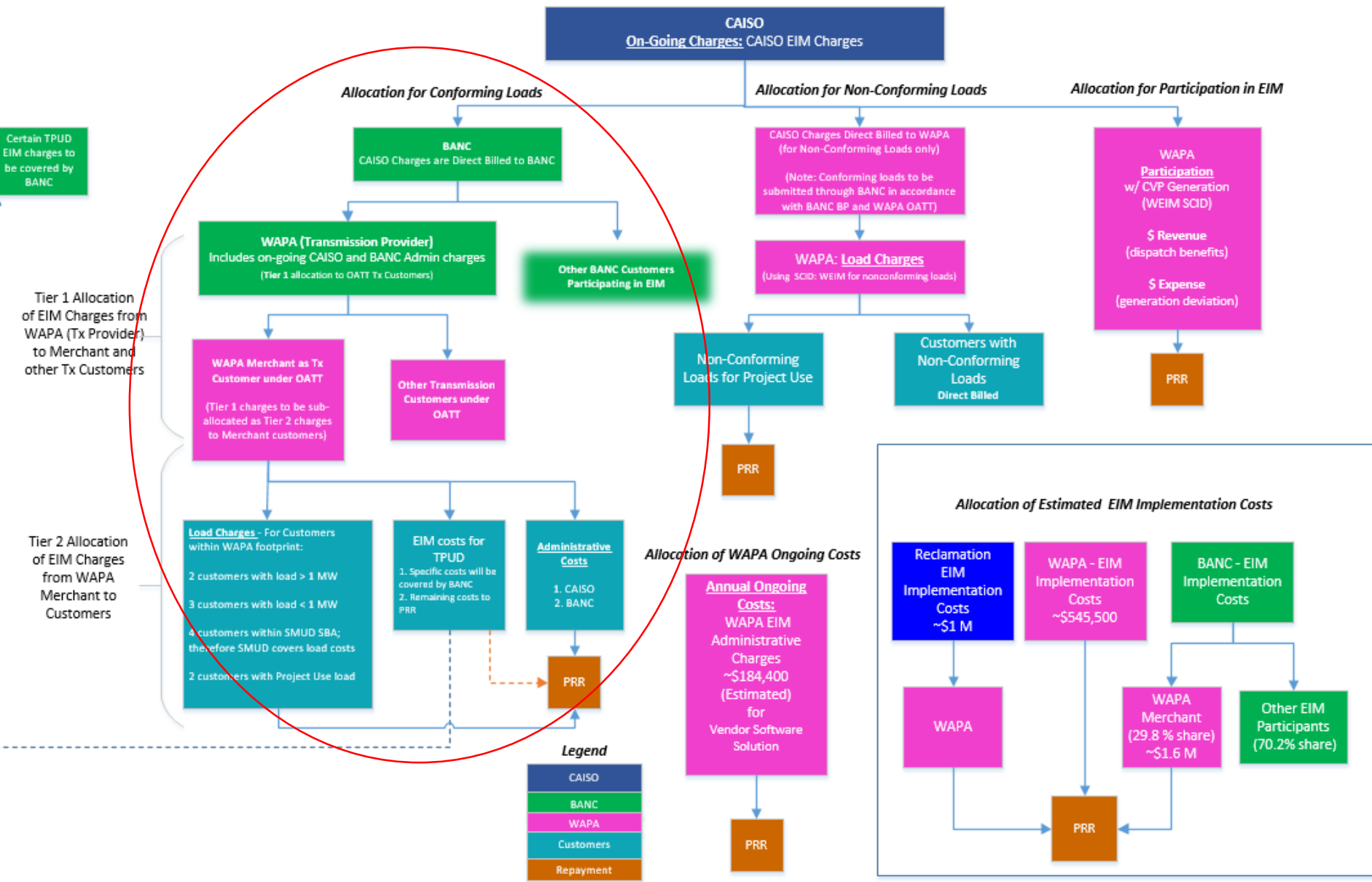
- The WAPA-SN's Rate Brochure is near completion, and is anticipated to be published by the end of July
- An email will be sent out to customers to provide notification once the brochure is posted to our Rate Case website
- Once Posted, the Rate Brochure can be found on WAPA-SN's Rate Case website at:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>

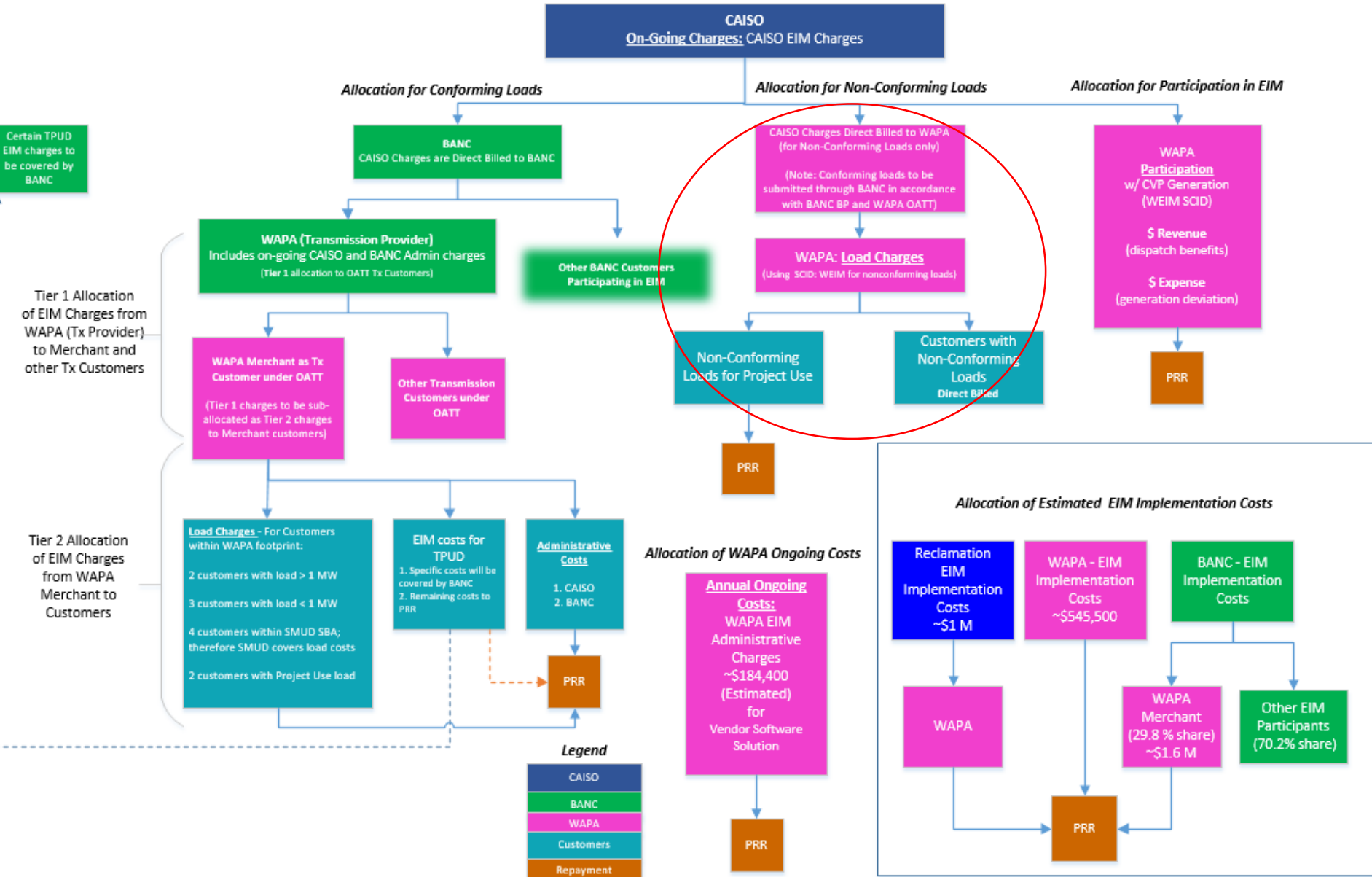
# Review of Allocation of EIM Charges and Benefits for Conforming and Non-Conforming Loads

Autumn Wolfe  
SN Rates Manager

# Allocation of EIM Charges and Benefits for Conforming Loads From BANC



# Allocation of EIM Charges and Benefits for Non-Conforming Loads from CAISO





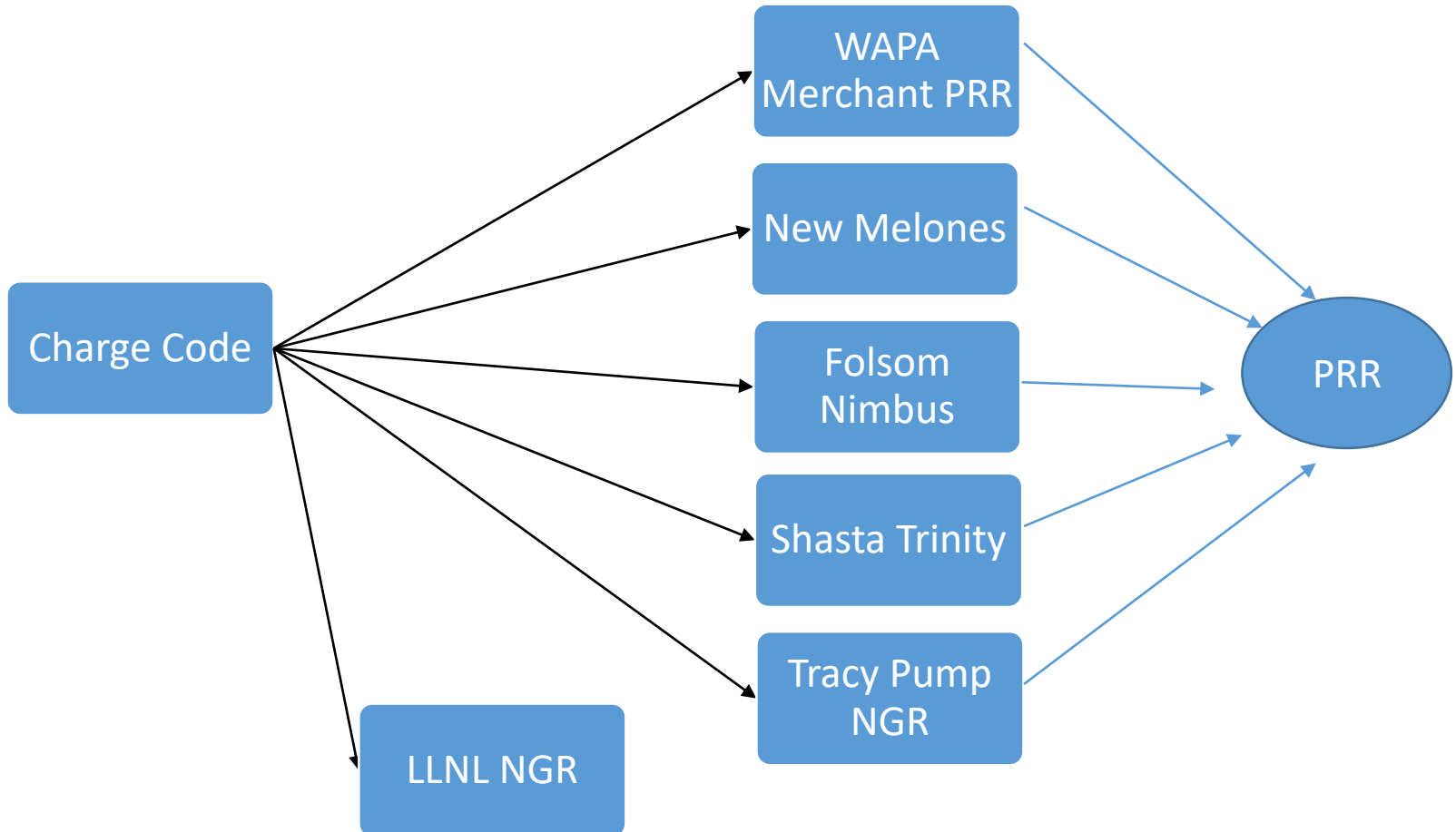
# WEIM Allocation for Non-Conforming Loads

Tong Wu  
SN Settlements Manager

# WEIM - Scheduling Coordinator ID

Customer	Resource ID	Resource Type	Resource Description
WAPA SNR Merchant CVP	MELONP_7_UNITS	G	New Melones Aggregation (pseudo tie)
	FOLSOM_7_UNITS	G	Folsom and Nimbus Aggregation
	SHASTRD_7_UNITS	G	Shasta and Trinity River Division Aggregation
	TRCYPP_7_PUMPSNGR	NGR	Tracy Pumps Load Resource
Lawrence Livermore National Lab (LLNL)	LLNL_7_LDNGR	NGR	LLNL Load, modeled as an NGR

# WEIM Allocation Overview



# WEIM Allocation Methods

- By Resource ID
  - instructed and uninstructed deviations
- By Number of Resource, i.e., equal share
  - CC4575 - SCID charge,  $\$1000/5 = \$200$  per resource
- By Resource's Meter Ratio Shares
  - absolute values of metered energy quantity
  - in hourly, daily and monthly granularity
- WAPA Merchant

CAISO Charge Code	Charges Allocated by Resource ID	Allocation Granularity
64600	FMM Instructed Imbalance Energy EIM Settlement	5 Minute
64700	Real Time Instructed Imbalance Energy EIM Settlement	5 Minute
64750	Real Time Uninstructed Imbalance Energy EIM Settlement	5 Minute

CC	Charges Allocated by Meter Ratio Shares	Granularity
1592	Enforcement Protocol Penalty Allocation Payment	Monthly
4564	GMC-EIM Transaction Charge	Hourly
7077	Daily Flexible Ramp Up Uncertainty Award Allocation	Daily
7078	Monthly Flexible Ramp Up Uncertainty Award Allocation	Monthly
7087	Daily Flexible Ramp Down Uncertainty Award Allocation	Daily
7088	Monthly Flexible Ramp Down Uncertainty Award Allocation	Monthly
7989	Invoice Deviation Interest Distribution	Daily
7999	Invoice Deviation Interest Allocation	Daily
8526	Generator Interconnection Process GIP Forfeited Deposit Allocation	Daily

CC	Charges Allocated to WAPA	Allocation Granularity
2999	Default Invoice Interest Payment	Monthly
3999	Default Invoice Interest Charge	Monthly
4515	GMC Bid Transaction Fee	Daily
5024	Invoice Late Payment Penalty	Daily
5025	Financial Security Posting (Collateral) Late Payment Penalty	Daily
7070	Flexible Ramp Forecast Movement Settlement	Hourly
7071	Daily Flexible Ramp Up Uncertainty Capacity Settlement	Daily
7081	Daily Flexible Ramp Down Uncertainty Capacity Settlement	Daily
66200	Bid Cost Recovery EIM Settlement	Daily

# Energy Imbalance Market Settlement Business Practice (BP-044)

Robert Delizo

SN Resources and Scheduling Manager



# Business Practice for Energy Imbalance Market Settlements

- **Description:**

BP-044 establishes business practices for EIM settlements between the WASN Transmission Provider and Transmission Customers subject to Attachment S of WAPA's OATT for settlement of EIM charges and payments WASN may incur from the BANC EIM Entity.

Charges and associated settlement allocations described in the BP have been developed based on the settlement practices established by the BANC EIM Entity through the BANC EIM Business Practice document.

- **Location:**

- WASN's Open Access Same-time Information System (OASIS) site at <http://www.oasis.oati.com/wasn/index.html>.
- The BP can be found under the "Draft BPs – 10 Day Comment" folder on WASN's OASIS

# Business Practice for Energy Imbalance Market Settlements

The screenshot shows a web browser window with the URL [oasis.oati.com/wasn/index.html](https://oasis.oati.com/wasn/index.html). The page features a navigation menu with 'Registration', 'About', and 'Home' buttons. A 'Menu Panel' on the left lists various documents, with 'BP-044 Energy Imbalance Market 30 Day C' highlighted and a red arrow pointing to it. The main content area displays a 'Welcome To WASN' message and two news items. The top news item, dated 07-06-2020, discusses a meeting for Sierra Nevada Region customers regarding new rate schedules. The bottom news item, dated 06-30-2020, announces a new regional Business Practice (BP-044) for Energy Imbalance Market (EIM) settlements.

**Documents**

- [NAESR Home Page](#)
- [Standards of Conduct](#)
- [Business Practices, Waivers, and Exemptions](#)
- [OASIS Notices](#)
- [Business Practices](#)
- [Draft BPs - 10 Day Comment](#)
- [BP-027 Transmission Customer Meetin Outline IC](#)
- **[BP-044 Energy Imbalance Market 30 Day C](#)**
- [Business Practices Common to all Western Region](#)
- [Business Practice Change Control Process](#)
- [Pending BPs - 5 Day Notice](#)
- [Effective Business Practices](#)
- [Current Rates and Losses](#)
- [Customer Meetings](#)
- [FERC 890](#)
- [General Information](#)
- [Interconnection Requests](#)
- [Network Customer](#)
- [News](#)
- [SNR Methodologies](#)
- [Standards of Conduct](#)
- [Tariff](#)

**Welcome To WASN**

**07-06-2020:** Dear Sierra Nevada Central Valley Project Customers: Western Area Power Administration (WAPA) Sierra Nevada (SN) Region plans to file new formula rate schedules and revisions to two existing rate schedules under Rate Order No. WAPA-194. This is a Notification of Sierra Nevada Region-Rates' EIM Informal Customer Meeting #4, for July 10, 2020, from 9:00 a.m. (PDT) to 12:00 p.m. (PDT) This meeting is the fourth and final informal meeting that will be held prior to the formal public rate process. At this meeting WAPA-SN plans to share information regarding the California Independent System Operator's Energy Imbalance Market (EIM), including: An overview of the Proposed New EIM Rate Schedules, Proposed Revisions to Existing Rate Schedules, and the Proposed New Rate Schedule for the Sale of Surplus Products; Additional information on EIM charge allocations; and WAPA-SN Subject Matter Experts will be available to respond to any remaining customer questions relating to EIM or the Sale of Surplus Products. The WebEx will take place on Friday, July 10, 2020 @ 9am PDT to no later than 12pm PDT. If you have any questions, or would like to request WebEx information for participating in the meeting, please feel free to contact the WAPA-SN Rates team at [SNR-RateCase@wapa.gov](mailto:SNR-RateCase@wapa.gov).

**06-30-2020:** WASN has posted a new regional Business Practice, BP-044, presenting draft Energy Imbalance Market (EIM) Settlements practices for WASN Transmission Customers subject to the proposed Attachment S of WAPA's OATT. WASN is providing Transmission Customers with 30 days for initial review and comment on the draft BP-044. During that period the BP can be found under the "Draft BPs - 10 Day Comment" folder on WASN's OASIS. Please provide comments NLT July 31, 2020 to Ray Ward ([ward@wapa.gov](mailto:ward@wapa.gov)) and Ira Witherspoon ([witersp@wapa.gov](mailto:witersp@wapa.gov)). Following the 30 day comment period, BP-044 will continue to be coordinated in accordance with WAPA's Business Practice Change Control Process as posted on WASN's OASIS.

# Business Practice for Energy Imbalance Market Settlements

- **Comment Period:**

WASN is providing 30 days for initial review and comment period on the BP. Comments are due July 31, 2020.

- **Contacts:**

- **Transmission Customers** can submit comments directly to WASN's Operations to the following Points of Contact (POCs) ;

→ Ray Ward ([Ward@wapa.gov](mailto:Ward@wapa.gov)) and Ira Witherspoon ([Withersp@wapa.gov](mailto:Withersp@wapa.gov))

- **First Preference, Base Resource, and Project Use customers** must submit their comments by July 27<sup>th</sup> to WAPA Merchant to the following POCs:

→ Robert Delizo ([Delizo@WAPA.GOV](mailto:Delizo@WAPA.GOV)) and Charles Faust ([Faust@WAPA.GOV](mailto:Faust@WAPA.GOV))

# Additional Information on Resource Sufficiency

Rosemary Jones

SN Power Marketing and Energy Services Specialist

# Resource Sufficiency Details

- Refining the Product
  - To be marketable the product must handle the Balancing and Flexible Ramp tests.
- Where the surplus comes from
  - Current programs
- Impact to current beneficial programs
  - More opportunity for higher price spikes in EIM 15-minute pricing (up to the cap of \$1,000 has been seen)
  - Opportunity to replace generation with lower than PRR cost through EIM – remain water neutral or potential to save water for another day
- What happens to Base Resource?

# Respond to Questions from Customers – EIM and Sale of Surplus Products

SN Subject Matter Experts

# Closing Remarks

Autumn Wolfe  
SN Rates Manager

# Additional Information

Additional information can be found on WAPA's Website:

WAPA Rate Case:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2021-WAPA-194.aspx>

SNR EIM Information:

<https://www.wapa.gov/regions/SN/PowerMarketing/Pages/western-eim.aspx>

Contact Information

Email: [SNR-RateCase@wapa.gov](mailto:SNR-RateCase@wapa.gov)



# Thank you!