

From: Jeffrey Mehlhaff [<mailto:jeff@sdmunicipalleague.org>]
Sent: Wednesday, November 13, 2013 2:13 PM
To: Sundsted, Jody
Subject: WAPA RTO Questions

Jody – I have several questions regarding the “Alternative Operations Study Recommendation,” which WAPA only recently posted online. I would appreciate as much of a response as you can provide.

1. How is Western going to address the administrative fees (RTO Day 2 admin fee, FERC fees, Internal Costs, etc...) associated with joining an RTO?
 - a. Will each member municipal utility see an increased cost of \$0.52/MWh on all power provided from Western (SPP \$0.38 +FERC \$0.06 + Internal \$0.08)?
 - b. How will these fees specifically impact municipal power from WAPA and other Supplemental Power Suppliers?
2. What guarantees does WAPA & the IS owners have that SPP will cost share the transmission expansion projects?
 - a. How are the (16.0) First Year & (20.8) Out Year figures calculated for the cost benefit summary in the Join SPP option?
 - b. How did Western calculate (28.7) & (34.0) for the Stand Alone costs for the transmission expansion?
 - c. How does SPP not providing as much cost share in the transmission expansion affect the overall vitality of Join SPP?
 - d. What prevents MISO or SPP from partnering with Western on transmission expansion if Western is not a member of an RTO?
3. Does this study include the ramifications of Entergy leaving SPP?
4. How will the transition to SPP affect the drought adder?
5. Does Western plan to organize wholesale power costs to members?
 - a. Does Western plan to restructure rates? With new fees? Or costs?
6. What specific feedback regarding this study did you receive from South Dakota municipal members and who?
7. When did WAPA receive the final results of the above mentioned study?

I appreciate your response to my questions. Thank-you.



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