

# WAPA and MARKETS

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**W**e're back with the July issue of the *WAPA and markets* newsletter. We'll start with a brief update on the two Open Access Transmission Tariff revision processes. The WAPA Transmission Administration Team held well-attended webinars for OATT revisions 20-01 and 20-02, going over what would change to address the move into energy imbalance markets as well as other clean-up and maintenance items.

Informal comment periods are open for customers and other stakeholders to provide feedback on the proposed revisions

until the end of the month. Comments for [OATT Revision 20-01](#) are requested by July 31 to address Sierra Nevada's move into the California Independent System Operator's Western Energy Imbalance Market. Comments for [OATT Revision 20-02](#) are requested by July 30 to cover the Colorado River Storage Project's and Rocky Mountain's participation in the Southwest Power Pool Western Energy Imbalance Service market.

WAPA will draft and post responses to the Open Access Same-Time Information System a few weeks after the informal comment periods end.

All information on these revisions, including the notices of intent and ways to engage, is available on WAPA's [Open Access Same-Time Information System page](#).

## SN DEVELOPMENT WORK, RATES PROCESS CONTINUES

Sierra Nevada, along with its customers, continues to make significant strides towards successfully moving into the California Independent System Operator Western Energy Imbalance Market in April 2021. System changes, training plans and testing scenarios are actively being developed, opening the door for internal testing to begin in the next four to six weeks. Testing will then continue with CAISO in progressive stages through the end of the year.

A significant portion of the system changes are dependent on a power utility software vendor's EIM development environment, which is expected to be stood up by the end of the month. This environment will communicate with the new market, including bids, tags and meter data. The SN team has documented the proposed configurations to the environment, tested development system access privileges with the CAISO and is prepared to update the model when the development system is available.

SN's official rates process is expected to begin this month with the publication of a notice in the *Federal Register*. Among other things, WAPA will use the rates process to collaborate with customers and stakeholders on how costs associated with participating in the CAISO EIM will be recovered. The public information and comment forums are scheduled for Aug. 17 via web conference. Comments on the updated rates are requested no later than 90 days after the publication of the FRN. For more information on the rates process, visit the [SN Rates and Repayment Services webpage](#).



The next milestone facing SN is completing the settlement quality meter data plans, which will define to the market the data points where SN will be settling transactions for both load and generation. This subproject is eight months in the making and involves employees from settlements, engineering and electronic communications craftsmen researching and documenting electric grid and equipment configurations and capabilities. The momentous task is expected to also be completed this month.

More information on SN's transition is available at the [SN energy imbalance market activities webpage](#).



## STUDIES CONTINUE FOR DSW, NEIGHBORING UTILITIES

Desert Southwest's status remains fundamentally unchanged since the last newsletter. As a reminder, third-party contractors Utilicast and E3 are continuing their analysis of the data for a benefits study and gap analysis, respectively. Both contractors anticipate being able to share some preliminary results in the fall.

The benefits study will complete a production cost analysis of the entire interconnected Western U.S. grid in five-minute increments. The gap analysis will identify changes that need to be made to prepare existing business systems, processes, in-

frastructure and software for market participation. The analysis will also assess market participation costs.

DSW does not expect substantive changes or updates for their effort until the contractors have completed their assessments.

**More information on DSW's effort is available on the [DSW energy imbalance market activities webpage](#). You can also read the [May 26 update on these studies published by DSW and its fellow study participants](#).**



## BA SERVICES AGREEMENT, BUSINESS PRACTICES DEVELOPMENT CONTINUE

The Western Energy Imbalance Service effort continues to make progress on multiple fronts, including with the Balancing Authority Services Agreement, connectivity testing and internal training.

On Feb. 21, the Southwest Power Pool filed the enabling WEIS tariff, Western Joint Dispatch Agreements and Western Market Executive Committee Charter for Federal Energy Regulatory Commission approval. Some utilities, including WAPA, provided comments in support; other parties filed protests.

Although SPP requested a response from FERC by July 21, FERC has broad latitude to set the timeline for their decisions. As of July 21, FERC had not yet issued their decision. We anticipate a response in the near future and will continue to focus on meeting the goals for the WEIS implementation by Feb. 1, 2021. A delay in the FERC decision does not necessarily mean a delay in the WEIS go-live date.

### BA Services Agreement nears completion

The BA Services Agreement for the Western Area Colorado Missouri BA is nearing finalization after four BA customer meetings and numerous one-on-one discussions. Once signed by customers, the agreement will define the procedures to serve BA customers, including those needed for integration into WEIS for market participants and non-market participants.

The final BA Services Agreement WebEx meeting was held July 8 to discuss the more than 200 comments WAPA received on the previous draft. The main substantive concerns are similar to the concerns that have been raised in previous drafts, and staff has made several substantive changes to address these concerns.

During the meeting WAPA went through a "page turn" of the agreement to discuss each change. After the meeting, there remain four major concerns that need to be resolved before finalizing the agreement:

1. Clarifying what services will transition to the BA Services Agreement when existing agreements terminate or are revised.
2. How losses are assessed.
3. Penalty language.
4. Indemnification language.

After these four issues are resolved, WAPA believes that the agreement can be finalized by the end of July and distributed to WACM participants for signature.

### Draft Business Practices under development

Rocky Mountain staff continue to define the business practices that will accompany the BA Services Agreement and define technical requirements that may change over time. Originally, the team envisioned developing 17 different business practices, which have now been grouped in to six core categories:

- General
- BA Registration
- BA Operations
- Settlements and Reporting
- Transmission Services Provisions
- Ancillary Services and Losses

Asset Registration, BA Operations, and Settlements and Reporting business practices are expected to be drafted and released to customers for comment first while the others await this fall's anticipated rates process before being developed.

Finally, RM, Colorado River Storage Project Management Center and Upper Great Plains employees are reviewing the commercial model for WEIS for connectivity testing, which began this month. The commercial model is what SPP will use when the WEIS goes live. The connectivity tests will evaluate whether SPP's and WAPA's systems can communicate with one another and represent the beginning of SPP-WAPA testing. Market trials will begin in August.

For more information on the WEIS transition, visit the [WEIS activities webpage](#).

**Thank you for reading the *WAPA and Markets* newsletter. For more information, call your regional representative or visit the [WAPA-wide energy imbalance activities webpage](#) on The Source.**



**Western Area  
Power Administration**