

Ms. Rebecca Johnson
Transmission and Power Markets Advisor
Western Area Power Administration
12155 West Alameda Parkway
Lakewood, CO 80228-8213

Re: Notice of Recommendation to Pursue Final Negotiations Regarding SPP RTO Membership (88 FRN No. 82; April 28, 2023)

Dear Ms. Johnson:

The Mid-West Electric Consumers Association (Mid-West) appreciates the opportunity to submit comments in support of the Western Area Power Administration's (WAPA) recommendation to pursue final negotiations to join the Southwest Power Pool (SPP) Regional Transmission Organization (RTO). Mid-West is a group of 313 customer utilities in 9 states including the Upper Great Plains (UGP) and Rocky Mountain Regions (RMR). In submitting comments, Mid-West also notes our strong support for the comments of the Loveland Area Customer Association (LACA), of which Mid-West is an active member.

Mid-West agrees with the assessment in the Recommendation Report that the WAPA Rocky Mountain Region operations of the Western Area Colorado Missouri (WACM) Balancing Authority (BA) are increasingly strained between balancing the integration of renewable resources, managing hydropower obligations, and maintaining reliability. Mid-West is concerned that WACM BA operational costs would increase if the RMR does not join the SPP RTO. These cost increases would ultimately be passed through to Mid-West member utilities in the RMR.

Many Mid-West member utilities already engage with SPP and have worked with the RTO to improve operations in an environment of increased renewable penetration while maintaining reliability and providing value to market participants. We appreciate the time and resources WAPA has employed to negotiate favorable terms and conditions that protect the firm electric service customers which allow for WAPA to remain focused on its mission.

Mid-West is concerned that WAPA remain focused on their existing customers and resist mission expansion. Any savings realized from SPP RTO membership should not be used to increase staffing or result in mission expansion. WAPA's realized cost savings from joining the SPP RTO should be used to control costs at a time when WAPA is forecasting significant increases in staffing and operational expenses.

Mid-West joins LACA in the opinion that, if this SPP RTO expansion initiative fails, future terms and conditions of an unknown market may not be favorable to WAPA or its customers. We emphasize that this voluntary approach to joining wholesale markets, as encouraged by FERC Order No. 2000, is the best avenue forward for WAPA, its customers, and Western market participants.

Sincerely,

Jim Horan

Executive Director, Mid-West Electric Consumers Association