



June 12, 2023

Rebecca Johnson
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Western Area Power Administration
12155 W. Alameda Pkwy
Lakewood, CO 80228-8213

RE: MEAN Formal Comment for WAPA's Federal Register Notice (FRN) – Recommendation for the Western Area Power Administration's Rocky Mountain Region and Colorado River Storage Project Management Center to Pursue Final Negotiations Regarding Membership in the Southwest Power Pool Regional Transmission Organization, and for the Upper Great Plains Region to Expand Its Participation

Dear Ms. Johnson

This letter is to acknowledge the Municipal Energy Agency of Nebraska (MEAN)'s support of WAPA's Rocky Mountain Region (WAPA-RM) with its Loveland Area Projects (LAP) Transmission System and the Colorado River Storage Project (WAPA-CRSP) with its Colorado River Storage Project Transmission System pursuing final negotiations regarding transmission owning membership in the Southwest Power Pool (SPP) Regional Transmission Organization (RTO), and the Upper Great Plains Region (WAPA-UGP) with its Pick-Sloan Missouri Basin Project – Eastern Division facilities in the Western Interconnection expanding its participation in SPP.

MEAN has a number of long-standing contractual relationships with WAPA. MEAN has a Firm Electric Service (FES) contract with LAP, and most of MEAN's Members have FES contracts with WAPA (including SLCA/CRSP, LAP, and UGP). MEAN also has contractual relationships with WAPA relating to tribal benefit crediting, capacity and energy displacement, Point-to-Point transmission service and Network Integration Transmission Service agreements.

MEAN's role includes striving to protect and minimize impacts to our Members related to changes in the energy industry. MEAN also acknowledges some of the challenges facing WAPA as noted below.

WAPA has communicated the significant impacts it has faced and continues to face related to drought, particularly in the CRSP region. WAPA has indicated that the SPP RTO West (RTOW) would provide WAPA with additional purchase power options to address extreme drought and lack of energy available to purchase. The Brattle studies have shown a range of possible benefits with increased benefits during low hydro conditions. These studies reflect production cost benefits only, and there would likely be additional quantitative and qualitative benefits such as reliability and ancillary services which are not captured in the studies.

RTOW would also provide WAPA with additional options for operating reserves and regulating resources needed to meet NERC requirements for operation and system reliability for the WACM Balancing Authority (BA). This would increase system reliability in dealing with substantial amounts of existing and significant amounts of additional planned renewables and intermittent resources on the system which has been an increasing challenge for WAPA. SPP has continually set renewable penetration records and most recently achieved over 90% of the load in the SPP footprint being served at a given time by renewable resources. SPP

has demonstrated that it is a leader in balancing variable resources, which is what is needed to meet aggressive goals for decarbonization.

MEAN operates in the West (WEIS and bilateral markets), SPP, and MISO and clearly sees the benefits (including economic dispatch, access to renewable resources, and system reliability) that an RTO brings to the communities we serve. We feel that SPP's member-driven culture and governance structure are superior to other ISO/RTO markets which are more staff driven and stakeholders have a limited voice. The SPP model is a good fit for the utilities operating in the WACM BA because many of the utilities currently considering RTOW are already actively engaged in the SPP Integrated Marketplace or WEIS and the member-driven culture, including LAP and UGP. If RTO West is not implemented, we feel it could leave WAPA, MEAN, and others with limited and less desirable options which will likely be more costly, would involve more work to build a new market and take longer to stand up, may provide fewer benefits, and may not allow for the specific needs of WAPA. In light of this, we feel maintaining status quo is not a viable course of action.

MEAN's geographic footprint includes MEAN Members who have UGP FES allocations, and we have firsthand experience with WAPA UGP coming into the SPP market with the Integrated System in 2015. The transition of UGP into the SPP RTO was seamless for our Members, (both within and outside the SPP Balancing Authority), with UGP FES agreements and associated rights having not been impacted; WAPA remained true to its mission and its commitment to its customers. In addition, MEAN was actively engaged in the development of SPP's Resource Adequacy program and witnessed SPP's support of FES agreements and ensuring that WAPA UGP and SWPA customers continued to receive the full entitlements of their agreements and retained all rights as the SPP Tariff Attachment AA was developed for the Resource Adequacy Program.

Implementing an RTO will take a lot of time and resources, and having your customer base on board is vital to the success of this transition. We appreciate that WAPA has utilized numerous avenues of customer outreach and held a considerable number of customer meetings with opportunities for public questions, comment and participation. On behalf of our Members, we have closely followed the meetings which were held by, or in which CRSP, LAP, and UGP participated pertaining to their efforts on this Recommendation including well over 30 meetings that started in May of 2021 which CRSP hosted for their customers, some of which will be in the new SPP BA and some which will be external to it. I applaud WAPA for dedicating a tremendous amount of time providing information, answering questions, and working to address all concerns prior to the publishing of the FRN. It is abundantly clear that WAPA has the needs of the FES customers as WAPA's priority in this effort.

Bob Poehling

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