



**Department of Energy**  
Western Area Power Administration  
P.O. Box 281213  
Lakewood, CO 80228-8213

September 8, 2023

Dear Customers and Stakeholders:

On April 28, 2023, WAPA published a *Federal Register* notice (FRN) with a “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” ([pdf](#)).

I want to thank all of you who participated during the FRN initial and reopened comment periods. WAPA engaged in outreach to customers and other interested stakeholders via a public information meeting followed by a question-and-answer session on May 11, 2023. WAPA then held a follow up public question-and-answer session on May 25, 2023. WAPA reopened the comment period and held an additional narrowly focused information webinar and question-and-answer session on June 27, 2023. Over the course of the 75-day public comment period we received 69 written comment letters. The written comments and a summary of our responses are available on [WAPA’s website](#). Many comments we received were supportive of WAPA moving forward with the recommendation. Some commenters expressed concerns over how this could affect them or their members and their existing relationships with WAPA.

Based on the recommendation report ([pdf](#)) that informed the FRN, the unique marketing and transmission footprints of the Colorado River Storage Project Management Center (CRSP), Rocky Mountain region (RM), and Upper Great Plains region (UGP), and after considering comments received during the FRN comment periods, I have authorized staff to move forward with the recommendation to pursue final negotiations for membership and expanded participation in the Southwest Power Pool (SPP) Regional Transmission Organization (RTO).

Additionally, WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants<sup>1</sup> to address CRSP customers’ concerns about the potential implications of RTO membership for entities outside the footprint.

With this decision, WAPA will be taking the following steps to pursue final negotiations and proceed with implementation:

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<sup>1</sup> Tri-State Generation and Transmission Association, Basin Electric Power Cooperative, Municipal Energy Agency of Nebraska, Deseret Generation & Transmission Cooperative, Colorado Springs Utilities, and Platte River Power Authority also are exploring membership/expanded membership in the SPP RTO along with RM, CRSP, and UGP. These entities are collectively referred to as the RTO-West Participants.

- CRSP, RM, and UGP will execute Commitment Agreements by October 10, 2023. The Commitment Agreements will bind CRSP, RM, and UGP to pay their respective shares of SPP's project implementation costs if the RTO expansion does not go live. However, if the RTO expansion does go live, CRSP, RM, and UGP will not pay for any project implementation costs under the Commitment Agreements, as those costs will be included in SPP's administrative fees and allocated across the entire SPP RTO footprint.
- Between now and SPP's Federal Energy Regulatory Commission (FERC) filing of the governing documents revisions, which is currently anticipated to be in the second quarter 2024, WAPA will work with SPP and the RTO-West Participants to:
  - (1) Integrate the agreed upon SPP Board approved terms and conditions, as described in the recommendation report, into the SPP governing documents through the normal SPP processes, and
  - (2) Develop implementation details and timelines associated with the CRSP pseudo-tie. CRSP will continue outreach and engagement with its customers and additional communications will be forthcoming.
- If the negotiations with SPP are successful, including acceptable SPP governing documents revisions and implementation details for the CRSP pseudo-tie, WAPA will support SPP in its FERC filing, with an anticipated SPP RTO go-live in the Western Interconnection in spring 2026. If the SPP governing documents revisions are not approved as filed through the FERC processes, WAPA may need to recommence negotiations or terminate our participation as appropriate.

WAPA will remain vigilant to ensure the final negotiations comply with its statutory requirements, are consistent with this decision, and enable WAPA to continue to safely provide reliable, cost-based hydropower and transmission to our customers and the communities we serve.

Thank you for your continued interest in WAPA's market activities. We look forward to continuing to work with customers and other stakeholders. To stay informed of the latest developments, please visit [WAPA's SPP RTO website](#).

Sincerely,



Digitally signed by Tracey A.  
LeBeau  
Date: 2023.09.08 07:30:15 -06'00'

Tracey A. LeBeau  
Administrator and Chief Executive Officer