

WAPA Recommendation on Southwest Power Pool Regional Transmission Organization Membership

**Responses to Comments
Received Under Federal Register
Notice and Tribal Consultation Processes**



**Western Area
Power Administration**

September 8, 2023



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I. Background

In collaboration with other major utilities in the West,¹ WAPA's [Colorado River Storage Project](#) Management Center (CRSP) with its Colorado River Storage Project Transmission System and [Rocky Mountain](#) region (RM) with its Loveland Area Projects (LAP) Transmission System have been exploring full membership in the Southwest Power Pool (SPP) Regional Transmission Organization (RTO). The [Upper Great Plains](#) region (UGP) has been evaluating expanding its participation in the SPP RTO in the Western interconnection to include its Pick-Sloan Missouri Basin Project – Eastern Division facilities in the Western Interconnection.²

Federal Register Notice Public Process

On April 28, 2023, WAPA published a [Federal Register notice \(FRN\)](#) on its recommendation for CRSP and RM to pursue final negotiations regarding membership in the SPP RTO, and for UGP to expand its participation in the Western Interconnection. Through the FRN public process, WAPA sought written public comments from customers, Tribes, and stakeholders on the substance of the recommendation.

The FRN did not represent a decision to join or expand participation in the SPP RTO. The purpose of the FRN was to provide an opportunity for written public comments to help inform the decision about whether to pursue final negotiations with SPP regarding membership and expanded participation. The FRN, background, basis for the recommendation, and explanatory material are posted on [WAPA's website](#).

A 45-day comment period opened on April 28, 2023, and ran through June 12, 2023. See the [FRN](#) and the [Recommendation Report](#) for background and analysis for CRSP, RM, and UGP. During this comment period, WAPA conducted a public information webinar with a question-and-answer session on May 11, 2023, followed by a second question-and-answer session on May 25, 2023. Webinar presentations and recordings are posted on [WAPA's website](#).

WAPA received 57 comments in the April 28 to June 12 comment period. Forty were from firm electric service (FES) representatives of only CRSP; two of only RM; 11 of both CRSP and RM; one of CRSP, RM, and UGP; and one of LAP and UGP. These included comments from three customer associations. Additionally, two transmission customers commented that are not FES customers. Comments received in the initial comment period from April 28 to June 12 are posted on WAPA's public website [here](#).

¹ Tri-State Generation and Transmission Association (Tri-State), Basin Electric Power Cooperative (Basin), Municipal Energy Agency of Nebraska (MEAN), Deseret Generation & Transmission Cooperative (Deseret), Colorado Springs Utilities (CSU), and Platte River Power Authority (PRPA) also are exploring membership/expanded membership in the SPP RTO along with RM, CRSP, and UGP. These entities are all WAPA Firm Electric Service Customers and are collectively referred to as the RTO-West Participants.

² UGP's Western Interconnection transmission facilities are already under the SPP Tariff, and its Eastern Interconnection facilities are already in the SPP RTO Integrated Marketplace.

In this initial comment period, WAPA received many letters from customers and other stakeholders indicating a need for additional information and discussion related to CRSP’s potential participation in the SPP RTO.

In response to the comments received related to CRSP, WAPA:

- Determined additional stakeholder engagement was merited.
- Conducted an additional public information webinar with a question-and-answer session on June 27, 2023, to focus on CRSP’s potential participation in the SPP RTO. The key topics covered in the webinar were concepts related to a customer proposal to pseudo-tie a portion of Glen Canyon generation out of the Western Area Colorado Missouri (WACM) Balancing Authority Area (BAA) and into the Western Area Lower Colorado (WALC) BAA.³
- Reopened the FRN comment period through July 11 to receive additional comments on materials presented in the webinar related to CRSP’s potential participation in the SPP RTO and on whether WAPA should conclude the public process and consider updating the recommendation.

During the reopened comment period, WAPA received 12 additional comments. Seven were from stakeholders of CRSP only; two from stakeholders of both CRSP and LAP; one from a stakeholder of CRSP, LAP, and UGP; one from a UGP stakeholder only; and one from SPP. Comments received in the reopened comment period from June 13 to July 11 are posted in the “Comments and Responses” section on [WAPA’s public website](#).

Tribal Consultation

In May 2023, WAPA’s Administrator and CEO met with Tribal leaders to initiate a Tribal consultation and solicit comments on the SPP RTO initiative. WAPA received three Tribal comment letters as part of the Tribal comment period and three as part of the FRN comment period (six letters total). The comments ranged from being supportive to expressing concerns.

A summary of the comments is included in Section II of this document. Responses to the comments received in the initial comment period are in Section III of this document, responses to the comments received in the reopened comment period are in Section IV, and Section V focuses specifically on responses to Tribal comments.⁴

II. Comments and Responses

Overview

Overall, customers and customer associations that commented on their behalf were largely supportive initially or by the end of the comment process, as outlined in the “Comment Statistics”

³ The proposal had been discussed by CRSP and Southern Division customers prior to the issuance of the FRN on April 28, 2023. The webinar presentation, webinar recording and June 29 CRSP Crosswalk of the Pseudo-Tie Proposal (referred to as either Crosswalk or June 29 CRSP Crosswalk of the Pseudo-Tie Proposal) are posted on [WAPA’s website](#).

⁴ Please note some of the comments have been transcribed verbatim and some comments have been paraphrased. For the actual comments, please refer to the posted comments.

section below. However, a significant percentage of CRSP customers are located outside the proposed RTO footprint in various other BAs and the level of support for moving forward differs between CRSP's Northern and Southern Division customers.⁵

In the initial round of comments, a number of CRSP's Southern Division customers⁶ along with customers of WAPA's Desert Southwest (DSW) region⁷ expressed concerns about the implications an RTO could have on CRSP customers outside the proposed RTO footprint. Primary comments provided by CRSP Southern Division customers in the initial comment period included:

- Comments questioning how WAPA intends to honor existing FES contracts and expressing broad concern about the potential impacts to customers located outside the proposed SPP footprint.
- Comments seeking assurance of equal and full access to federal hydropower resources and resource attributes.
- Comments seeking assurance of consistency in delivering the full benefits of existing FES contracts.
- Comments suggesting some form of a dynamic transfer (e.g., dynamic schedule or pseudo-tie) of a portion of the CRSP resource into the WALC BAA as a providing a measure of assurance the customers seek.

In the reopened comment period, CRSP presented concepts associated with the CRSP pseudo-tie at the June 27 webinar. WAPA also posted the [CRSP Crosswalk of the Pseudo-Tie Proposal](#) on June 29. CRSP customers expressed appreciation for WAPA's willingness to consider approaches such as the pseudo-tie to address customer concerns.

Comment Statistics

RM and UGP customers provided comments, either via a customer association or directly, expressing support for proceeding to final negotiations as follows: RM - 94% weighted by allocation or 69% by total number of customers (87 out of 127 customers); UGP – 80% weighted by allocation or 54% by total number of customers (177 out of 326 customers). No RM or UGP FES customers objected to proceeding to final negotiations or to a CRSP pseudo-tie.

Included in the RM number, 71% of RM customers weighted by allocation are participants in the SPP RTO-West initiative (Tri-State, Colorado Springs Utilities, Platte River Power Authority, Municipal Energy Agency of Nebraska, and Basin). The only non-supportive comment RM received was from a transmission customer that is expected to remove their load from LAP transmission around 2026.

⁵ The Salt Lake City Area Integrated Projects marketing area is divided into Northern and Southern Divisions. The Northern Division consists of the States of Colorado, New Mexico, Utah, and Wyoming; the City of Page Arizona; a portion of the area in Arizona served by the Navajo Tribal Utility Authority; the areas in Arizona served by the Littlefield Electric Cooperative, the Navopache Electric Cooperative, and the Continental Divide Electric Cooperative; and White Pine County and portions of Elko and Eureka Counties in Nevada. The Southern Division consist of the remaining portion of Arizona and Clark, Lincoln, and Nye Counties in Nevada. *See Post-1989 General Power Marketing and Allocation Criteria and Call of Applications for Power*, 51 FR 4844, at 4865 (Feb. 7, 1986).

⁶ The Southern Division customers represent 15% of the CRSP allocations (40 of 173 customers or 23.1%).

⁷ DSW is not a participant in the RTO initiative, but CRSP and DSW have shared customers in Arizona.

For CRSP, signatory participants in the RTO-West initiative including Tri-State, Platte River, Colorado Springs, and Deseret Power are CRSP customers and are all supportive. These entities collectively receive over 50% of CRSP's allocations. In total for all CRSP customers, 12.4% weighted by allocation or 13.9% by total number of customers (24 of 173 customers) initially objected in writing to proceeding, but that percentage was reduced to 1.3% weighted by allocation or 1.2% by total number of customers (2 of 173 customers) with the introduction of WAPA's commitment to continue to develop implementation details for a CRSP pseudo-tie from WAPA's RM-located WACM BAA to WAPA's DSW-located WALC BAA.

A customer association that represents 75% of the CRSP customer allocations, stated it “*generally supports WAPA-CRSP's pursuit of final negotiations regarding membership in the Southwest Power Pool Regional Transmission Organization (RTO West) subject to the above principles.*” The “above principles” referenced generally include preserving benefits of FES contracts regardless of Balancing Authority (BA) location, using CRSP resources in a manner consistent with FES contracts, and implementing technical solutions as soon as practically feasible to maintain CRSP benefits for customers.

III. Detailed Comment Summary and Responses to Comments from Initial Comment Period

Comments in Support of WAPA's Recommendation, Processes, and Outreach

- 1. Comment:** Numerous customers expressed clear support for WAPA's recommendation.
Response: *Thank you for this feedback. We appreciate your support.*
- 2. Comment:** A number of customers pointed out that they have advocated for markets in the West, as well as joining with WAPA in the current expansion effort of the SPP RTO.
Response: *Thank you for this feedback. We appreciate your comment.*
- 3. Comment:** A number of customers expressed commitment to the success of WAPA.
Response: *Thank you for your commitment. We appreciate your comment.*
- 4. Comment:** A customer thanked WAPA for sustained efforts, robust customer outreach, and for the opportunity to submit formal comments.
Response: *Thank you for this feedback. We appreciate your comment.*
- 5. Comment:** A customer expressed appreciation 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, including well over 30 meetings CRSP hosted for their customers. The customer applauds 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.

Response: *Thank you for this feedback. WAPA has worked very hard on this effort, and we appreciate the compliment. We highly value open, honest and strong customer relationships.*

6. **Comment:** Citing WAPA's Recommendation Report, a commenter pointed out that approximately 90% of the LAP revenue comes from entities in the RTO expansion initiative, or in the current SPP footprint.

Response: *Thank you for this feedback. We appreciate your comment.*

7. **Comment:** Multiple customers stated that WAPA's participation in the SPP RTO is the best alternative forward for WAPA, its customers and market participants.

Response: *Thank you for this feedback. We appreciate your comment.*

8. **Comment:** A CRSP customer association that represents 75% of CRSP's allocations generally supports CRSP's pursuit of final negotiations regarding membership in the SPP RTO, subject to stated principles.

Response: *Thank you for this feedback. We appreciate your comment.*

Compliance with Applicable Law, Contracts, and Marketing Plans

1. **Comment:** A customer commented that: "Any final decisional document providing notice to proceed with final negotiations must reference [WAPA's legal] authority [governing potential RTO membership] to set forth the limits of WAPA's authorities and ensure negotiations are not conducted in an ultra vires manner." The customer further comments, "The record evidence offered in support of the decision to move forward is based on actions which do not correspond to the legal authority cited in the Public Notice."

Response: *WAPA's decision to move forward with final negotiations with SPP will be consistent with RM, CRSP, and UGP statutory requirements and as outlined in the explanatory material posted on WAPA's website. Section 1232(b) of the Energy Policy Act of 2005 authorizes the appropriate federal regulatory authority to enter into a contract, agreement, or other arrangement transferring control and use of all or part of the transmission system of a federal utility to a Transmission Organization (42 U.S.C. 16431(b)). By Delegation Order No. S1-DEL-RATES-2016, effective November 19, 2016, the Secretary of Energy designated the Administrator of WAPA as the appropriate federal regulatory authority with respect to all or part of WAPA's transmission system.*

2. **Comment:** A comment "recommends that WAPA require SPP to allow for the execution of a Non-Disclosure Agreement ("NDA") with customers and their representatives for the express purpose of securing needed solutions to facilitate the entry of CRSP into SPP. This NDA

would not convey any rights of a customer to negotiate but would allow for WAPA to engage more fully with customers for the purposes of achieving successful negotiations.”

Response: *WAPA appreciates this comment. As indicated in the Decision, WAPA intends to proceed with input from customers and through the normal SPP stakeholder processes. As implementation proceeds, WAPA will evaluate if execution of an NDA by customers is necessary and appropriate.*

3. **Comment:** A comment states that the Public Notice provides minimal information regarding the proposed course of action. Reference to a webpage containing additional details regarding discussions regarding membership in SPP fails to delineate which documents will and will not be included in the record, depriving the customer and public at large with the appropriate specificity regarding documents to which a customer may respond.

Response: *All documents posted to the public webpage and referenced in WAPA’s Federal Register notice are part of the Administrative Record.*

4. **Comment:** A comment states: “citations to and reliance on state level requirements for renewable resources for the justification of membership in SPP does not comport with WAPA statutory mission. Inclusion of such benefits as a justification of WAPA’s membership for CRSP in SPP is arbitrary and capricious.”

Response: *WAPA acknowledges well-documented benefits of RTOs in its Recommendation Report with the recognition and understanding that WAPA itself is not subject to state-level renewable resource requirements. The Recommendation Report further notes WAPA is impacted by the generation resources chosen by neighboring entities, many of which are regulated by the states where they operate.*

5. **Comment:** A customer commented that “WAPA’s authority to execute a membership agreement with SPP, or any other Regional Transmission Organization (“RTO”) is limited and does not provide for unilateral abrogation of existing Firm Electric Service (“FES”) Contracts. Accordingly, any decision to move forward with final negotiations with SPP must be predicated on the preservation of existing contractual rights.” “Alteration of FES benefits in a process inconsistent with FES agreements constitutes a breach of contractual duties and obligations owed to preference customers.”

Response: *WAPA participation, as discussed in the Recommendation Report, is consistent with existing FES contracts. The existing SPP Open Access Transmission Tariff, which will comparably extend to RM and CRSP’s potential future participation, contains express terms, including but not limited to Section 39.3, reflecting WAPA’s requirement to ensure consistency with its contractual obligations. With respect to CRSP, for example, WAPA’s Recommendation Report states, at section 13(a): “The first and most important consideration for CRSP is maintaining power and energy deliveries to its [FES] and Project Use customers.”*

EPAct 2005, NEPA, and Antideficiency Act

1. **Comment:** A customer commented to advocate for an interpretation of 42 U.S.C. 16431(e), stating “Congress has not authorized WAPA to transfer generation output to an RTO.” The comment further states WAPA “must acknowledge and recognize” this limitation such that: “The control or operation of assets which may be available to convey to SPP will be limited to transmission facilities as set forth in Section 1232 [of the Energy Policy Act of 2005 (“EPAct 05”)], and any contractual rights to transmission service over those facilities may not be abrogated by WAPA.” This comment further states that “these limitations may appear incongruous with WAPA’s existing engagement with SPP in other regions, the precedent set by actions in other marketing areas cannot and does not fill in the text missing from Section 1232 which would otherwise deprive an existing customer of its contractual rights.”

***Response:** Please refer to the SPP Open Access Transmission Tariff Section 39.3(f) that states any operation of the individual hydroelectric projects owned and controlled by the Department of the Army or the Bureau of Reclamation requires the express approval of those agencies. Please also refer to Section 39.3. WAPA has negotiated an extension of these terms to its potential further participation in the SPP RTO by CRSP and RM.*

2. **Comment:** A comment states: “The proposed actions justifying membership in the SPP RTO do not comply with the limitations provided by Section 1232 of the Energy Policy Act of 2005. WAPA cannot unilaterally reduce contractual entitlements to capacity, energy or transmission service through the authority granted by Congress under Section 1232.”

***Response:** As discussed in response to specific comments involving the limitations of EPAct 05 and the relevant SPP Open Access Transmission Tariff provisions addressing those points, WAPA’s recommendation to pursue final membership negotiations complies with EPAct 05. WAPA further recognizes that its contractual obligations apply regardless of potential RTO membership.*

3. **Comment:** A customer commented WAPA has failed to comply with the National Environmental Policy Act (“NEPA”) because the referenced categorical exclusion for power marketing activities and services where generation remains within normal operating limits does not expressly reference Section 1232 of EPAct 05.

***Response:** Please refer to the Categorical Exclusion posted on WAPA’s website [here](#) that explains WAPA’s NEPA compliance.*

4. **Comment:** A comment states: “Failure to identify sources of funds for expenditures associated with execution of membership agreements absent express authorization from Congress violates 31 U.S.C. § 1341.”

***Response:** WAPA will ensure compliance with the Antideficiency Act, 31 U.S.C. § 1341, in any financial commitments to SPP. Also note the SPP Open Access Transmission Tariff, at Section 39.3(b) contains a provision establishing that federal participation is*

“contingent on appropriations and authorization” and releasing WAPA from its obligations “due to the failure of Congress to make such appropriation.”

Benefit/FES Value

1. **Comment:** Several customers expressed appreciation for WAPA’s commitment to protect its firm electric service and remain focused on its mission.

***Response:** Thank you for this feedback. Our firm electric service is our core mission, and we will remain focused on ensuring we continue to be successful in delivering on all our obligations.*

2. **Comment:** A customer commented that potential benefits of expanding the RTO are real. The 2022 SPP Member Value Statement calculated an average of a 22-to-1 benefit to cost ratio for SPP members. SPP also set a record for instantaneous load served by renewable energy at 90.2%.⁸ SPP also reported a 7-to-1 benefit to cost ratio for SPP WEIS participants in 2022.

***Response:** Thank you for this feedback. We appreciate your comment as it does show SPP has proven to be successful for its membership as well as its contract service customers.*

3. **Comment:** While SPP RTO participants (including a subset of WAPA CRSP customers) may have access to lower-priced resources, Salt River Project (SRP) load is not within the proposed SPP RTO, and SRP does not expect to receive the same offsetting benefits as the market participants. The CRSP entrance into the SPP RTO should not create benefits for any subset of WAPA customers at the expense of other WAPA customers, including SRP.

***Response:** There are CRSP customers today that are in the WACM BAA and outside the WACM BAA. Participation in the SPP RTO does not change that CRSP has 134 customers across eight BAAs. CRSP will continue to provide FES service to all customers regardless of market or bilateral situation. The integrated nature of the Salt Lake City Area Integrated Projects system coupled with the CRSP transmission system and contracts has benefitted all customers for many years, and we believe that all customers will still receive benefits as a pro-rata share as today within the FES rate. As a market participant, CRSP itself expects such offsetting benefits. These benefits would be passed forward to all CRSP customers regardless of being inside or outside the SPP footprint since there would be one CRSP rate common to all. SRP would have an opportunity to participate in SPP RTO either physically as a market participant or as a financial-only market participant.*

⁸ Please see March 29, 2022, SPP press release: [“SPP sets regional records for renewable energy production”](#)



4. **Comment:** A commenter believes there are solutions for the identified concerns, and requests that SPP RTO and WAPA work with SRP (and other WAPA customers) to provide an acceptable solution to all parties that facilitates entrance of the CRSP resource into the SPP RTO without disparate impacts on WAPA customers outside of the SPP RTO footprint. SRP relies on CRSP hydropower and other resources in its portfolio to provide reliable electric service to over two million customers in the Phoenix area. It will be important and necessary to continue to engage in collaborative discussions to implement solutions to ensure that SRP's utilization of the CRSP resource can continue with the same benefits received today.

***Response:** CRSP agrees it is necessary to continue to engage in collaborative discussions with customers to continue with the same benefits received today under FES contracts. WAPA will continue discussions on SRP's unique arrangements with CRSP.*

5. **Comment:** A comment states: "the evaluation of benefits does not specify any additional costs associated with the transmission of power outside of the SPP footprint. The lack of evaluation of this facet of the potential membership of SPP fails to justify negotiations in SPP."

***Response:** WAPA's analysis evaluating the potential benefits of RTO membership did not specify additional costs associated with transmission of power outside of the SPP footprint. It evaluated the potential costs and benefits to the CRSP project overall, including the rates customers pay for CRSP's cost-based service, which CRSP will continue to provide regardless of RTO membership. Regional transmission planning among participants will reduce redundant transmission build-out, optimizing a cooperative transmission expansion that should help keep transmission rates low. Customers, whether inside or outside the footprint, will have a substantially broader reach within a single SPP transmission system, giving them transmission access to the entire SPP footprint. As was the case in the past, WAPA has negotiated terms and conditions that adequately address unacceptable detrimental impacts to our products and services, and WAPA believes our recommendation reasonably mitigates such risks.*

6. **Comment:** While WAPA's hydropower is notable as a "clean," carbon-free dispatchable resource, most replacement power currently comes from fossil resources. Improved renewable integration from RTO-West's broader footprint and diverse resource mix increases the probability that replacement power will come from noncarbon resources. This should make replacement power more economical and more environmentally responsible for WAPA customers.

***Response:** Thank you for this feedback. We appreciate your comment.*



Equal Access North and South

1. **Comment:** Comments expressed support in protecting and maintaining the value associated with both the energy and capacity attributes of WAPA allocations of all customers, irrespective of their market location. Regardless of the SPP expansion, there will be a need for WAPA and its customers to remain vigilant and work together to protect WAPA's value in the midst of many areas of change that the next decade will undoubtedly bring.

***Response:** Thank you for this feedback. The pace of change is significant, and WAPA will continue to strive to always succeed in its mission. We appreciate your comment.*

2. **Comment:** Multiple comments stated that any final decision document through which WAPA may decide to enter final negotiations with SPP must declare that WAPA will ensure equal and full access to the CRSP resource and resource attributes for FES customers located inside and outside of the SPP RTO footprint in accordance with existing FES contracts.

***Response:** CRSP delivers power to customers in multiple BAAs and realizes the complexities of different Balancing Authorities (BAs) joining different markets. WAPA remains committed to ensuring all FES customers receive their contractual deliveries regardless of market participation. WAPA recognizes its obligation to ensure potential RTO participation is consistent with its contractual obligations.*

3. **Comment:** A comment states: "Actions taken to provide benefits to preference customers located inside the SPP footprint of unequal or disparate value contradicts established marketing policies without appropriate due process and in contravention of existing contracts."

***Response:** WAPA's proposal to pursue RTO membership was based on its evaluation of benefits to the WAPA projects. Such project benefits accrue to all project customers through the rates they pay for contracted service from those projects. WAPA recognizes customers may have differing market preferences and perspectives. Should WAPA proceed to RTO membership, WAPA will continue to provide its contractual deliveries to customers inside and outside the proposed RTO footprint pursuant to the Power Marketing Plans governing each participating project and consistent with applicable contracts.*

1992 Agreement with Customers

1. **Comment:** Letter Agreement 92-SLC-0208 (Sept. 24, 1992) established a long-standing process and principles among WAPA, Reclamation and the Colorado River Energy Distributors Association regarding "review of financial and work program data related to the [Salt Lake City Area Integrated Projects]." As supplemented on October 2, 2002, this process was broadened to "create operational efficiencies and cost-saving measures." This Letter



Agreement process must include information related to RTO-West planning, operations, and proposed costs.

Response: Thank you for this comment and reminder. CRSP has been transparent with all estimated costs and benefits throughout this process as has been demonstrated in approximately 20 customer meetings on various aspects of participation for CRSP. Letter Agreement 92-SLC-0208 has been incorporated as an attachment to all CRSP firm electric service contracts. CRSP will continue to communicate costs and information per the letter agreement regardless of RTO participation.

Federal Energy Regulatory Commission (FERC)

- 2. Comment:** A customer noted that the proposal includes a FERC waiver request for West side interconnection queue processing without delay if an East-side queue backlog still exists upon go-live.

Response: Yes, this is an important term if SPP's queue backlog remains a problem despite SPP's specific plans to resolve the issue by the proposed integration date. Thank you for this feedback, we appreciate your comment. Regarding SPP's effort, we were pleased to see [SPP's press release on July 12, 2023](#) that cites significant progress in resolving the backlog.

Resource Adequacy Related Issues

- 1. Comment:** A customer commented that they were actively engaged in the development of SPP's Resource Adequacy (RA) program and witnessed SPP's support of FES agreements and ensuring that WAPA UGP and Southwestern Power Administration 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.

Response: Thank you for this feedback. This is good to hear and WAPA appreciates your comment.

- 2. Comment:** A customer referenced WAPA's answer to a question raised during the May 25 webinar on whether WAPA expects the Western Resource Adequacy Program (WRAP) will be the "coordinated RA" program mentioned in the Recommendation Report. The commentor requests that WAPA and fellow potential RTO-West participants seriously consider engaging in the WRAP program for resource adequacy.

Response: The Recommendation Report refers only to the current SPP Tariff regarding RA provisions with a new provision for a separate Loss of Load Expectation (LOLE) study for the Western Interconnection portion of the proposed SPP RTO footprint. The terms and conditions negotiated between the potential RTO-West participants and SPP, and as approved by the SPP Board of Directors, did not identify a different RA program. The terms and conditions note that SPP would need to determine the



Planning Reserve Margin for the Western Interconnection based upon a separate LOLE study of the West footprint, and SPP will review the need for a separate analysis for accreditation of resources in the West region. Therefore, without a change to the SPP Tariff, the potential RTO-West participants will be bound by the existing SPP Tariff provisions, as assumed in the Recommendation Report. However, WAPA is aware the WRAP is being proposed for other possible market constructs in the Western Interconnection and will likely have widespread use throughout the Western Interconnection, and further that the Western Energy Imbalance Service Market (WEIS) Executive Committee task force has recommended WRAP for the WEIS footprint in the interim. To the extent SPP suggests an alternate RA approach for the Western Interconnection footprint of the proposed RTO-West, that approach would need to be vetted through the SPP stakeholder groups, Regional State Committee, and Board of Directors. SPP itself may be interested in evaluating, as a future step, utilizing WRAP in the Western Interconnection footprint of the proposed RTO-West. Were SPP to do so, WAPA would evaluate the impacts and benefits of that proposed change by SPP along with all other SPP stakeholders at that time, as it would do with any other future proposed changes to the SPP Tariff.

3. **Comment:** Numerous customers expressed concern that joining the SPP RTO will exacerbate capacity and resource costs for the Lower Colorado River Basin region. The customers noted CRSP has provided long-term energy and RA benefits equitably to both Upper and Lower Basin regions. Recent assessments conducted by the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council have identified a significant capacity shortfall in the DSW region. Such capacity shortfall, coupled with increased volatility in the wholesale power markets, increased costs in goods and services, and supply chain disruptions greatly support the need for continued accessibility and affordability of the CRSP resource for Lower Colorado River Basin customers. Without the CRSP resource, the Lower Colorado River Basin region risks increased resource instability. The customers requested WAPA ensure the attributes of the CRSP resources are preserved for all customers.

***Response:** CRSP does not currently provide for an RA program within its FES contracts but recognizes the current capacity and resource constraints affecting its customers across multiple states. The Recommendation Report states, at section 13(a): “The first and most important consideration for CRSP is maintaining power and energy deliveries to its [FES] and Project Use customers.” Deliveries of CRSP power would continue in the RTO as they do today, per CRSP contracts. WAPA’s UGP region, which also has numerous customers outside the SPP footprint, has demonstrated this to be the case since its integration into SPP in 2015. Additionally, one of the driving needs for the RTO is to ensure more efficient transmission planning and dispatch of energy, which would be a significant step to help the West alleviate, both near- and long-term, the transmission and resource constraints experienced today.*



4. **Comment:** A comment interprets the following quote from Section 6(e), entitled “Resource Adequacy (RA),” of the Recommendation Report: “WAPA is committed to continuing to work with our customers both in and out of the proposed RTO-West footprint to ensure their needs are addressed, and we continue to preserve the value of hydropower to our customers as much as possible.” The comment states “WAPA envisions a future in which customers will be treated differently and those within the footprint will be afforded full benefits of assured resource adequacy while customers outside of the footprint can anticipate less than the full benefit of the contracted hydropower benefits.” The comment concludes “the negotiations with SPP must do more than provide as much of the hydropower benefit ‘as much as possible’ but assure the full delivery of the contracted capacity and energy.”

Response: *The quoted section of the Recommendation Report discusses potential RA benefits of RTO participation overall. The remainder of the quote states, “WAPA continues to monitor the evolution of RA strategies as well as how these might interplay in the developing market constructs and will work with customers on how best to integrate RA requirements within its established programs.” WAPA again emphasizes its intent to fulfill contractual obligations to customers regardless of RTO participation.*

Sufficiency of WAPA’s Analysis and Brattle Study

1. **Comment:** A transmission customer expressed the belief that SPP’s Markets+ day-ahead market would be a much better benefit to cost than SPP RTO membership. Suggesting the Markets+ footprint would be much larger, and the exit fees much smaller, the customer said WAPA should provide a side-by-side comparison of these two options.

Response: *Thank you for this feedback. WAPA’s recommendation was regarding the SPP RTO, and the alternative would have been not to pursue final negotiations to join SPP. The not-to-proceed choice would have entailed numerous possible futures and depend upon many variables including what organized markets become a viable option.*

While both SPP and the California Independent System Operator (CAISO) are working with interested parties on proposed day-ahead market options that would offer more than an energy imbalance market (EIM) but less than an RTO, the proposed day-ahead options lack the full market integration and future-looking transmission optimization offered by the SPP RTO, which would benefit CRSP, RM, and UGP’s west side facilities. Additionally, the proposed day-ahead market construct is unproven and could face regulatory, operational, and economic hurdles. Significant obstacles exist around governance, transmission utilization, and transmission compensation. It is not certain that either attempt will receive stakeholder and FERC approval.

RTOs provide all the features of the imbalance/real-time and proposed day-ahead markets. Additionally, they provide consolidated transmission tariffs, optimized use of



the transmission system, consolidated BAAs, regional transmission planning, and regional cost allocation. RTOs are perceived by many as the “ultimate destination” for system operations, markets, and transmission planning in the West.

2. **Comment:** Multiple commenters pointed out that the Brattle study indicated savings/benefits in the neighborhood of \$50-\$70 million per year that nearly entirely benefit WAPA, WAPA preference customers, and customers’ end users, as well as numerous Tribes.
Response: *Thank you for this feedback. We appreciate your comment.*

3. **Comment:** A customer commented that there are many RTO benefits that are not included in the Brattle study. The production cost benefits reflected in the Brattle Study are often estimated to be less than 50% of the total value of an RTO.
Response: *Thank you for this feedback. We appreciate your comment.*

4. **Comment:** A customer commented that with significant drought impacts, particularly in the CRSP region, the SPP RTO would provide additional purchase power options, and the Brattle studies have shown a range of benefits with higher benefits during low hydro conditions. These studies exclude other benefits like reliability and ancillary services.
Response: *Thank you for this feedback. Drought is an increasing concern of ours, and we appreciate your comment.*

5. **Comment:** A customer commented that the production cost benefits reflected in the Brattle Study did not include Platte River Power Authority, which would certainly increase the forecasted benefits of the RTO.
Response: *Thank you for this feedback. We agree and appreciate your comment.*

6. **Comment:** A customer commented that the SPP RTO would bring substantial ancillary service benefits to the footprint, which were not part of the Brattle Study conducted. The RTO would bring not only lower cost ancillaries, but increased revenues for those that sell these ancillaries. The commenter stated there are currently very few third-party providers of contingency reserves and regulation in WACM BAA, and these products are quite difficult/complex to offer in today’s bilateral market.
Response: *Thank you for this feedback. We appreciate your comment. In addition to your statement, we also feel that the RTO ancillary services market will likely incentivize more resources to be offered, thus easing the tight availability currently being experienced.*

7. **Comment:** Multiple comments stated WAPA should provide a comparison of the “business-as-usual” and “action alternatives” to hopefully identify the best alternative that supports WAPA’s decision. The comments recommend WAPA initiate a comprehensive stakeholder process with its DSW/WALC BAA-based customers, designed to ensure they are held harmless with any decision to pursue RTO membership.



Response: WAPA recognizes this is a significant effort and continues to strive to be responsive to customer comments, questions, and concerns. In addition to providing supporting studies evaluating the cost production impacts of RTO membership, CRSP has engaged in significant outreach with all its customers, including approximately 20 customer meetings on various aspects of market participation for CRSP,⁹ meetings specifically for Tribal customers, individual customer meetings to discuss aspects of the market participation, as well as written responses to customer concerns prior to publication of the Federal Register notice. CRSP remains committed to working with its customers, including on implementation details of the CRSP pseudo-tie.

8. **Comment:** A comment asked if CRSP analyzed the potential of other market constructs.

Response: CRSP currently participates in the Western Energy Imbalance Service market. CRSP could remain operating under bilateral transactions as it has done for decades, but WAPA believes this would come with significant risk as bilateral trading partners join markets and make purchases more difficult.

While both SPP and CAISO are working with interested parties on proposed day-ahead market options that would offer more than an EIM but less than an RTO, the proposed day-ahead options lack the full market integration and future-looking transmission optimization offered by the SPP RTO. Additionally, the proposed day-ahead market construct is unproven and could face regulatory, operational, and economic hurdles. Significant obstacles exist around governance, transmission utilization, and transmission compensation. It is not certain that either attempt will receive stakeholder and Federal Energy Regulatory Commission (FERC) approval.

RTOs provide all the features of the imbalance/real-time and proposed day-ahead markets. Additionally, they provide consolidated transmission tariffs, optimized use of the transmission system, consolidated BAAs, regional transmission planning, and regional cost allocation. RTOs are perceived by many as the “ultimate destination” for system operations, markets, and transmission planning in the West.

9. **Comment:** Pursuit of SPP RTO membership appears to have been heavily driven by WAPA's assessment of the interests of WAPA's Upper Colorado customers who already participate in the SPP's WEIS. One commentor expressed concern that WAPA has pursued membership in the SPP RTO without considering whether and to what extent CRSP customers in the WALC BAA would or would not be negatively impacted, much less benefit from entering into membership. WAPA has not provided any assessments of the probable impacts of WAPA's proposed SPP RTO membership on WAPA's CRSP customers in the WALC BAA. Such assessment(s) should be performed, and be made publicly available for review and further

⁹ The CRSP customer meeting presentations are available at: [CRSP RTO Readiness Evaluation Presentations](#).



comment to develop a sufficient record of analysis, before WAPA proceeds with making a decision on pursuing final negotiations with SPP.

Response: *WAPA did not attempt to estimate individual net benefits for all customers that WAPA provides service to, as that would not be appropriate. Such estimates require a detailed understanding of each entity's resource portfolio, operations, contractual arrangements, etc., and is beyond the scope of what WAPA should carefully analyze. WAPA did participate in the Brattle production cost study with the other RTO-West parties and cited other studies in the Recommendation Report (like the DOE-Funded State-Led Study) and has made those overall footprint savings and benefit conclusions public.*

As markets continue to evolve and develop in the West, there will be opportunities for new developments and new strategies on how to optimize the generation and transmission systems for all utilities in the West. As the West is currently fragmented into dozens of different BAAs, it has been difficult to develop a cohesive strategy that is effective for all the parties involved, and previous organized market failures of the past two decades are evidence of that complexity. WAPA itself struggles with operating in a capacity-deficient operating environment and views participation in a regional transmission organization as a positive step toward resolving some of the issues affecting the West today. CRSP delivers power to customers across multiple BAAs and realizes the complexities of different BAs joining different markets. CRSP remains committed to its customers and is working to ensure its FES customers receive the same benefits of the FES service they receive today under their contracts regardless of the market in which they participate or where customers are located.

10. **Comment:** WAPA has been working with The Brattle Group analyzing the issue of joining SPP for some time, but to date, the impacts to the separate groups have not been adequately analyzed or sufficiently shared to assuage all the members of our group. New issues like the additional conservation calls on the Colorado River and the WAPA-199 rate case have added additional variables into the equation, possibly impacting the benefits proposed in the study results. Given the stated "limited benefits" of joining SPP, has WAPA identified a minimum benefit threshold that supports a go-ahead decision for CRSP?

Response: *WAPA has not identified a minimum benefit threshold. CRSP's participation in the Brattle study was done to show overall financial benefits of reduced market friction in the efficient dispatch of energy resources. The market benefits are the Adjusted Production Cost savings as estimated in the 2022 Brattle study. As presented in the Recommendation Report, during the May 11, 2023, public information webinar, and in prior CRSP customer meetings, the sum includes a range from \$3,300,000 during low hydro conditions to \$507,000 under normal hydro conditions. Because CRSP is limited in its purchases of energy and the sale of surplus energy, it only*



receives limited benefits from the market. This limited benefit is true of any market CRSP could potentially join.

11. **Comment:** WAPA has not identified the benefits or cost impacts on the Arizona-based SLCA/IP contractors. By contrast, the “AEP-CAWCD-SPPA-WAPA DSW Market Study” commissioned by Arizona Electric Power Cooperative, Central Arizona Water Conservation District, Southwest Public Power Agency and DSW did focus on WALC. This study found significantly more benefits to joining the CAISO’s Western Energy Imbalance Market (WEIM) versus the SPP’s WEIS. Even WAPA DSW has now joined the WEIM, “which now represents nearly 80% of the demand for electricity in the Western interconnection.” It is reasonable to conclude that the Arizona based SLCA/IP contractors, especially those residing in western BAs including Arizona Public Service, SRP, Tucson Electric Power, and WALC that have already joined the WEIM will be adversely served by placing all of SLCA/IP in the SPP RTO.

***Response:** WAPA did not attempt to estimate net benefits for all customers that WAPA provides service to, as that would not be appropriate. Such estimates require a detailed understanding of each entity’s resource portfolio, operations, contractual arrangements, etc., and is beyond the scope of what WAPA should carefully analyze. WAPA did participate in the Brattle production cost study with the other RTO-West parties and cited other studies in the Recommendation Report (like the DOE-Funded State-Led Study) and has made those overall footprint savings and benefit conclusions public. CRSP delivers power to customers across multiple BAAs and realizes the complexities of different BAs joining different markets, but it remains committed to its customers and is working to ensure that each of its FES customers receive the same benefits of the FES service they receive today under CRSP contracts, regardless of the market it participates in or where its customers are located.*

12. **Comment:** There is a potential that the Arizona-based SLCA/IP contractors could face a competitive disadvantage at the retail level by physically residing amid one [Locational Market Pricing] LMP market (WEIM) while being forced to participate in a remote SPP RTO-West LMP market. Since the loads, resources and transmission topology used to calculate LMPs in each market are significantly different, the resulting LMPs will be different as well. It is also concerning that market seams in the US markets are typically more problematic, than beneficial. Without an analysis, for all WAPA’s customers no one can predict the benefits of having two markets and LMPs versus the costs of two markets and related seams on resource planning, transmission planning, and expanded markets and resources. Simply put, this decision if nothing else will shrink the WECC BA’s footprint if it proceeds and the benefits or costs to either society or WAPA’s contractors are unknown.

***Response:** WAPA has negotiated the Federal Service Exemption that shields WAPA from certain marginal congestion, marginal losses, and the costs of regional transmission expansion. This will enable WAPA to deliver firm electric service capacity*



and energy to its customers with limited market exposure. WAPA agrees that “seams coordination” can be difficult as the number of stakeholders are compounded, and there can be both advantages and disadvantages of transactions between two markets. Per the Brattle Study, surplus energy is overwhelmingly delivered to the West. All the proposed SPP RTO-West members in the WECC footprint will remain within the WECC footprint.

13. **Comment:** Markets+ is gaining momentum in the West. How does WAPA see Markets+ and SPP RTO-West working together? Has WAPA considered Markets+ as a viable short-to-mid-term option to SPP RTO-West?

***Response:** WAPA recognizes that market seams will be a critical consideration for efficient market optimization as the markets evolve together. We look forward to continuing to work with our customers, neighboring utilities, and other stakeholders. WAPA has consistently engaged with its customers, neighboring entities, and other stakeholders to evaluate and, where appropriate, implement wholesale market solutions that meet the needs of our individual regions, such as UGP joining SPP in 2015, and RM, CRSP, and UGP joining WEIS in February of 2021. In each case, we have successfully navigated interactions with adjacent operating and market footprints and would expect the same going forward including potential seams between potential day-ahead markets, RTO-West, and imbalance markets.*

CRSP, RM, and UGP have remained focused on the SPP RTO; however, we have been following the activities to remain situationally aware. While we appreciate the potential market benefits of the day-ahead markets, CRSP, RM, and UGP are seeking the system operations and transmission planning components of RTO functionality. The current day-ahead-only markets, as currently proposed, do not address the operations, reliability, and transmission considerations that are among the priorities for CRSP, RM, and UGP in both the near and long term. WAPA recognizes and appreciates that many entities may choose to multi-step their market entry decisions with short-to-mid terms options. However, we have experience with a direct transition from a bilateral market to a full RTO when UGP’s system transitioned to the SPP RTO in the Eastern Interconnection, and we believe a transition from the SPP WEIS for UGP’s West side operations, RM, and CRSP to an established RTO market is the most prudent approach to address the range of issues stated in our recommendation including operations, reliability, transmission planning, and markets.

14. **Comment:** Is WAPA still considering Markets+ as an alternative to joining the SPP RTO? What is WAPA’s expectation of the impact that joining SPP RTO will have on its existing generator interconnection queue, including any transition issues from the WAPA queues to the SPP queue.



Response: WAPA as an organization operates in 15 states and is committed to continuing to monitor the evolution of ALL market developments and activities in the West. Our DSW region is participating in the development of Markets+ which will provide critical insights and understanding of the intricate nuances of Markets+ as WAPA identifies best paths; however, Markets+ is outside the recommendation of the RTO-West for CRSP, RM, and UGP West. As part of WAPA's enterprise-wide market strategy, WAPA's regions continue to engage in and be aware of market developments to ensure market participation creates value for WAPA's customers. WAPA is committed to protecting and reinforcing the value of federal hydropower and WAPA's transmission services.

Regarding pending generator interconnection requests, if a decision by WAPA is made to join the SPP RTO, we will work with SPP on setting a transition date and communicate that to our customers. Some customers have expressed concern over SPP's current backlog of generation queue requests. SPP put in place a plan to reduce this backlog, and on July 12, 2023, issued a press release discussing good progress in eliminating the backlog. In addition, WAPA and the RTO-West participants negotiated terms that if the backlog still exists upon the expansion go-live in the West, SPP will have a separate West side queue to mitigate concern that SPP's backlog will impact West side customers.

15. **Comment:** Has SPP performed any study of the WAPA transmission system, including any recommendations to upgrade facilities to comply with SPP criteria?

Response: Not at this time. If WAPA decides to join the SPP RTO, we expect to coordinate with SPP on an implementation study to evaluate the CRSP, RM, and UGP transmission systems.

16. **Comment:** Another weakness of WAPA's evaluation process is the lack of a study related to the range of benefits and detriments to any FES customers located inside the WECC footprint. WAPA failed to study its impact on WECC. For WAPA to make non-discriminatory decisions based upon a balanced analyses on all of its customers, not just a few, we strongly request that WAPA, before any final decisional document is signed, undertake the necessary equitable and full analyses to truly study the wide range of possibilities available to WAPA CRSP. In addition, WAPA must give just consideration to the analyses in its decision making to ensure FES customers located outside of the SPP RTO footprint receive the full benefits of their resources, in respect to their FES contracts.

Response: Various proposals for full market participation across multiple states have been discussed for years in the West, and all have failed. CRSP could remain operating under bilateral transactions as it has done for decades, although doing so would risk losing trading partners as others join market constructs. As of April 2023, most BAs in



WECC have now joined some type of energy imbalance market. Energy imbalance markets spread across the West in less than 10 years, and already there are discussions of future developments, such as CAISO's Extended Day-Ahead Market and SPP's Markets+, but these are not approved and are still largely conceptual as of 2023. At this point, a potential viable opportunity is participating in the SPP RTO expansion. WAPA believes the success of energy imbalance markets in the West signifies a willingness to entertain other organized market constructs. The SPP RTO expansion presents a viable opportunity that WAPA is exploring carefully both internally and with its customers.

17. **Comment:** A comment states: “The Recommendation Report indicates that hydropower benefits will be delivered to customers outside of the footprint ‘as much as possible.’ Publication of such intent reveals plans by WAPA to deliver less than contracted capacity, energy and associated transmission service for customers located outside of the SPP footprint.”

***Response:** This quote is taken out of context from a section of the Recommendation Report addressing a potential benefit of RTO membership beyond WAPA’s contractual delivery obligations. WAPA nevertheless regrets the concern this quoted statement created and does not believe the conclusion derived from that statement is accurate. WAPA intends to fulfill its contractual obligations regardless of RTO membership and disagrees that this statement in any way reflects plans by WAPA to not fulfill its contractual obligations to customers outside the proposed RTO footprint.*

18. **Comment:** A comment states: “The Recommendation Report fails to isolate sufficiently the costs and benefits of the proposed action to allow for consideration of the inclusion of selected marketing areas in SPP. The benefits provided to the [RM] or Upper Great Plains (“UGP”) region cannot justify the inclusion of the CRSP resources in the SPP membership agreement. Reliance on the benefits for regions which do not provide power to CRSP customers is arbitrary and capricious.”

***Response:** CRSP, RM, and UGP have independently evaluated potential RTO membership or, as applicable, expanded membership. WAPA’s quantitative studies evaluated the costs and benefits to each independently, and the Recommendation Report includes separate sections discussing the considerations and implications of potential membership for each individually. CRSP further negotiated additional terms and conditions for its potential membership beyond those negotiated for RM and UGP. This approach appropriately isolates the potential costs and benefits of participation in the broader RTO-West market initiative.*

19. **Comment:** Concerns expressed by some WAPA customers outside the proposed RTO footprint appear to be related to existing challenges faced with or without WAPA participation in the SPP RTO. Other concerns appear to be related to hypothetical scenarios with no proposal tied directly to those concerns.



Response: Thank you for this feedback. We appreciate your comment. This is a time of dynamic change with uncertainties ahead for many customers. WAPA is sensitive to those concerns. Changing market conditions, as well as evolving rules and regulations, require WAPA to work closely with its customers, as it always has, to be proactive and find creative solutions to protect the value of the federal power resources for its customers.

Cost/Rates

1. **Comment:** A customer commented that WAPA's customers see significant market benefits with the SPP RTO through efficient market dispatch yielding lower cost power.

Response: Thank you for this feedback. As a net purchaser, our projects highly value lower-cost purchase power options. We appreciate your comment.

2. **Comment:** A customer commented that despite WAPA generation modeled conservatively, WAPA sees modest production cost benefits, but also sees no harm, including to those customers outside the footprint.

Response: Thank you for this feedback. We appreciate your comment. WAPA did model its generation conservatively, and yet each of the projects in CRSP, RM, and UGP, even when including all financial impacts of this change, still estimated a net benefit that would equally benefit all customers, regardless of a customer being located inside or outside the footprint.

3. **Comment:** The ability of WAPA to manage its costs is critical to the communities and residents served.

Response: Thank you for this feedback. We agree and appreciate your comment.

4. **Comment:** A transmission customer expressed concern that tariff consolidation may have detrimental impacts on their customers, similar to what WAPA market explorations showed in the past.

Response: Thank you for this feedback. We are mindful of this concern as WAPA balances all the pros and cons of this significant decision. Transmission rates are an area to watch carefully, especially since de-pancaking across a large footprint eliminates multiple transmission service charges, thus raising individual zonal rates in the process. On the positive side for RTO's, regional transmission planning among participants will reduce redundant and unnecessary transmission build-out, optimizing a cooperative transmission expansion that should help keep transmission rates low. Another positive for the RTO option is that customers, whether inside or outside the footprint, will have a substantially broader reach within a single SPP transmission system, giving them transmission access to the entire SPP footprint. As was the case in the past, WAPA has negotiated terms and conditions that adequately



address unacceptable detrimental impacts to our products and services, and WAPA believes our recommendation reasonably mitigates such risks.

5. **Comment:** A customer commented that if the SPP RTO expansion into the Western Interconnection is not implemented, it could leave WAPA and its customers 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. Therefore, status quo is not a viable option.

Response: *Thank you for this feedback. We appreciate your comment.*

6. **Comment:** A commenter expressed concern for WAPA to remain focused on existing customers and resist mission expansion. Specifically, any savings realized from SPP RTO membership should not be used to increase staffing or result in mission expansion, but used to control costs at a time when WAPA is forecasting significant increases.

Response: *Thank you for this feedback. We appreciate your comment. Our rates are experiencing upward pressure, and cost control is essential as we strive for the lowest possible rates consistent with sound business principles. As our Recommendation Report discusses, our proposal affords an opportunity to back away from BA responsibility, as well as the transmission service provider role, which would allow us to focus more on our core mission of firm electric service.*

7. **Comment:** What are the estimated rate impacts to WAPA network and point-to-point transmission customers? Please explain.

Response: *For the LAP transmission system, we anticipate a single LAP zone, inclusive of both our West and East side systems, along with the Sidney DC-tie. We have done high-level estimates a few times over the last decade, and those high-level estimates have given us a rough feel for the scale of impact for LAP project transmission service needs. Our high-level estimate suggests a LAP transmission rate increase due to reduced transmission service from pancake elimination, as well as off-setting pancake savings for the LAP project. Overall, the LAP project is projected to have an increased transmission expense, which is not unusual in a de-pancaked RTO transmission environment.*

We have not done a detailed rate impact for each LAP transmission customer. Such an effort would not only require estimating the zonal rate, but also would require estimating each individual entity's pancake savings with their transmission arrangements. In general, transmission system rates will rise with RTO membership, but each entity will have offsetting cost reductions from any pancaked transmission service they can eliminate.



CRSP negotiated a provision with SPP to address revenue crediting for point-to-point (PTP) transmission service CRSP purchases across its transmission system. CRSP has long used PTP service to meet its firm electric service deliveries and believes using PTP service may be a useful strategy in the RTO market as well. CRSP is the largest, by far, purchaser of CRCM transmission. Assuming SPP receives FERC approval of the CRSP-negotiated terms and conditions previously approved by the SPP Board, and CRSP continues with its strategy of using PTP for its power marketing needs, this will help stabilize the CRSP transmission rate. Otherwise, the CRSP rate could increase from today's rate of \$1.75/kilowatt-month (kW-month) to as high as \$18/kW-month if network service is used for firm electric service deliveries and if the market fully expands to include all CRSP load. The limited amount of load in the CRSP zone would be increasingly responsible for recovering CRSP's approximate \$89 million annual transmission revenue requirement.

UGP's transmission facilities in the western interconnection are already under functional control of SPP as of 10/1/2015 and are included in SPP's network and point-to-point rates. UGP entering the SPP Integrated Marketplace energy market on the West side should not cause transmission rate impacts to WAPA UGP network customers. UGP PTP customers may see a slight change on drive-outs from the West side that today are priced at the exit zone rate, and in the expanded SPP RTO would be priced at the average rate of the West side zones.

8. **Comment:** It is unclear exactly how the zonal structure of SPP's Highway/Byway approach will be implemented, especially since SPP's current RTO in the East side required a very complex phase-in arrangement that was implemented over many years. However, what is clear is that any new "Highway" facilities that result in region-wide ("postage stamp") costs paid by all will not benefit Arizona-based SLCA/IP contractors. WAPA SLCA/IP does not have to do these analyses with its current WECC footprint and markets. However, if WAPA SLCA/IP is electrically moved, then these impacts must be determined before any decision to join that RTO or entry into it to protect all WAPA's commercial obligations.

Response: *Transmission cost shifts have generally been an aspect of contention around the proposed development or expansion of any regional transmission organization. SPP's highway/byway approach seems to have been acceptable to the SPP West participants, which can be considered a success on negotiating one of the more difficult issues. CRSP itself will be exempt from certain high-voltage transmission expansion that qualifies for the negotiated Federal Service Exemption, but it will still be responsible for costs associated with local transmission improvement and for those facilities less than 100-kilovolts (kV).*



9. **Comment:** Why does WAPA conclude (Page 6) that bilateral energy prices are higher than prices generated in an RTO?

Response: *Our expectation that our net energy purchases will be lower in the RTO than in the bilateral energy markets is based on multiple studies including the Brattle Study performed for the SPP RTO-West participants, the DOE-Funded State-Led Study, and the study performed for Colorado on potential benefits of wholesale market participation.*

Transmission

1. **Comment:** A transmission customer expressed concerns that expected unquantified benefits may either not come to fruition due to things like balancing challenges due to non-participating resources, consolidated tariffs, etc., or such benefits may be available outside of RTO-West.

Response: *Thank you for this feedback. The Brattle study did consider a number of sensitivities with different footprint assumptions, and although risk exists with all uncertainty, we feel other options carry the same if not higher level of risk for WAPA and its customers. Regarding consolidated tariff impacts, RTO participants have generally found that transmission cost shifts are overshadowed by significant resource optimization and reliability benefits. Due to CRSP's operational set-up, CRSP-specific transmission provisions were negotiated to mitigate transmission revenue impacts. Regarding benefits possibly being available outside of RTO-West, WAPA's recommendation was and is based upon our conclusion that the SPP RTO is the best option available at this time for CRSP, RM, and UGP, with full RTO's providing numerous areas of benefit beyond less comprehensive market constructs. WAPA is however, fully engaged in other market developments and market studies in the West and is watching these developments and study results as they become available.*

2. **Comment:** A customer noted that WAPA's entry into RTO-West should help WAPA improve transmission coordination and better manage transmission constraints by streamlining transmission planning. The RTO can enable a clean energy transition, reduce congestion, and increase access to renewable generation sites while improving resource adequacy in the West.

Response: *Thank you for this feedback. We appreciate your comment.*

3. **Comment:** Resource adequacy, transmission expansion/modernization, and renewable resource integration are all more efficient in an RTO environment.

Response: *Thank you for this feedback. We appreciate your comment.*

4. **Comment:** Consolidation of multiple transmission providers under a single tariff provides improved efficiency, accuracy, and coordination of tariff-related studies. Regionally planned



transmission projects will reduce congestion, increase locations available for future renewable generation interconnection, and provide greater access to generation for resource adequacy and reserve sharing.

Response: *Thank you for this feedback. We appreciate your comment.*

5. **Comment:** There are many benefits for WAPA to participate in the SPP RTO including having a more efficient market during persistent drought, an efficient ancillary services market, resource adequacy, transmission modernization, renewable resource integration, reducing congestion and greater access to existing and new generation.

Response: *Thank you for this feedback. We appreciate your comment.*

6. **Comment:** A comment asked: “What are the identified impacts to transmission and transmission rights to CRSP customers outside of the proposed SPP RTO?”

Response: *WAPA does not anticipate any physical transmission impacts to CRSP customers located outside of the proposed SPP RTO footprint. Customers who have CRSP transmission service agreements would go through a process to convert those rights from WAPA transmission service to SPP transmission service. WAPA does not foresee any negative impact to transmission customer rights. Transmission customers who take SPP transmission service will, however, generally have access to the entire SPP network of transmission without paying for pancaked service across multiple zones they may cross.*

7. **Comment:** Since a portion of the CRSP transmission system resides in the EIM, we are concerned how transmission rights will be treated as the two markets interface. Lower Division customers transmission capacity is currently guaranteed up to Contract Rate of Delivery (CROD). These rights need to be protected. If not, it is likely that some members would have to pay congestion rights and the zonal rates could double if we are only protected up to our Deliverable Sales Amount (DSA) level. These CROD rights are protected under Amendment #4. Can you confirm what transmission capacity customers would maintain on the CRSP system if WAPA enters SPP? Would entry into SPP provide congestion protection rights? Would taking the SPP footprint back to Shiprock solve these issues?

Response: *CRSP does not anticipate issues accommodating deliveries between markets. CRSP will reserve transmission sufficient to serve customers to the CROD level. Transmission capacity currently is reserved by the CRSP merchant rather than by individual CRSP firm electric service customers, and this will continue if CRSP participates in the SPP RTO.*

Taking the SPP footprint back to Shiprock has not been pursued because such a proposal isolates the largest CRSP generating unit, creates the need for split operation of the CRSP system between multiple BAAs, and creates inefficiencies and duplicative expenses to CRSP.



8. **Comment:** Specific to the EIM/EIS interface, how will the current handling of the Four Corners-San Juan-Shiprock as a common bus be treated in the future? Who is working on this issue and is there a proposed solution? It is unacceptable for the “solution” to impose additional costs on CRSP customers that reside outside of the proposed SPP boundary. A resolution of this situation should be accomplished before WAPA finalizes a decision to place CRSP into SPP.

***Response:** WAPA anticipates this issue will be resolved as part of the SPP implementation and prior to CRSP executing a membership agreement. WAPA’s initial proposal would be similar to procedures today within the WEIS, which is to nominate a Schedule Flow Constraint and nominate a share of the transfer capability into the market, with the rest of the transfer capability remaining outside the market.*

9. **Comment:** Will the methodology for determining WAPA Colorado River Storage Project (CRCM) transmission rates change when it enters the SPP RTO? Please explain. (Page 38)

***Response:** The process to determine the CRSP transmission revenue requirement will not change. Our rates staff will continue to determine the revenue requirement, as they do today for the CRSP/CRCM system. However, that revenue requirement will be used by SPP to create the SPP CRSP zonal rate that will be charged by SPP as the transmission service provider.*

BA/Reliability

1. **Comment:** Citing the Recommendation Report, benefits of joining a regionalized market include greater opportunities among market participants; the ability to maintain reliability across the WACM BAA; and the ability to better manage WAPA's operating costs and hydropower contractual obligations.

***Response:** Thank you for this feedback. We appreciate your comment.*

2. **Comment:** A number of customers commented that the status quo is not a sustainable option during such unprecedented industry change and would lead to higher individual costs as compared to a regionalized model with greater cooperation among market participants.

***Response:** Thank you for this feedback. We agree with this conclusion.*

3. **Comment:** A transmission customer commented that WACM BA joining SPP would have significant impacts with unquantified benefits for those who take service from WAPA. Such a decision would force the customer to find an alternative BA provider or create its own BA.

***Response:** WAPA did not attempt to estimate net benefits for all customers. Such estimates require a detailed understanding of each entity’s resource portfolio, operations, contractual arrangements, etc., and is beyond the scope of what WAPA carefully analyzed. WAPA participated in the Brattle production cost study with the*



other RTO-West parties and cited other studies in the Recommendation Report (like the DOE-Funded State-Led Study) and has made those overall footprint savings and benefit conclusions public. We would encourage entities to carefully evaluate the SPP RTO just as the RTO-West parties have done, as both past and present evaluations have consistently shown substantial net benefits. However, as you state, if the SPP expansion occurs, entities that decide to not be part of the SPP BAA would need to find an alternative BA or create their own.

4. **Comment:** Numerous customers commented that the WACM BAA is increasingly strained between balancing the integration of renewable resources, managing hydropower obligations, and maintaining reliability. The commentors added that without the SPP RTO, reliability may begin to suffer and the cost to operate the BAA will likely increase dramatically.

Response: Thank you for this feedback. We appreciate your comment.

5. **Comment:** Multiple customers commented that without the SPP RTO, reliability may begin to suffer and the cost to operate the BAA will likely increase dramatically.

Response: Thank you for this feedback. We appreciate your comment.

6. **Comment:** Numerous customers commented that the SPP RTO is now necessary for the substantial new intermittent resources planned to come online very soon.

Response: Thank you for this feedback. We appreciate your comment.

7. **Comment:** Multiple customers commented that the WACM BAA has performed admirably and created tremendous value to its customers through the years, but is now maximized, and increasingly strained to integrate additional renewables, with substantial new intermittent resources already planned to come online very soon.

Response: Thank you for this compliment and feedback. We appreciate your comment

8. **Comment:** A customer commented that the RTO would bring improved reliability and the ability to integrate additional renewables.

Response: Thank you for this feedback. We appreciate your comment.

9. **Comment:** A customer commented that the SPP RTO would increase system reliability by providing additional options for operating reserves and regulating resources currently needed for the WACM BAA as well as dealing with significant additional planned renewables and intermittent resources. SPP has continually set renewable penetration records and demonstrated it is a leader in balancing renewable resources, which is needed to meet aggressive goals for decarbonization.

Response: Thank you for this feedback. We appreciate your comment.



10. **Comment:** A customer who currently operates in multiple RTOs commented that their utility/entity clearly sees the benefits that an RTO brings to the communities they serve.
Response: *Thank you for this feedback and broad perspective of operating in multiple RTOs, as well as the West's current bilateral world. We appreciate your comment.*
11. **Comment:** A customer who currently operates in multiple RTOs commented that SPP's member-driven culture and governance structure is superior to other ISO/RTO markets and is a good fit for the utilities in the WACM BAA who are already engaged in the SPP Integrated Marketplace or the WEIS.
Response: *Thank you for this feedback. We appreciate your comment.*
12. **Comment:** A customer agreed with WAPA that participation in SPP RTO will provide risk mitigation, optimize transmission, support reliability, improve economic resource dispatch, and support core mission success.
Response: *Thank you for this feedback; WAPA appreciates your comment.*
13. **Comment:** Citing WAPA's Recommendation Report, a customer noted that SPP RTO membership is expected to mitigate reliability risks associated with thermal unit retirements, increases in variable energy resources, persistent drought, more frequent extreme weather events, and long-standing institutional impediments to regional transmission development.
Response: *Thank you for this feedback. We appreciate your comment.*
14. **Comment:** A customer commented that cost-benefit studies consistently show significant cost savings to organized market participants and that RTO-West will benefit participants and their customers by increasing capacity, improving efficiency, reducing seams, and optimizing co-owned lines. Enlarging RTO-West's market footprint will help participants more reliably integrate expanding intermittent renewable resources (wind and solar) into the grid.
Response: *Thank you for this feedback. We appreciate your comment.*
15. **Comment:** RTO-West can reduce rate and reliability impacts from ongoing drought while improving progress toward clean energy goals. Access to RTO-West's expanded generation portfolio, variety of trading partners, more efficient unit commitment process and optimized real-time dispatch will enhance WAPA's toolkit to secure dispatchable resources and replacement power.
Response: *Thank you for this feedback. We appreciate your comment.*
16. **Comment:** A customer discussed how RTO-West addresses challenges for WAPA's BA with dramatic increases in renewable resources, which will grow more pressing as more utilities work to meet carbon reduction mandates.
Response: *Thank you for this feedback. We appreciate your comment.*



17. **Comment:** The most concerning commercial issue that remains unaddressed is how will WAPA operate Glen Canyon Dam and CRSP generation, so it provides commercial capacity values in the future markets for all CRSP customers and not just for one group of customers? CRSP used to provide generation to both the WALC BAA and the WACM BAA as indicated in the response, so it can clearly be done again.

Response: *Glen Canyon generation will be provided to all customers in accordance with CRSP contracts.*

18. **Comment:** There are many intangibles associated with relationships among entities that share responsibility for grid reliability within a given region (e.g., reserve sharing, control area performance, unscheduled flow mitigation, etc.). Arizona, California, Nevada, and the desert southwest are one such region where numerous jointly owned transmission projects and generation projects were planned and developed by the Arizona utilities, including the WAPA Parker Davis, Intertie, and SLCA/IP transmission systems. Some of WAPA's transmission lines were the very first interstate power lines in the West and many things were planned upon those lines like Los Angeles, Phoenix, and Las Vegas. Our region has transmission interties with over 11,000 MWs between BAs and only 690 MW through Shiprock 230kV which is controlled by phase shifters for decades to limit inadvertent WECC loop flows. Severing or disturbing these relationships could have consequences of the type that cannot be easily analyzed. Recent reports to Congress on the US electrical grid reliability only heighten our concern of potential impacts upon the reliability of our region. We have not seen any studies of the reconfigured BAA's and impacts on regional reliability.

Response: *The physical attributes of the system should not change, as the RTO participation is largely an economic construct rather than a physical construct. SPP as market operator could impact the flow of electrons by choosing to dispatch certain units over others, thus creating a change in power flows. Regardless of RTO participation or expansion, the West continues to undergo a period of dynamic change as generation shifts from thermal to renewable generation; that shift is driving today's concerns over power flows, reliability concerns and resource adequacy. The RTO provides a helpful solution to address these impacts and helps better plan for a reliable future. Even without RTO participation, issues around reserve sharing, control area performance, unscheduled flow mitigation, etc., will need to be carefully studied and mitigated in some manner. An RTO is one avenue to mitigate those concerns.*

19. **Comment:** A comment states: "In the absence of assuring contractual benefits upon executing membership with SPP, WAPA improperly deprives preference customers of resources and contractual assets needed to assure reliable operation of the grid, including but not limited to, compliance with relevant NERC and WECC standards."



Response: WAPA intends to fulfill its contractual obligations to customers regardless of RTO participation.

SPP Terms and Conditions

1. **Comment:** Numerous customers expressed appreciation for WAPA’s work on organized market development and for the favorable terms and conditions negotiated with SPP.
Response: Thank you for this feedback. We appreciate your comment.
2. **Comment:** Multiple customers pointed out that if this RTO expansion fails, future terms and conditions of an unknown market may not be favorable to WAPA or its customers.
Response: Thank you for this feedback. We appreciate your comment. The SPP Tariff has provisions for UGP’s participation, including the Federal Service Exemption (FSE), which have been negotiated to be extended to CRSP and RM. The FSE provides exemptions from the marginal congestion and marginal loss cost components for federal energy deliveries and exemption from regional transmission cost allocation charges. Although WAPA was able to negotiate this FSE in SPP, the exemption may not be included or be as significant in other RTO or market constructs that might develop in the West in the future.
3. **Comment:** WAPA has negotiated protections for its preference customers, like the Federal Service Exemption and measures to mitigate impacts to its transmission revenue. Such provisions are unlikely to be offered in other market options.
Response: Thank you for this feedback. We appreciate your comment.
4. **Comment:** The proven history of UGP’s participation in SPP’s RTO demonstrates how the SPP RTO market features and governance structure can benefit WAPA and its customers.
Response: Thank you for this feedback. We appreciate your comment.
5. **Comment:** A customer commented on their experience with UGP’s integration into SPP in 2015. The transition of UGP into the SPP RTO was seamless for their utility/customer members (both within and outside the SPP BAA); UGP FES agreements and associated rights having not been impacted; and WAPA remained true to its mission and its commitment to its customers.
Response: Thank you for this feedback. As in 2015 for UGP, WAPA’s analysis and priority is that contractual obligations would not be negatively impacted for CRSP, RM, or UGP. In fact, the market would enhance trading capability, as well as eliminate our need to use resources and staff to run the BAAs. The RTO would instead increase our already high level of assurance of meeting our contractual obligations.
6. **Comment:** The WAPA Federal Provisions Specific to CRSP (Recommendation Report p. 38-39) must remain in place as a condition for CRSP to be a participant in RTO-West.



Response: Thank you for the comment. WAPA agrees the WAPA Federal Provisions Specific to CRSP must remain in place as a condition for CRSP to be a participant in the SPP RTO.

7. **Comment:** As markets have formed and continue to evolve in the West, a continuing concern of potential participants is governance structure. As WAPA reported on May 25, 2023, please confirm that SPP has concurred that CRSP would have its own representation on (at a minimum) SPP's Markets and Operations Policy Committee (MOPC).

Response: Thank you for the comment. Governance structure is important to ensure proper representation. SPP's current governance allows for every entity that signs a membership agreement to have a voting representative on the MOPC. Upon joining, CRSP and RM would each sign a membership agreement and thus would have such representation.

8. **Comment:** Describe how (and why) additional purchases made by WAPA to satisfy its hydro sales to preference customers should qualify for the Federal Service Exemption (FSE). Please confirm if the FSE exemption for firming purchases is only applicable to the CRSP. (Page 37)

Response: We have requested a CRSP-specific provision to allow certain purchase power to be eligible for the FSE. CRSP has a long history of using firming power to augment hydropower resources and has also included firming purchases as part of its long-term marketing plan. Additionally, the 20 years of drought/aridification have required us to think beyond just water and hydropower for long-term viability of the CRSP system. If long-term purchases are mandated or requested to be integrated to keep CRSP viable then those resources should reasonably be considered for inclusion under the Federal Service Exemption. This would not be a wholesale, carte blanche type of arrangement but limited within the bounds of the CRSP marketing plan and firm electric service contracts.

9. **Comment:** How will the Federal Service Exemption work for CRSP customers inside the SPP footprint compared to those outside the SPP footprint? This question would apply to things like Western Replacement Power (WRP), Customer Displacement Power (CDP), and purchases needed to firm FES delivery commitments. If SPP won't agree to make distinctions needed to maintain economic equality among CRSP customers, is WAPA willing to do so by establishing segregated CRSP rates?

Response: The Federal Service Exemption (FSE) applies to transmission of federal power to WAPA statutory load obligations. Please refer to Section 39.3(e) of the SPP Tariff on SPP's website [here](#). WAPA has proposed, and the SPP Board has approved, extending the FSE provisions to CRSP. WRP in terms of less than 28 days and CDP, as well as other firming purchases made by the CRSP merchant in terms less than 28 days, would not qualify for the FSE as currently defined. As such, CRSP would have the ability to participate in SPP's congestion hedging market for those transactions. CRSP



is in active discussions with SPP to strategically manage transmission congestion hedging for the benefit of WRP, CDP, and firming purchases that do not qualify for the FSE. We believe this may provide considerable value to all the CRSP firm electric service customers. WAPA anticipates continuing discussions with SPP on how this would be implemented and appropriate strategies to use. A discussion of this strategy has been shared with customers, at a high level, during CRSP's monthly market-update-meetings. If our discussions with SPP are not successful, CRSP will consider other options to provide value to all its customers, which may include possible rate design changes.

10. **Comment:** How will point to point transmission service by the SPP RTO-West be priced? Is Colorado River Storage Project (CRSP or CRCM) priced differently than the other RTO-West transmission owners? (Page 38-39)

***Response:** For PTP transmission using only the West side, the sink zone rate will apply. For PTP that exits the West side, the weighted average of West side zones will apply. Transmission involving the CRSP zone is not different than other zones for these situations. For additional details, see the CRSP specific terms and conditions.¹⁰*

11. **Comment:** A comment states: "WAPA must declare to SPP as a condition of entering into final negotiations that meeting the contractual obligations for customers outside of the footprint must be accomplished as a condition precedent to executing a membership agreement. The final decisional document must reflect this condition and expected commitment from SPP."

***Response:** WAPA appreciates this comment and recognizes its contractual commitments exist for all customers, and will endure, regardless of the decision on RTO membership.*

Mt. Elbert

1. **Comment:** Multiple LAP customers commented that they look forward to additional discussions involving the Mt. Elbert Powerplant, the need to modify current operations, and the potential for more efficient and effective use of this valuable resource in the SPP RTO.

***Response:** Thank you for this feedback. This will be among our top priorities to discuss with LAP customers.*

¹⁰ The Jan. 31, 2023, SPP Board meeting minutes and materials are posted publicly [here](#). The additional CRSP-MC specific terms and conditions and extension of all the terms and conditions to July 1, 2023, as approved, are on pages 258 through 262, and a summary PowerPoint is on pages 247 through 257.



Salt River Project Exchange Agreement

1. **Comment:** WAPA’s entrance of the CRSP resource into the SPP RTO has potential to uniquely impact SRP for the remaining years of a long standing WAPA-SRP Energy Exchange agreement. The exchange agreement between WAPA and SRP has served to benefit reliability and affordability for both SRP and WAPA customers by avoiding significant transmission requirements. The nature of this long-term partnership includes two components: an exchange whereby outputs from SRP generation assets in Colorado and New Mexico is exchanged with WAPA energy from CRSP, and utilization of WAPA transmission for any remaining SRP generation that is not exchanged. A decision by WAPA to join SPP should not obligate the introduction of SRP’s share of the exchange agreement resources into the centralized dispatch for SPP RTO.

Response: CRSP and SRP enjoy a long-term mutually beneficial relationship under the WAPA-SRP Energy Exchange agreement. CRSP will continue to honor the terms and conditions of the agreement through its remaining term and will coordinate with SRP.

2. **Comment:** The Recommendation Report cites centralized dispatch, centralized transmission planning, and BAA consolidation as a benefit to WAPA (pg. 15). The report identifies the centralization as a move away from “each utility dispatching its own limited set of generation resources through contract path transmission arrangements” and into a “transmission flow arrangement” where the market operator will manage congestion on the system using market price signals. With SRP’s load outside of the RTO, the dispatch decisions of the market operator may not provide SRP the benefit of dispatching to market price signals. Nomination of SRP transmission to serve SRP reliability needs may not be fully awarded and creates concern regarding the transmission priority of the exchange agreement within the SPP RTO. SRP would expect the exchange agreement to be held harmless regarding the priority of flow and be held harmless to congestion and other potential price and delivery risks for the dispatch of SRP resources. Similarly, any deviations in SRP’s controlled asset generation at any time should not be subject to imbalance, penalties, or any other RTO based fee. Additionally, other SPP RTO participants could create congestion on the transmission lines that SRP has utilized for decades, and SRP would be subject to SPP RTO’s calculation of the congestion costs. Should SRP be required to register as a scheduling entity and designate the exchange agreement resources as self-scheduled/non-dispatchable, this could also generate risk on both clearing costs and congestion, and SRP would expect to receive neutrality to both of these risks by WAPA.

Response: CRSP is committed to on-going discussions with SRP regarding operation under the Exchange Agreement and would continue that commitment in the SPP RTO. CRSP will continue to honor the terms and conditions of the agreement through its remaining term. CRSP will obtain, for the SRP Exchange Agreement, the highest priority transmission reservations under point-to-point agreements under the SPP Tariff. Market efficient dispatch and congestion management efforts are anticipated



to reduce the existing constraints on the TOT2 path, providing SRP with better operating conditions than exist today. Today, SRP is subject to curtailment with regard to flow under the Western Interconnection Unscheduled Flow Mitigation Plan, and generation is exposed to imbalance and potential penalties, but the Exchange Agreement has negotiated terms and conditions that operations and transactions may be exposed to existing and future market constraints and costs with no promise of neutrality.

IV. Comment Summary and Responses to Reopened Comment Period

WAPA's Analysis, Studies, and Bifurcation/Pseudo-Tie/Technical Solution

1. **Comments:** As depicted by WAPA in the Crosswalk, a commenter supports the pseudo-tie proposal and recommends that this commitment should be carried through in the decisional document and in any final negotiations with SPP. These arrangements must be in place on day one if CRSP becomes a member of SPP in order to maintain equitable treatment between Northern and Southern Division customers.

***Response:** Thank you for your comment. WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.*

2. **Comment:** Increased coordination is merited with the Desert Southwest (DSW) region. Many of the high-level implementation activities appear beyond the scope of the activities that CRSP personnel have undertaken to date and would require additional understanding of how the Energy Imbalance Market (EIM) operates within DSW. Accordingly, WAPA should ensure that final negotiations include members of the DSW team who can address the implementation of the pseudo-tie proposal for the Southern Division customers.

***Response:** Thank you for your comment. WAPA regions, including DSW, will be working closely together.*

3. **Comment:** A commenter appreciates the discussions and preliminary work that has been done to date on the implementation of a pseudo-tie between CRSP and DSW and believes that continuing to develop the proposal is a worthwhile endeavor. If WAPA is unable to implement the pseudo-tie proposal, or if it is determined that it is needed on day one of market participation but can't be implemented right away, it will be incumbent upon WAPA to work with SPP and its customers to develop alternative solutions that ensure that WAPA can meet its contractual commitments and customers in the lower basin are not disadvantaged by being located outside of the SPP footprint.

***Response:** Thank you for your comment. WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to*



address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.

4. **Comment:** WAPA should incorporate in its Record of Decision on pursuit of SPP participation a set of definitive principles that: (a) leave the WALC BAA outside of the SPP RTO, (b) leave the Glen Canyon Dam and CRSP transmission resources in the WALC BAA in Arizona to be subject to the determination and needs of entities in Arizona and effectuated through the WALC BAA including dynamic schedule of CRSP/Glen Canyon Dam generation as part of the CRSP resources separated between WALC and SPP; (c) preserve the contractual and operational status quo for CRSP DSW Contractors and their customers, (d) remove CRSP transmission south from the Glen Canyon substation from the CRSP transmission rate prior to SPP participation and place those transmission resources under the DSW One Transmission Rate, and (e) establish a definite and enforceable timetable for the implementation of these measures.

***Response:** Thank you for your comment. WAPA has no plans to incorporate the WALC BAA into the SPP RTO under this proposal. Glen Canyon and the CRSP transmission are in the WACM BAA and are proposed to be in the SPP RTO footprint. Inclusion of the CRSP system into the proposed DSW One-Rate is not under consideration with this proposal, nor is it part the concurrent DSW One-Rate proposal. WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.*

5. **Comment:** WAPA could pause the current decisional deadlines on its pursuit of SPP membership, solely with respect to CRSP. A pause of the deadlines with respect to CRSP alone would enable WAPA to proceed with migration of WAPA's Rocky Mountain Region and further integration of its Upper Great Plains Region into the SPP. In contrast to CRSP, the [RM] and UGP components of WAPA's SPP proposal appear to be premised on mutual agreement between WAPA and those Contractors. An extension of the decisional process as to CRSP would enable DSW to work with CRSP DSW Contractors on terms that leave the generation and transmission entitlements of CRSP DSW Contractors in the WECC and the WALC BAA. This alternative should enable the commenter and others to remain outside of the SPP RTO discussions while they work with WALC on their market needs from CRSP. A Pseudo-Tie (or equivalent technical solution) enabling CRSP resources to remain in the WECC and WALC BAA can be a central component of this structure, so long as WAPA's objective is the dynamic scheduling of the CRSP entitlements between WECC-based and SPP-based CRSP Contractors contemporaneously with WAPA's integration into the SPP to ensure that WAPA's decision addresses the market needs of all CRSP customers.

***Response:** Thank you for your comment. WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.*



6. **Comment:** Commenter agrees with WAPA in not recommending the bifurcation of the CRSP system North and South, as shown in the CRSP Crosswalk of the Pseudo-Tie Proposal.

Response: *Thank you for your comment. WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.*

7. **Comment:** SPP as a BA has the ability to facilitate the electronic transfer of load or generation into or out of an external BA on behalf of a requesting Market Participant (MP). SPP follows all applicable SPP Tariff, NERC and North American Energy Standards Board (NAESB) rules and/or business practices when facilitating and operating a pseudo-tie for a Member Participant.

Response: *Thank you for your comment.*

V. Response to Comments Received under Tribal Consultation

Tribal Comments Expressing Thanks

1. **Comment:** A Tribal customer thanked WAPA for hosting the Tribal consultation meeting on May 12th and strongly encourages WAPA to continue to host meetings when Tribal interests are at stake.

Response: *Thank you for this feedback. We look forward to continuing collaboration with our Tribal customers on issues potentially impacting Tribal interests.*

2. **Comment:** A Tribal customer expressed hope that SPP membership may help lead to a direct delivery of the Nation's WAPA allocation, reduce costs, and promote both efficiency and resiliency.

Response: *Thank you for this feedback. We appreciate your comment. Serving Tribes that do not operate utilities raises challenges to directly delivering allocations. To facilitate such Tribes receiving the benefit of a federal hydropower allocation, WAPA has worked with Tribes to set up crediting arrangements to ensure the economic benefit of the hydropower allocation gets to the Tribes. Tribes are the only entities WAPA serves through such benefit crediting arrangements, as other preference power customers are required to have transmission arrangements to take deliveries directly from WAPA. WAPA does not anticipate that RTO membership would fundamentally change this structure, which is designed to include as many Tribes as possible in the benefits of federal hydropower. However, expanding SPP's footprint into the West would reduce the current multiple tariffs into a single tariff for transmission service, so this could partly reduce the challenge of making direct delivery arrangements where feasible.*



Compliance with Applicable Law, Resource Adequacy, Contracts, and Marketing Plans

1. **Comment:** A Tribal customer expressed concern about not knowing the impact of the proposed changes to the value of their SLCA/IP power, how SLCA/IP power will be scheduled and delivered in such a proposal in the future, or how the costs to deliver such power will change. The process at the Boulder Canyon Project, where the contracts and WAPA dynamic scheduling enable all BCP customers' access to their BCP power, seems to work for WAPA and others in the WECC, but we have not seen this type of discussion and solutions sufficiently discussed or matured.

***Response:** Thank you for your comment. WAPA and CRSP will continue to provide contractual deliveries to all customers, including Tribes, regardless of RTO participation, and maintaining those deliveries is the first and most important consideration in pursuing potential SPP membership. However, in evaluating potential scheduling options, it is important to note that the Boulder Canyon Project (BCP) and CRSP operate under different environmental and generation constraints, contracts, marketing plans, and legislation. As a result, CRSP cannot viably offer the same dynamic scheduling arrangements provided by the BCP. This is reflected in the existing contracts, and CRSP does not believe potential RTO membership would fundamentally change these principles. However, WAPA will develop implementation details for the CRSP pseudo-tie with customers, SPP, and the RTO-West Participants to address CRSP customers' concerns about the potential implications of RTO membership for entities outside the footprint.*

2. **Comment:** A Tribal customer commented that its allocation of federal hydropower and hydropower resources (including its share of the generation and transmission systems) is a trust resource under the DOE definitions. The Tribal customer commented that their allocation of federal hydropower is therefore an important part of their participation in the benefit of the federal hydropower resource and that the Tribal customer's resources must be protected by WAPA, as their federal trustee, on behalf of the Tribe. Any potential threat to these trust resources by federal action requires meaningful government-to-government consultation which the Tribal customer formally request should WAPA continue forward with its participation in the SPP. In the Tribe's view, meaningful government-to-government consultation can occur only at a duly convened meeting with Tribe's governing body.

***Response:** WAPA appreciates this comment and values its trust relationship with Tribal customers. This relationship is reflected in WAPA's allocations of federal hydropower to Tribes across its 15-state footprint as well as WAPA's arrangements, available only to Tribes, allowing those Tribes that do not operate utilities to still receive contracted hydropower allocations and their benefits. Protecting all customers' contractual deliveries, including Tribal benefits, and continuing to provide service at the lowest possible rates consistent with sound business principles, are*



WAPA's baseline requirements in pursuing any potential membership in an RTO or other type of organized market. In the current process of evaluating the SPP RTO-West initiative, WAPA remains committed to meaningfully consulting with its Tribal partners on an ongoing basis to address matters potentially impacting Tribes. WAPA appreciates the commentor's perspective on conducting such consultation and welcomes the opportunity to meet in person with Tribal leaders to address matters of interest should WAPA move forward with final negotiations to join SPP. WAPA also appreciates the commentor's engagement in WAPA's ongoing consultation that includes all Tribal customers. WAPA does not intend for that broader process to undercut or supplant WAPA's direct relationships with the individual Tribes WAPA serves.

3. **Comment:** A Tribal customer commented that “Through participation we have learned these issues are very complicated and can have impacts upon all CRSP contractors for the entire future in the WECC and with their federal hydropower contracts. WAPA worked after the 2005 Energy Policy Act to market SLCA/IP power to over 50 new Tribes that today buy CRSP power or benefit from it. We know only a handful are even aware of these issues and engage with WAPA rarely on their contracts. Therefore, given the long-term consequences of the CRSP SPP RTO decisions, we must respectfully request the WAPA Administrator terminate this process until WAPA can adequately study the impacts upon all WAPA CRSP Contractors and attempt to mitigate those impacts, if any. The No Action Alternative is the safest alternative given the current process.”

***Response:** Thank you for your comment. WAPA appreciates the complexity of evaluating potential RTO membership and also believes the RTO-West initiative is an important and time-sensitive opportunity. WAPA appreciates, but does not fully share, the perspective that declining to participate is the safest alternative. As discussed in WAPA's Recommendation Report, the status quo also presents risks. CRSP has made significant efforts to reach out to all its customers, including by holding approximately 20 customer meetings on various aspects of market participation, meetings specifically for Tribal customers, individual customer meetings to discuss aspects of the market participation, as well as providing written responses to customer concerns. For those unable to attend these meetings, WAPA has made information available on its website for customer review. CRSP has also negotiated terms and conditions with SPP to ensure its continued ability to provide customers' contracted deliveries at the lowest possible rates consistent with sound business principles. And as a result of customer comments, WAPA reopened the public comment period to address CRSP's participation, and in particular CRSP's willingness to implement a CRSP pseudo-tie. WAPA believes these efforts, coupled with cost-production studies evaluating the economic impact to the individual WAPA projects proposing to participate, provide a sound framework.*



4. **Comment:** A commenter concerned with WAPA’s obligations to Tribes stated “In reviewing this matter, the commenter is reminded of the 2005 Energy Policy Act and its meaning to many of WAPA’s customers, and believes WAPA has a unique and special obligation to make sure those Tribal federal power contractors’ needs are included and considered in this process. It is paramount that WAPA treat them fairly, inclusively, and in accordance with the obligations contained in the Energy Policy Act.”

***Response:** Thank you for your comment. WAPA’s intent and actions prioritize collaborating with our valued Tribal customers in a fair, inclusive manner and in alignment the 2005 Energy Policy Act. CRSP invited its customers, including Tribal customers, to over 20 separate presentations on CRSP’s investigation of the SPP RTO. Comments and questions were requested from all customers and representatives. WAPA held two special Tribal presentations for Tribal customers in July 2022, and a May 2023 Tribal consultation meeting with an associated comment period to answer any questions and to receive comments. Additionally, WAPA works to ensure its FES customers, including Tribal customers, receive the same benefits of the FES they receive today to fulfill the requirements of Section 1232 of the Energy Policy Act of 2005.*

5. **Comment:** A Tribal customer commented that they are not opposed to a reasonable plan for CRSP customers within the SPP footprint to participate in SPP. However, they are concerned that full participation by CRSP in the SPP will impair the Tribe’s ability to fully develop solar electric power through its subsidiary enterprise. The comment also expressed concern that participation will add uncertainties to the cost of federal hydropower and transmission and the ability to have cost-based access to our contracted capacity and energy.

***Response:** CRSP appreciates this comment and recognizes the complexity and uncertainties involved in evaluating potential RTO participation. As noted in response to other comments, WAPA and CRSP are committed to maintaining contractual deliveries of cost-based federal hydropower to customers regardless of RTO participation. CRSP also negotiated terms with SPP designed to maintain a stable transmission rate should it join the RTO. WAPA also expects that the expanded footprint will benefit renewable resource integration in ways typically associated with RTOs and provide potential opportunities to Tribal entities seeking to develop renewable resources.*

Interconnection Queue

1. **Comment:** A Tribally owned development organization commented that it “does not object to WAPA’s expanded participation in the SPP RTO and recognizes that expansion could provide significant benefits to Indian Energy Developers.”

a. **Response:** Thank you for this feedback. We appreciate your comment.



2. **Comment:** A Tribally owned development organization commented: “The Comments filed in response to WAPA’s outreach on this matter show broad support for the proposed expanded participation in SPP, although the Indian commenters range from cautiously optimistic to opposed. [Commenter] agrees that the proposed expansion should eliminate pancaking and so reduce some transmission costs, and the expanded service area may facilitate sales of Indian-developed energy. [Commenter’s] only concern with the expansion is the effect it likely will have on Indian Energy Developers’ ability to interconnect to the National Power Grid, unless an alternative to the SPP interconnection tariff is made available.”

***Response:** Thank you for the comment. As the commenter notes, the SPP Tariff and market allows generation projects to sell directly into the large SPP market, which would be expanded across both the Eastern and Western Interconnections if the RTO-West expansion proceeds, without a purchase power agreement and generally without transmission service charge pancakes. The SPP Tariff and Generation Interconnection procedures, which are based upon FERC’s pro-forma Generation Interconnection Procedures, set out the requirements for Generation Interconnections to the SPP transmission system, and like the existing FERC-approved WAPA Open Access Transmission Tariff require comparable and non-discriminatory treatment for all Generation Interconnection Customers. Therefore, either under the SPP Tariff or the WAPA Tariff, WAPA is not aware of an alternative to the interconnection procedures.*

FERC has been reviewing questions surrounding interconnection reform and issued an Order July 28, 2023, to update certain of its required Generation Interconnection procedures under FERC Docket RM22-14. FERC’s Order acknowledged issues raised by the Tribes and suggested approaches for the Tribes to raise those issues with the Commission as they propose projects under those interconnection procedures. WAPA believes the FERC proceedings are the appropriate forum to outline Developers’ concerns and requested changes.

3. **Comment:** A Tribally owned development organization commented that “WAPA must provide alternative methods of Interconnection to the National Power Grid, apart from the SPP Open Access Transmission Tariff” Additionally, the commenter stated: “The federal consultation obligation and trust responsibility to provide Indian Energy Developers reasonable access to the National Power Grid cannot be superseded by the SPP [Open Access Transmission Tariff].” They also noted that “Having the [Open Access Transmission Tariff] as the sole means of achieving interconnection to the National Power Grid is the opposite of meaningful consultation – inflexible, one-size-fits-all, and conceptualized and drafted without meaningful consultation with Tribes.”

***Response:** Thank you for the comment. As noted in the response above, neither SPP (under its tariff) nor WAPA (under its tariff) currently have alternatives to processing generation interconnections to the transmission system, other than the language based upon FERC’s pro-forma Generation Interconnection Procedures. However, WAPA staff seeks to assist Tribes whenever possible with navigating the generation*



interconnection processes under the existing WAPA Tariff or under the SPP Tariff, as applicable, and would continue to offer that assistance to the Tribes under the proposed RTO-West expansion.

Regardless of WAPA's participation in the SPP RTO (either currently by UGP as an existing SPP RTO member) or as proposed for the CRSP and RM regions in the SPP RTO-West, WAPA provides comparable and non-discriminatory access to its transmission system consistent with FERC's pro-forma Generation Interconnection Procedures and WAPA's statutory requirements. WAPA has not identified conflicts between its federal consultation obligations and trust responsibility to the Tribes and the application of Generation Interconnection Procedures.

4. **Comment:** A Tribally owned development organization commented “Consultation with WAPA regarding interconnection is necessary for Indian Energy Developers because they are not like the multi-million-dollar companies that developed wind farms previously. The large developers look for sites wherever excess transmission capacity exists, but Tribes don't have that luxury – they must develop the energy resources that are on their reservations. And Tribal lands are grossly underserved by power lines (as well as roads, broadband, and water services) – the result of generations of underinvestment in Tribal lands and the surrounding territory. Indian Energy Developers face a huge hurdle in trying to overcome the chronic shortage of available transmission capacity on their reservations. Overcoming this hurdle requires Tribe-specific consultation and planning, something an interconnection tariff cannot deliver.”

Response: *Thank you for the comment. Under the FERC pro-forma Generation Interconnection Procedures, the WAPA Tariff, and SPP Tariff, the Generation Project developer does currently need to build out to the transmission system, and that build out can be short if the project is the vicinity of the transmission or longer if not. The costs of those Interconnection Facilities are directly assigned to the Interconnection Customer. The SPP RTO has recognized this issue of accessibility of the transmission system to renewable-rich resource areas that have limited bulk transmission facilities, as well as a number of other issues that create challenges for generation interconnections and transmission planning within its footprint. The SPP Board of Directors approved several initiatives under its Strategic & Creative Re-Engineering of Integrated Planning Team (SCRIPT) to seek to address such issues. One of the SCRIPT initiatives that SPP is currently in the process of developing, for implementation starting around 2026, is to modify its Generation Interconnection and Integrated Planning Process to consolidate both processes into a Consolidated Planning Process (CPP). The expected outcomes are to reduce the generation interconnection queue backlogs and processing times; improve the funding allocations for those interconnections due to cost sharing of upgrades; streamline and optimize the planning process; and identify more holistic and optimized transmission upgrades that will meet the overall needs of the RTO, including growing load, transmission service requirements, and generation interconnections. With future generation*



interconnections being analyzed concurrently in the CPP, shared transmission system upgrades will be identified that can accommodate both generation interconnection requirements as well as load growth and other transmission service requirements. WAPA expects this will improve accessibility to the transmission system for generation interconnections. The CPP will also provide greater cost certainty for generation interconnections and create new funding structures and shared cost allocations for transmission system upgrades. In this process, WAPA, as a member of the RTO, can recommend potential projects to address needs in the CPP and projects that would specifically improve generation interconnection accessibility issues at the same time as addressing other identified planning needs. WAPA welcomes continued feedback from Tribes regarding these potential transmission system expansion needs and opportunities and believes that the SPP RTO processes provide an avenue to address the concerns noted.

As addressed in the above comment, WAPA has not identified conflicts between its federal consultation obligations and trust responsibility to the Tribes and the application of generation interconnection procedures.

5. **Comment:** A Tribally owned development organization commented “Moreover, Tribes have other unique needs and attributes that cannot be addressed by a tariffed service” and “Many Tribes, including the Commenter member Tribes, are cash poor, and must make financial arrangements well in advance. Under the SPP tariff, once applicants obtain their final study results, they must submit payment within two weeks”.

***Response:** Thank you for the comment. Please see the response to comment above regarding the use of tariffs to address generation interconnection requests. There are some differences in the timing of the SPP Tariff payments for cost allocation of Network Upgrades compared to the WAPA Tariff. However the ultimate costs to the interconnection customer end up being very close to the same. In addition, as noted above, FERC’s recent Order on Docket RM22-14 revising its pro-forma Generation Interconnection Procedures acknowledges the Tribes’ unique funding issues and suggests an approach for the Tribes to address payment constraints related to specific generation interconnection projects with the Commission.*

6. **Comment:** A Tribally owned development organization commented “Many Tribes, like the [Commenter] member Tribes, are also preference customers of WAPA. Several of the [Commenter] Tribes receive hydroelectric power allocations from WAPA, which could be directly affected when Indian Energy Developers construct transmission facilities directly connecting to the WAPA network.”

***Response:** Thank you for the comment. As WAPA noted in its public process and Tribal presentations, the proposed participation in the RTO-West would not impact the power allocations from WAPA, or other contracts with WAPA. Generally, the transmission interconnection facilities are connected directly from the Generation Project to the transmission system, and do not impact existing load deliveries. A*



Generation Project that connects to WAPA's transmission system (either under WAPA's existing operations, or under the proposed RTO-West operations) would not impact the power allocations from WAPA to the Tribes, nor any bill or benefit crediting arrangements.

7. **Comment:** A Tribally owned development organization commented that “The two [Commenter] wind farms that lost their queue positions did so because SPP’s studies assigned to them hundreds of millions of dollars in heavying-up WAPA transmission facilities. There are real questions whether Tribes should be required to build federal infrastructure, and how the Biden Administration’s Justice40 initiative would affect such a transaction.”

Response: *Thank you for the comment. In regard to the Commenter’s generation interconnection requests, it is WAPA’s understanding that the two wind farm interconnection requests referred to by the Commenter were located in the Eastern Interconnection in the existing SPP RTO Region and potentially involved interconnections to WAPA’s Upper Great Plains Region (UGP) transmission facilities. UGP joined the SPP RTO in 2015 under a separate process, and UGP’s qualifying transmission facilities are already under the SPP Tariff (both in the Eastern and Western Interconnections). Thus, those generation interconnection requests were submitted and processed under the SPP Tariff, as required. It is WAPA’s understanding based upon previous information provided by the Commenter to UGP prior to this public process that the generation interconnection requests were assigned cost responsibility for interconnection facilities to connect the generation projects to the SPP transmission system, and other cost allocations for Network Upgrades required to the SPP transmission system to address the injection impacts of the generation projects. In addition, the projects were assigned cost allocations to address impacts of the Generation injection to the neighboring Affected Systems’ transmission systems including the Midwest Independent System Operator (MISO). Given the large amount of renewables and other generation that has interconnected or is the process of requesting interconnection in the Eastern Interconnection, the transmission system is fully utilized in many areas and significant upgrades or new transmission facilities are generally required to allow for additional Generation Interconnection injections, including those submitted by the Commenter. The allocated cost of upgrades or new transmission facilities based upon a Generation Interconnection project injection can be significant as the Commenter notes. These allocated cost of upgrades, or new transmission facilities in the case of the UGP system in the Eastern Interconnection, would have been similar if UGP were not in the SPP RTO. Under the WAPA Tariff, which previously applied to generator interconnection requests, UGP would have also needed to identify the impacts to the SPP and MISO transmission systems based on similar modeled system conditions accounting for the projects in its queue and those in the SPP and MISO queues. Generally, under the current heavily stressed generation injection conditions, the WAPA owned transmission upgrades do not represent the large cost allocation, rather the required upgrades on the SPP or neighboring transmission systems are much larger and more costly. When the available capacity*



margin in a transmission system has been fully utilized, a relatively small generator interconnection request can result in making the next major step increase in the transmission system upgrades, i.e., a new line or other major improvement.

With regard to the comment questioning whether the Tribes should be required to build [fund] transmission upgrades to accommodate Tribal sponsored generation projects, WAPA is not aware of any exceptions for Tribal sponsored generation projects interconnected to the transmission systems under FERC's pro-forma Generation Interconnection Procedures, or that the Biden Administration's Justice40 initiative would affect the application of the applicable Generation Interconnection Procedures for the Tribal sponsored generation projects.

8. **Comment:** A Tribally owned development organization commented “All these factors require meaningful consultation between WAPA and the Indian Energy Developer as part of the interconnection process.”

Response: *Thank you for the comment. To the extent that the proposed SPP RTO-West participation for WAPA's CRSP or RMR Regions impacts the interconnection process for the Tribes, WAPA has initiated the current consultation between WAPA and the Tribes on the SPP RTO decision matter. As WAPA noted during the Tribal consultation meeting and public process meetings, and as posted in the related presentations and as noted in the Recommendation Report, WAPA does not expect the SPP RTO-West to have significant impacts to Tribes requesting to interconnect generation projects to the WAPA transmission facilities compared to the status-quo impacts that are already present under FERC's pro-forma Generation Interconnection Procedures and as currently incorporated in WAPA's tariff.*

9. **Comment:** A Tribally owned development organization commented it “is grateful for the opportunity to be heard on this issue of critical importance to [Commenter] and all Indian Energy Developers who will access the National Power Grid through WAPA. [Commenter] looks forward to continuing this discussion with WAPA as we make further progress in developing renewable energy resources on the reservations of our member Tribes.”

Response: *Thank you for the comment. WAPA is committed to continuing to work with its Tribal customers and Tribal sponsors of generation interconnections to the WAPA transmission system. WAPA remains committed to providing assistance and to working through the SPP stakeholder process to address any Tribal-related issues that can be mitigated within the constraints of the FERC pro-forma Generation Interconnection Procedures and the applicable SPP Tariff or WAPA Tariff. WAPA looks forward to continuing this discussion as the Tribes continue to develop renewable generation.*

VI. Conclusion

WAPA appreciates the robust participation of many entities in this FRN public comment period process. We look forward to continuing to work with customers and stakeholder to ensure we are

well-positioned for the continued success of our mission to safely provide reliable, cost-based hydropower and transmission to our customers and the communities we serve. To stay informed of the latest developments, please visit WAPA's SPP RTO website ([link](#)).

