

WESTERN ACTIVITIES

BRUCE REW

SENIOR VICE PRESIDENT, OPERATIONS

MAY 20, 2021

WESTERN ENERGY SERVICES

NWPP RESOURCE ADEQUACY PROGRAM

RELIABILITY COORDINATOR

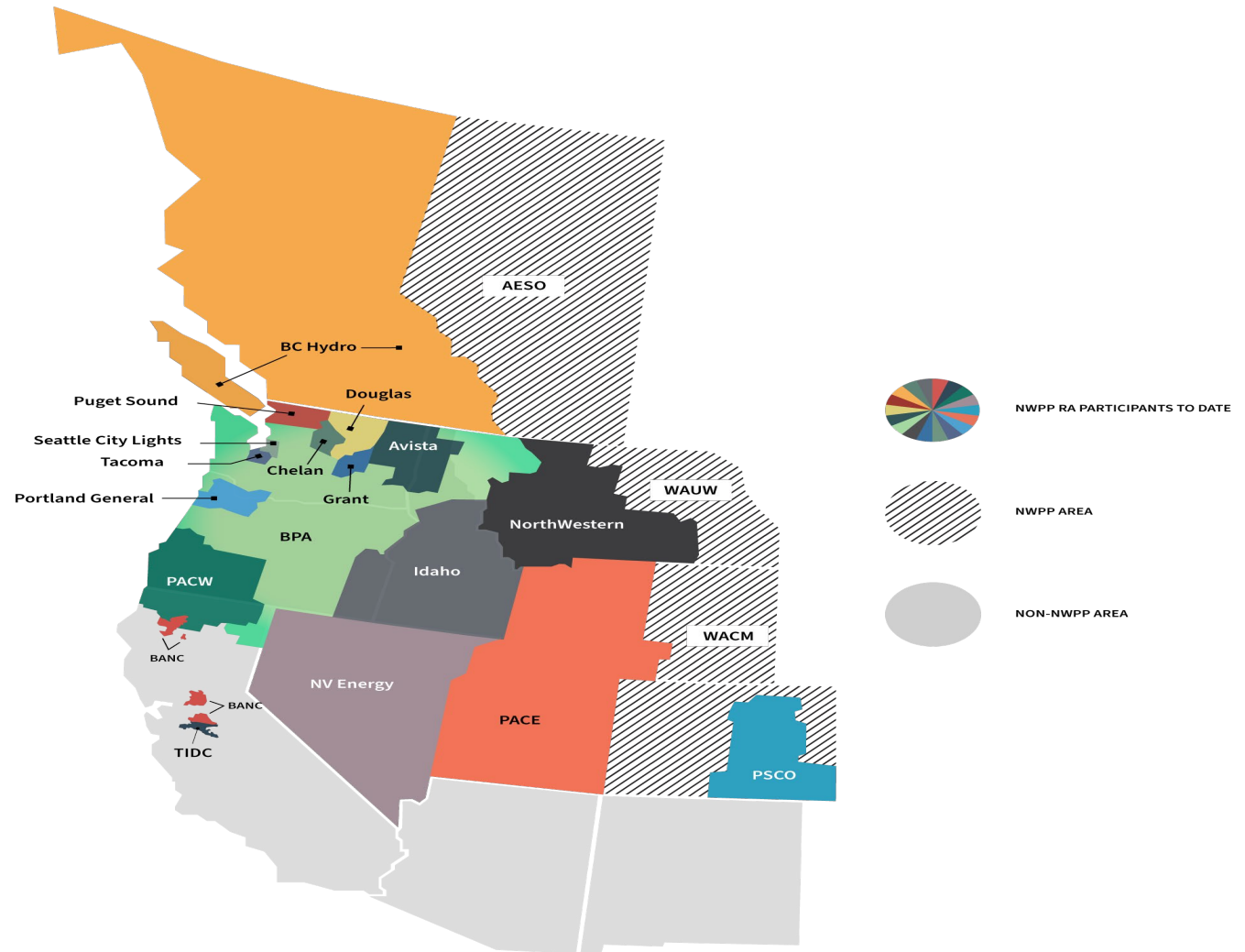
WESTERN ENERGY IMBALANCE SERVICE

SPP WEST

NWPP RESOURCE ADEQUACY

WHO IS NWPP?

- NWPP Corporation helps member companies achieve benefits of coordinated operations
- ~18 employees
- ~58GW of coincident peak load
- 16 BAs
- 33 Members
- Currently provides reserve sharing, frequency response sharing, Operator training and other services



RA PROGRAM HORIZONS

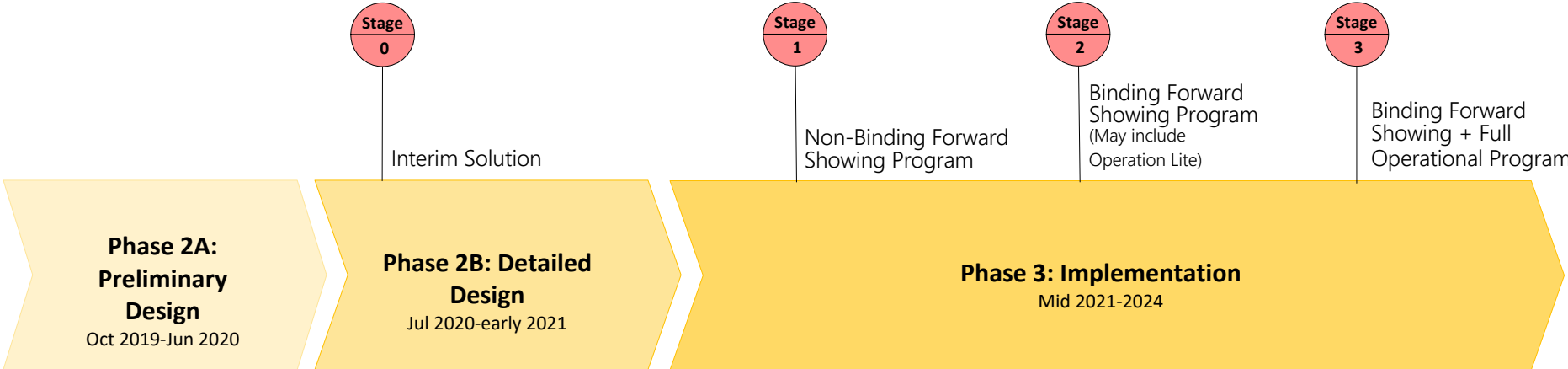
Forward Showing

- Regional metrics – Loss of load expectation (LOLE) standard of 1 event in 10 years
- Entities prove they meet regional metrics months in advance of a season
- Ensures reliability benefits

Operational

- Provides the mechanism by which the pooled resources are accessed
- Unlocks investment cost savings through diversity benefits
- Enables lowering of forward showing capacity requirement (planning reserve margin) to account for regional diversity
- Function usually provided by an Independent System Operator/Regional Transmission Organization

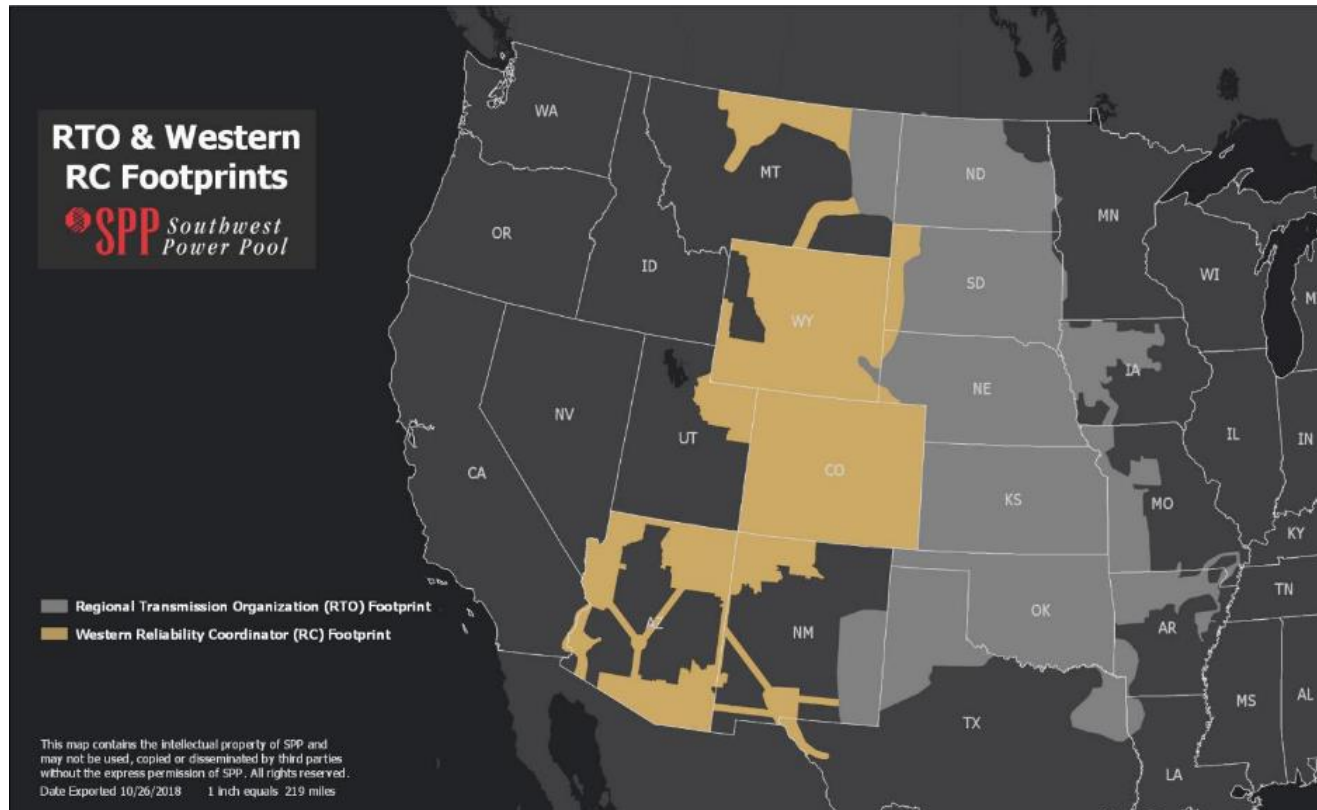
PROGRAM SCHEDULE



RELIABILITY COORDINATOR

WESTERN RELIABILITY COORDINATION SERVICE

SPP-provided RC service launched December 2019



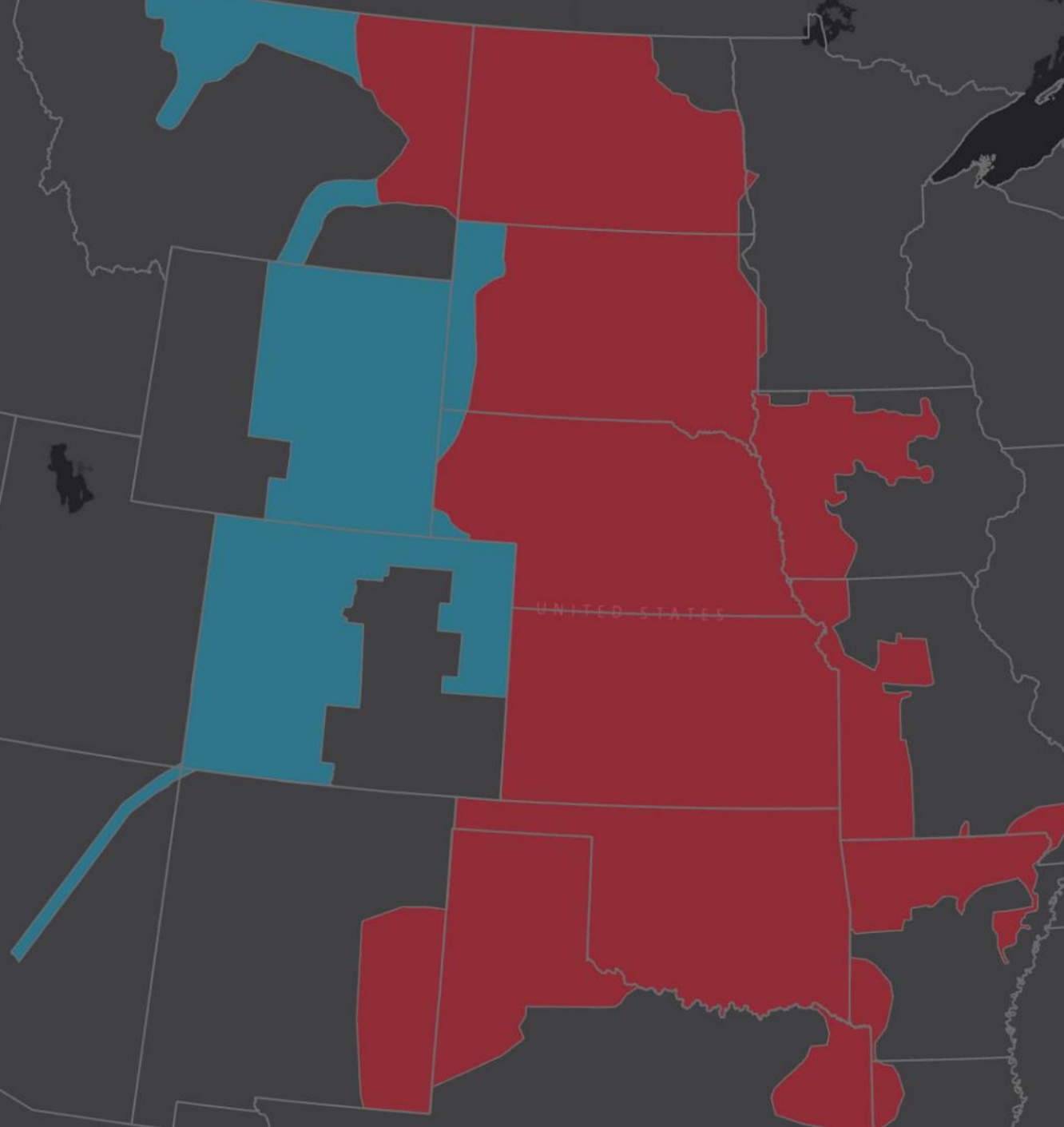
CUSTOMERS

- Arizona Electric Power Cooperative, Inc.
- Black Hills Energy's three electric utilities: Black Hills Power, Inc., Cheyenne Light, Fuel and Power Company, and Black Hills Colorado Electric, Inc.
- City of Farmington, NM
- Colorado Springs Utilities
- El Paso Electric Company
- Intermountain Rural Electric Association
- Platte River Power Authority
- Public Service Company of Colorado (Xcel Energy)
- Tri-State Generation and Transmission Association
- Tucson Electric Power
- Western Area Power Administration (WAPA) Desert Southwest Region, WAPA Rocky Mountain Region, and WAPA Upper Great Plains – West

WESTERN ENERGY IMBALANCE SERVICE



SPP RTO AND WEIS FOOTPRINTS



■ Integrated Marketplace
■ WEIS Footprint



WESTERN EIS

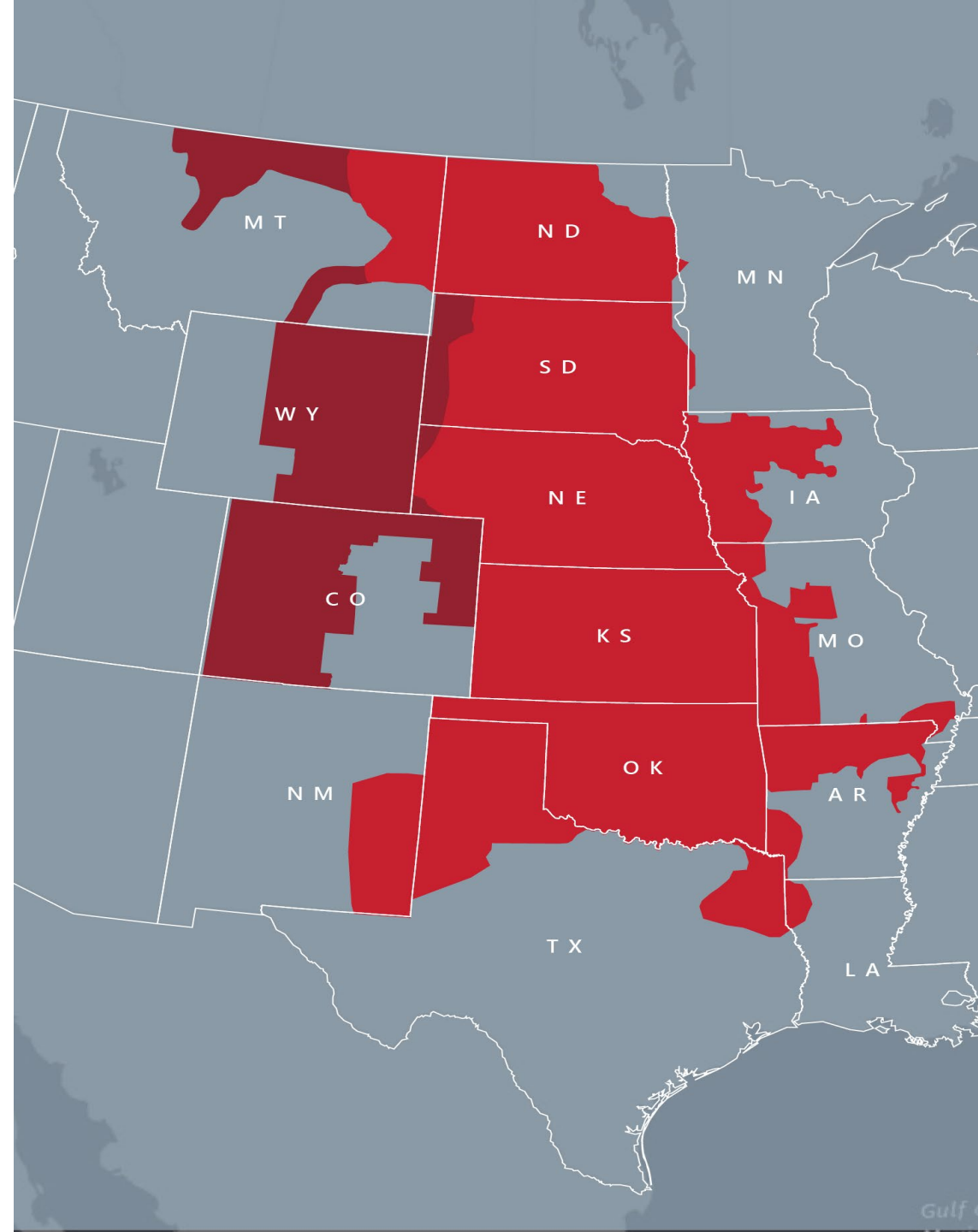
- **Live on Feb. 1, 2021**
- Seven market participants executed contracts for market service:
 - Basin Electric (to include WMPA)
 - Deseret G&T Cooperative
 - Municipal Energy Agency of Nebraska
 - Tri-State G&T
 - WAPA Colorado River Storage Project (CRSP)
 - WAPA Rocky Mountain Region (RMR)
 - WAPA Upper Great Plains Region (UGP)
- Colorado Springs Utility – April 1, 2022
- SPP will onboard additional market participants according to normal onboarding timelines (~every six months)



SPP WEST

SPP WEST PROSPECTIVE MEMBERS

- Basin Electric Cooperative
- Tri-State G&T
- Deseret
- MEAN
- WAPA - Upper Great Plains
- WAPA - Rocky Mountain Region
- WAPA – Colorado River Storage Project



New Member Integration Process

1. Initial Discussion

- Occurs after First Triggering Event
- Establish Members Forum
- Establish State Commission Forum



2. Due Diligence and Membership Agreement Discussion

- SPC, State Commission Forum, Members Forum provide input and receive regular updates on progress
- SPP Staff Responsible for due diligence and negotiation
- SPP Staff updates to working groups and committees
- SPP Staff report on cost benefit analysis



3. SPP OATT and Governing Document Changes

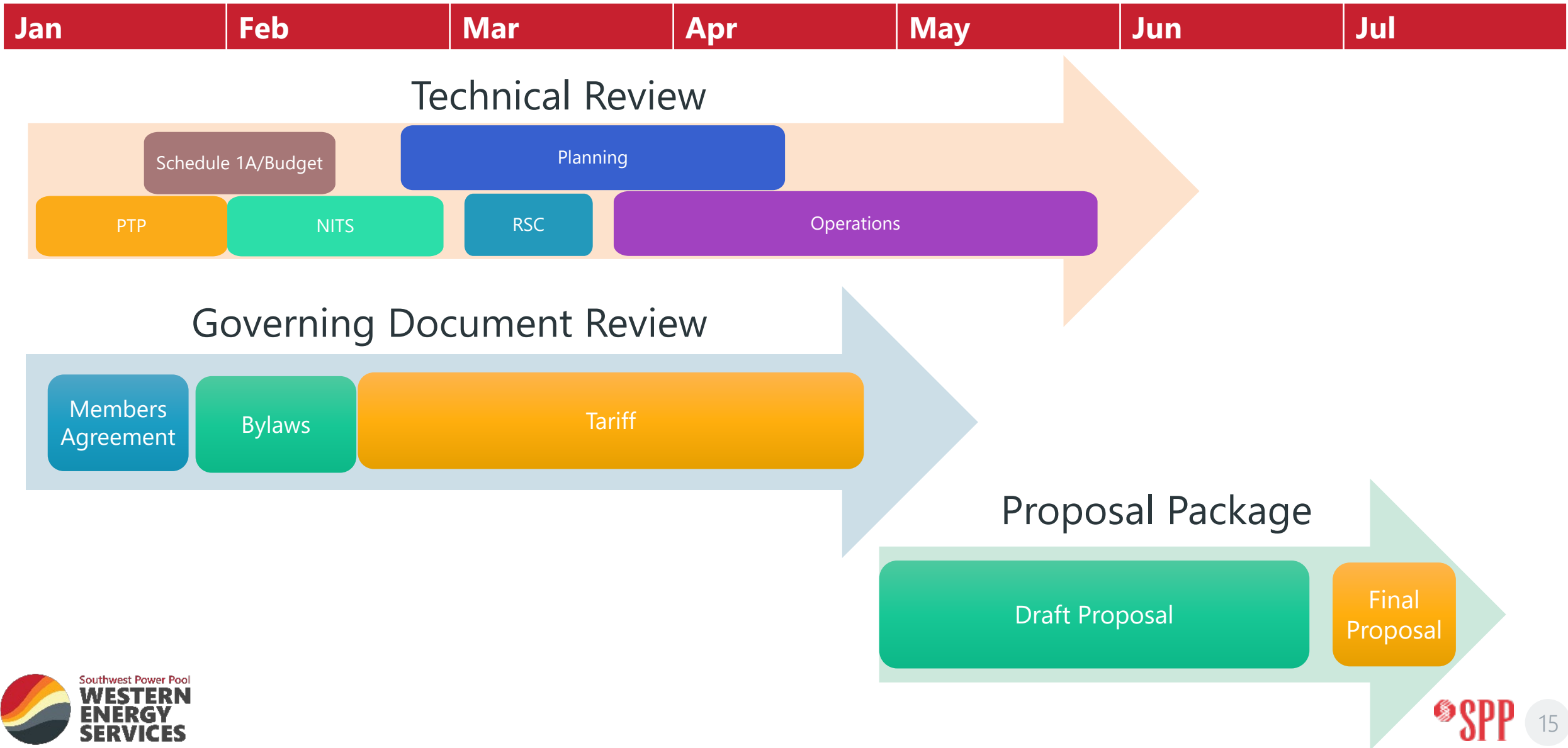
- SPP Staff updates to SPC, others as needed
- All Member meeting to discuss OATT and Governing Document changes, RSC may attend and/or request a special RSC meeting
- If documents amended, respective groups are convened for approval



4. FERC Approvals

5. Integration

SCHEDULE



TimeLine:

- **Technical Discussions** - January 2021 - June 2021
- **Governing Document and Tariff Review** - February 2021 - May 2021
- **Terms and Conditions Review** - May 2021 - July 7, 2021 (Reviewed with MOPC)
- 2021 - July Terms and Conditions Policy Level Agreement - approved by West Interested Parties and SPP Board of Directors/Regional State Committee
- 2022 - April Execution of Membership Commitment Agreement by the West Interested Parties
- 2022 - April SPP Staff begin preparing tariff modifications
- 2022 - October File Tariff Modifications with FERC to implement the SPP RTO on the West
- 2023 Early – FERC approves tariff
- 2024 – Launch SPP RTO in the West **March 1, 2024**

QUESTIONS

BRUCE REW

BRW@SPP.ORG