

SOUTHWEST POWER POOL
Markets+ Congestion Rent Task Force MEETING

June 29, 2023
Virtual – Webex

SUMMARY OF MOTIONS AND ACTION ITEMS

MOTIONS:

Motion: Mike Linn (PPC) motioned to approve the meeting minutes. Sara Eaton (BPA) provided the second. The motion carried unanimously.

Motion: Sara Eaton (BPA) made the motion to adjourn the meeting. Mike Linn (PPC) provided the second. The motion carried unanimously.

ACTION ITEMS:

Action item: Complete the calculation of the Marginal Congestion Component to the Congestion Rent Allocation in the Price Formation presentation and repost the presentation. (SPP Staff)

Action item: Bring ways to mitigate risks in Congestion Rent Allocation to MCRTF. (SPP Staff)

Action item: Update DAMKT Congestion Rent Allocation Scenario to depict import/export direction. (SPP Staff)

Action item: The MCRTF members that are interested in joining the subgroup to allocation methodologies are to reach out to Micha Bailey (SPP) mcbailey@spp.org , Mike Linn (PPC) mlinn@ppcpdx.org , and Jeff Spires (Powerex) jeff.spires@powerex.com. (MCRTF Members)

Action item: Update RT Congestion presentation and post with updated meeting materials. (SPP Staff)

MINUTES

AGENDA ITEM 1 – CALL TO ORDER

MCRTF Chair Jeff Spires (Powerex) called the meeting to order at 10:40 Central Time.

AGENDA ITEMS 2A, 2B, 2C, 2D – ADMINISTRATIVE ITEMS

Statements: Notice of Recording & Anti-Trust Statement

Gentry Crowson (SPP) read the statement of recording and SPP's Anti-Trust statement aloud to members.

Attendance & Proxies

Gentry Crowson (SPP) read the proxy list for the meeting.

The following attendees had designated proxies for this meeting:

- Edward Garvey proxy for Letha Tawney.
- Joni Sliger proxy for Henry Tilghman (Tilghman Associates).

The following members were in attendance:

- Adam Cornelius Snohomish County PUD
- Alycia Kramer Basin Electric Power Cooperative
- Dan Williams The Energy Authority
- Darrin Robertson Salt River Project
- Dave Zvareck ACES
- Greg MacDonald Puget Sound Energy
- Joni Sliger proxy for Henry Tilghman Tilghman Associates
- Jeff Spires Powerex Corp (Chair)
- Kiley Moore NV Energy
- Lisa Hickey Interwest Energy Alliance

- Mike Linn Public Power Council (Vice Chair)
- Rick Applegate Tacoma Power
- Sara Eaton Bonneville Power Administration
- Sibyl Geiselman Public Generating Pool
- Steve Szabyła Xcel Energy
- Edward Garvey proxy for Letha Tawney
- Tyler Moore Arizona Public Service

Agenda Review

Micha Bailey (SPP) gave a summary of the agenda for the meeting.

Minutes Approval

Gentry Crowson (SPP) covered the minutes from 06/08/2023 and asked for approval.

Motion: Mike Linn (PPC) motioned to approve the meeting minutes. Sara Eaton (BPA) provided the second. The motion carried unanimously.

AGENDA ITEM 2 – CONGESTION RENT ROAD MAP

Jeff Spires (Powerex) mentioned that the Congestion Rent Road Map is a living document, and all feedback is appreciated.

AGENDA ITEM 3 – PRICE FORMATION EDUCATION (MARGINAL CONGESTION COMPONENT)

Gentry Crowson (SPP) walked through the Marginal Congestion Component (MCC) calculation as an education session and explained the importance of understanding the MCC as it directly impacts topics of the MCRTF. She stated the collection of congestion rent is based on the price differences of the MCC across pricing nodes within the SPP area. Gentry noted that the congestion rent collection and allocation across the entire market or zone is a policy that the task force needs to decide. Sara Eaton (BPA) suggested carrying out the calculation in the presentation through to congestion rent collection. Gentry Crowson (SPP) stated that the slides will be updated and reposted to www.spp.org in the MCRTF meeting materials.

Action item: Complete the calculation of the Marginal Congestion Component to the Congestion Rent Allocation in the Price Formation presentation and repost the presentation. (SPP Staff)

AGENDA ITEM 4 – DAMKT CONGESTION RENT ALLOCATION SCENARIOS

Nikki Roberts (SPP) gave an overview of the allocation and collection of congestion rents and then covered the benefits of congestion rent allocation. Following that overview, she covered a congestion rent allocation scenario.

Action item: Bring ways to mitigate risks in Congestion Rent Allocation to MCRTF. (SPP Staff)

Action item: Update DAMKT Congestion Rent Allocation Scenario to depict import/export direction. (SPP Staff)

AGENDA ITEM 5 – BPA ATC OVERVIEW

Jeff Spires (Powerex) began the presentation by covering an alternate methodology for allocating congestion rents by mapping TSRs to their impact on flow-based constraints in Markets+. Kevin Johnson (BPA) then explained BPA's current approach for assessing ATC. The group provided feedback and ultimately decided to create a subgroup to investigate allocation methodologies further.

Action item: The MCRTF members that are interested in joining the subgroup to allocation methodologies are to reach out to Micha Bailey (SPP) mcbailey@spp.org, Mike Linn (PPC) mlinn@ppcpdx.org, and Jeff Spires (Powerex) jeff.spires@powerex.com. (MCRTF Members)

AGENDA ITEM 6 – REAL-TIME CONGESTION RENTS

Micha Bailey (SPP) provided educational materials on real-time congestion. Micha noted that SPP recommends that Markets+ Phase 1 design only allocate congestion as a result of the DAMKT clearing and should reassess the need for an additional allocation based on RT Redispatch after Markets+ has been operational for 1-2 years. He elaborated on real-time congestion, stating that there can be a different value every 5-minute interval based on a combination of deviations in volumes and congestion from what was observed in the Day-Ahead Market.

Action item: Update RT Congestion presentation and post with updated meeting materials. (SPP Staff)

AGENDA ITEM 7 – WRITTEN REPORTS

AGENDA ITEM 8 – SUMMARY OF ACTION ITEMS

Gentry Crowson (SPP) gave an overview of the noted action items.

AGENDA ITEM 9 – FUTURE MEETINGS

The group decided not to proceed with a joint MDWG/MCRTF meeting on August 10. Subsequently, so that members can attend MDWG and MCRTF meetings, the MCRTF August 10th meeting has been rescheduled to August 14, as noted below.

All meetings are from 10:30 Central Time – 2:30 Central Time

July 20th, 2023

August 14th, 2023

August 31st, 2023

September 21st, 2023

October 12th, 2023

Motion: Sara Eaton (BPA) made the motion to adjourn the meeting. Mike Linn (PPC) provided the second. The motion carried unanimously.

Meeting Recording link:

Recording link:

<https://mysppmeeting.webex.com/mysppmeeting/ldr.php?RCID=3ace3fef8b3542d74ca89a714d6e9952>

Password:

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Respectfully Submitted by Gentry Crowson, MCRTF Staff Secretary