

SOUTHWEST POWER POOL
Markets+ Congestion Rent Task Force MEETING

August 14, 2023
Virtual – Webex

SUMMARY OF MOTIONS AND ACTION ITEMS

MOTIONS:

Motion: Sara Eaton (BPA) motioned to approve the meeting minutes. Tyler Moore (APS) provided the second. The motion carried unanimously.

Motion: Jeff Spires (Powerex)- Motioned to move forward with the Constraint-Level Approach for Day-Ahead Congestion Rent Allocation subject to further development of the detailed methodology and TSR eligibility criteria. Adam Cornelius (Snohomish PUD) provided the second. The motion carried unanimously.

ACTION ITEMS:

Action item: SPP to provide MCRTF with more details on the cost of a daily snapshot of TSRs.

MINUTES

AGENDA ITEM 1A – CALL TO ORDER

MCRTF Chair Jeff Spires (Powerex) called the meeting to order at 10:36 Central Time.

AGENDA ITEMS 1B, 1C, 1D, 1E – 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

The following members were in attendance:

- Adam Cornelius Snohomish County PUD
- Alycia Kramer Basin Electric Power Cooperative
- Brooke Voorhees Black Hills Energy
- Chris Green CalPeco
- Dan Williams The Energy Authority
- Darrin Robertson Salt River Project
- Dave Zvareck ACES
- Greg MacDonald Puget Sound Energy
- Henry Tilghman Tilghman Associates
- Jeff Spires Powerex Corp (Chair)
- Kiley Moore NV Energy
- Mike Linn Public Power Council (Vice Chair)
- Caitlin Liotiris Western Power Trading Forum
- Rick Applegate Tacoma Power

- Sara Eaton Bonneville Power Administration
- Sibyl Geiselman Public Generating Pool
- Steve Szabyła Xcel Energy
- Letha Tawney Commissioner for Oregon
- Tyler Moore Arizona Public Service

Agenda Review

Jeff Spires (Powerex) gave a summary of the agenda for the meeting.

Minutes Approval

Gentry Crowson (SPP) covered the minutes from 07/20/2023 and asked for approval.

Motion: Sara Eaton (BPA) motioned to approve the meeting minutes. Tyler Moore (APS) provided the second. The motion carried unanimously.

AGENDA ITEM 2 – MPEC UPDATE

Jeff Spires (Powerex) gave an update on the August 8, 2023, MPEC meeting.

AGENDA ITEM 3 – CONGESTION RENT ROAD MAP

Jeff Spires (Powerex) covered the Congestion Rent Road Map. He covered the timing of the task force's remaining topics and mentioned the SEAMS discussion deferment.

AGENDA ITEM 4 – STRAW POLL RESULTS

Carman Ruder (SPP) shared the results of the MCRTF Straw Poll. Topics included CR Allocation Granularity, frequency of updates to eligible TSRs, Conditional-Firm eligibility, NITs Allocation Cap, NITS Path Eligibility, and Real-Time Congestion Rent Allocations. She mentioned that the response rate was outstanding. Each topic included comments from task force members and discussion points found in the attached meeting recording.

AGENDA ITEM 5 – TSR ELIGIBILITY NETWORK SERVICE

Micha Bailey (SPP) discussed the Network Firm Allocation Cap and where the current proposal sits. The Service Offering proposed calculating a yearly congestion rent allocation cap using the last 3-year peak load average multiplied by 103%. Micha mentioned that SPP proposed

calculating a monthly congestion rent allocation cap using the previous 3-year peak load average of the operating month multiplied by 103%. Examples were given showing the pro-rata method versus the "fill-the-bucket" method. Micha spoke about each method's benefits and considerations, which can be found in the meeting materials.

AGENDA ITEM 6 – CONDITIONAL FIRM AND 6-NN ELIGIBILITY

Micha Bailey (SPP) presented on the eligibility of conditional firm in Congestion Rent Allocation. He noted that the number of conditional hours that are actually in real-time is meager. Micha noted that SPP recommends Conditional Firm TSRs be eligible for CR Allocation unless a conditional period is known before the TSR verification process. Micha also presented on SPP's recommendation that 6-NN reservations not be eligible for Congestion Rent Allocations.

AGENDA ITEM 7 – LONG-TERM TSR ELIGIBILITY

Sara Eaton (BPA) requested this item be moved to a future meeting.

AGENDA ITEM 8 – REAL-TIME CONGESTION RENTS

Micha Bailey (SPP) provided additional information on Real-Time Congestion Rents. The presentation was provided at a previous MCRTF meeting. Micha wanted to ensure that task force members understood that Real-Time Congestion values in the slides are negative and represent the cost of re-dispatching the system in real-time.

AGENDA ITEM 9 – ALLOCATION METHODOLOGY – CONSTRAINT LEVEL CR ALLOCATION

Wayne Camp (SPP) covered the draft tariff language on the Constraint Level Congestion Rent Allocation. Jeff Spires (Powerex) mentioned that the group seemed to agree with this methodology.

Motion: Jeff Spires (Powerex)- Motioned to move forward with the Constraint Level Approach for Day-Ahead Congestion Rent Allocation subject to further development of the detailed methodology and TSR eligibility criteria. Adam Cornelius (Snohomish PUD) provided the second. The motion carried unanimously.

AGENDA ITEM 10 – RMS INQUIRY

This item was skipped due to timing constraints. The information for this topic is posted in the meeting materials and can be used by Task Force members to submit inquiries on MCRTF topics to SPP.

AGENDA ITEM 11 – WRITTEN REPORTS

Items for this agenda item are posted in the meeting materials.

AGENDA ITEM 12 – SUMMARY OF ACTION ITEMS

Action item: SPP to provide MCRTF with more details on the cost of a daily snapshot of TSRs.

The meeting was adjourned at 2:30 central time.

AGENDA ITEM 13 – FUTURE MEETINGS

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

Monday, August 28, 2023

Thursday, September 21, 2023

Thursday, October 12, 2023

Meeting Recording link:

<https://mysppmeeting.webex.com/mysppmeeting/ldr.php?RCID=0f7542d3499f83eac8d121411d9efa70>

Password: PeZtXhp5

Respectfully Submitted by Gentry Crowson, MCRTF Staff Secretary