



Western  
Area Power  
Administration

# UGP 2021 Transmission & Ancillary Services Formula Rates

September 24, 2020

## Annual Meeting via WebEx

Presented by:  
Steve Sanders, UGP Operations and  
Transmission Advisor



# Purpose of Annual Meeting

- Present the calculated WAPA Upper Great Plains Region (UGP) 2021 Transmission & Ancillary Services Formula Rates (and 2019 True-ups) for the Upper Missouri Zone (“UMZ”) and SPP footprint – **Based upon Rate Order No. WAPA-188**
- As provided for in the Transmission and Ancillary Formula Rate Implementation Protocols (“Protocols”):
  - UGP will provide Initial Posting of the Annual Update on or around September 1 each year, and, within at least seven calendar days’ notice but not more than twenty calendar days, host a meeting for Interested Parties to discuss the Annual Update.
  - This meeting provides an opportunity to discuss the proper application of data in the formula rates, not the rate formulas themselves.



# Notification of Annual Meeting for 2021 Rate Update / Postings

- OASIS Posting on UGP's home page on 9/15/2020.
- Corresponding postings on UGP's rate website, and on the SPP Member Related Postings website in the "Western Area Power Administration UGP Information.zip" link.
- Customer/stakeholder email to SPP Service List "Formula Rate Posting Information Notification" exploder ([frpin@spplist.spp.org](mailto:frpin@spplist.spp.org)) on 9/15/2020.



# UGP 2021 Rates Summary/Notices

Type of Service	Rate	Effective
Annual Transmission Revenue Requirement – SPP Schedule 9 (UMZ)	\$147,473,617	01/01/2021
Annual Transmission Revenue Requirement - SPP Schedule 11 Zonal	\$721,421	01/01/2021
Annual Transmission Revenue Requirement - SPP Schedule 11 Regional	\$121,007	01/01/2021
Scheduling, System Control and Dispatch Service (SSCD for SPP OATT Schedule 1)	\$10,683,360	01/01/2021
Regulation and Frequency Response Service *	\$459,448	01/01/2021
Energy Imbalance Service * Index for Prevailing Market Energy Rate for EI	(see Note 1) not yet determined	01/01/2021
Generator Imbalance Service * Index for Prevailing Market Energy Rate for GI	(see Note 1) not yet determined	01/01/2021
Operating Reserves-Spinning Reserve Service and Supplemental Reserve Service *	\$480,953 (see Note 2)	01/01/2021
<p>Note 1: UGP has elected to delay financial settlement for Energy Imbalance and Generator Imbalance until such time as certain billing procedures are finalized. Prior to charging and billing for these services on a financial basis, notice of UGP's intent to initiate financial charging will be posted on UGP's OASIS web site. Until the new financial settlement of Energy Imbalance is implemented, monthly energy imbalance accounts will be maintained, as in the past. These accounts will be repaid within the following month.</p>		
<p>Note 2: Index for Prevailing Market Energy Rate for Reserves: SPP Integrated Marketplace at Miles City DC Tie (MCWEST). * For UGP's WAUW Balancing Authority Area in the Western Interconnection</p>		



# Annual Comparison

	CY2019 (est)	CY2020 (est)/1	CY2021 (est)
<b>Gross Annual Transmission Revenue Requirement (ATRR) – Sch 9</b>	<b>\$154,119,059</b>	<b>\$156,860,972</b>	<b>\$159,512,340</b>
Revenue Credits	\$(20,701,627)	\$(18,782,353)	\$(19,508,559)
True-up	\$2,138,142	\$(1,752,993)	\$7,469,836
<b>Net ATRR</b>	<b>\$135,555,574</b>	<b>\$136,325,626</b>	<b>\$147,473,617</b>
Gross Plant	\$1,512,649,198	\$1,522,421,803	\$1,546,543,055

/1 Rate updates effective October 1, 2020.



# Annual Comparison (cont.)

	CY2019 (est)	CY2020 (est)/1	CY2021 (est)
<b>Gross SSCD /2</b>	<b>\$12,441,896</b>	<b>\$10,681,455</b>	<b>\$11,371,768</b>
Revenue Credits	\$582,885	\$742,107	\$804,911
True-Up /3	\$(1,759,781)	\$1,594,814	\$116,503
<b>Net SSCD</b>	<b>\$10,099,229</b>	<b>\$11,534,163</b>	<b>\$10,683,360</b>
<b>Net Regulation /4</b>	<b>\$258,356</b>	<b>\$291,973</b>	<b>\$459,448</b>
<b>Net Reserves /4</b>	<b>\$245,764</b>	<b>\$409,789</b>	<b>\$480,953</b>

/2 Scheduling, System Control and Dispatch Service (Schedule 1 in SPP OATT)

/3 Prior-year True-Up of ACTUAL Net SSCD Rev. Req'm't (for transmission) and ACTUAL SSCD Revenues (for transmission)

/4 Including associated true-ups



# 2021 Facility Changes

- A number of new facilities added (some removed):
  - Cost recovery for all non-GI related facilities in UMZ is now allocated between Schedule 9 (100% Zonal) and Schedule 11 for Base Plan Upgrades assigned to UGP in UMZ (where a portion of such costs are allocated as Regional and/or a portion as Zonal).
  - Network Upgrades identified as pre-SPP join requirements and therefore not part of SPP Planning Process.
  - Maintenance replacements per UGP requirements.
  - GI related facilities due to pre-SPP join GI requests. Facilities funded by Interconnect Customers. No costs in UGP Transmission Plant yet.
  - New load interconnections. Facilities funded by Customer. No costs in UGP Transmission Plant yet.
- New/changed facilities are summarized in worksheet labeled “WS-11-FacChanges”



# 2021 Facility Changes (cont.)

UGP	Description
Roberts County 115kV Substation, 71926	New 115kV substation added due to 2017 ITP. NTC ID 200452. 115-kV portion will be regionally shared.
Roberts County 115/69kV Transformer, 71927	Roberts County 115/69kV transformer and 69 kV yard added due to 2017 ITP. NTC ID 200452.
Lewis & Clark- Richland 115kV Ckt 1, 72052	Reconductor 0.1 miles of 115kV Transmission Line to increase rating due to 2018 ITP. NTC ID 210497. This project will be regionally shared.
Roberts County	Addition of 115kV breakers 5456 and 5652 due to East River adding Roberts Co – Britton Line to SPP
Utica Junction	Wind GIA drover conversion of the 230kV from a ring bus to a break and half. Customer funded. 230kV breakers 182, 282, 286, 271, 482, 486, 582, 682, 686, 782, 882, 886 and assoc. switches.
Towner	115kV Bay Addition for CPEC. Customer funded.
Sulphur	Customer funded for Wind Project on Newell-Maurine Line, 3 breaker 115kV ring bus.
Watford City	Breaker 982 in Ring Bus





# 2021 Facility Changes (cont.)

UGP	Description
Brookings	New breaker and half yard to replace the old main and transfer yard. Planned prior to SPP integration.
Miles City 2	115 Line Bay for MDU (customer funded) and Cap Bank Addition (20% customer funded).
Martin	Maintenance replacement of substation equipment. Ownership transfer from LaCreek to WAPA. Facilities already qualified for SPP inclusion.
Garrison	Grading improvements.
Fort Randall	Station Service Switchgear and Transformer replacement.
Fort Peck	Replace SCADA PLCs and Instrument Transformers
Oahe	Replace SCADA PLCs



# UGP Rate Implementation Protocols/Timelines

- Under Rate Order No. WAPA-188, UGP developed updated Protocols. The Protocols have been filed under both WAPA's FERC docket (EF20-3) and SPP's FERC docket (ER20-2580) to incorporate UGP's updated Formula Rate Templates and Protocols into the SPP Tariff.
- Protocols are posted on UGP's OASIS, UGP's rates website, and SPP Member Related Postings site.
- The updated Protocols set forth the process and timelines for UGP's Annual Updates, including Stakeholder review of the updated rates.



# UGP Rate Implementation Protocols / Timelines

- Stakeholder comments and Information Requests under the Protocols are due October 15<sup>th</sup>.
- UGP will make good faith effort to respond to Information Requests within 15 calendar days.
- The Protocols outline additional procedures for Informal and Formal Challenges.
- UGP's Final Posting of the updated rates occurs on or around December 15th.



# More Information

UGP OASIS Home Page (See Rates Folder)

<http://www.oasis.oati.com/wapa/index.html>

SPP Member Related Posting Page

<http://opsportal.spp.org/OASIS/Directory/Member%20Related%20Postings>

UGP Rates Information

<https://www.wapa.gov/regions/UGP/rates/Pages/rates.aspx>

Lloyd Linke (605) 882-7500 – [Lloyd@wapa.gov](mailto:Lloyd@wapa.gov)

Steve Sanders (406) 255-2840 – [sanders@wapa.gov](mailto:sanders@wapa.gov)

Linda Cady-Hoffman (406) 255-2920 - [cady@wapa.gov](mailto:cady@wapa.gov)

Sara Baker (406) 255-2924 – [sbaker@wapa.gov](mailto:sbaker@wapa.gov)



# Comment Addresses

Please send written comments by email to [UGPTRates@wapa.gov](mailto:UGPTRates@wapa.gov) or to the address below:

Rates Manager  
Upper Great Plains Region, Western Area Power  
Administration  
2900 4<sup>th</sup> Ave North, Billings, MT 59101-1266  
Fax: (406) 255-2900

Comments must be received by  
**October 15, 2020.**



# Questions?

