

November 7, 2019

Mr. Jody Sundsted
Upper Great Plains Regional Manager
Western Area Power Administration
2900 4th Avenue North
Billings, MT 59101-1266

RE: MRES General Comments on the Proposed New Templates

Dear Jody:

MRES appreciates the opportunity to comment on Rate Order No WAPA-188. The comments below are generally centered on transparency. As such, MRES requests Western Area Power Administration (“WAPA”) adjust the formula rate template to ensure transparency for all stakeholders to address the issues outlined below.

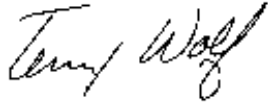
1. WS3-RevCredits shows the various types of revenue credits. A note at the bottom indicating the specific source of this information is needed. Also, the reference to these amounts on the Summary tab should reference WS3-RevCredits.
2. WS4-CostData does not use one set of line numbers. This is needed to differentiate between the various worksheets contained within this Excel file tab. Therefore, references to this tab could indicate WS4-CostData and line number rather than WS4-CostData, subsumed worksheet, and line number within the tab.
3. WS1-RateBase suggests removal of the shared area (not part of the print area), from which many cells are sourced on WS1. Most often, the data can be sourced directly from another tab in the spreadsheet. In addition, the Reference column on WS1 refers to items (such as Schedule 1A, Schedule 4, etc.) that do not have meaning.
4. WS1, Flowing from the above recommendation, the cells in WS1 should be linked to WS4 directly, rather than the intermediate step of creating totals without the inclusion of BOR, which is contained in the WS4-CostData tab. The references could then be directly linked to WS4.
5. Summary and WS1-RateBase inputs directly to various other tabs or cells in the spreadsheet, and then reference the source under the “Reference” column. MRES is willing to go through these concerns in detail if desired.
6. W&S and TP allocators do not appear to be used, nor are the data sources described. Therefore, it may be useful to remove these allocators unless WAPA believes there might

be a use for them at a later date. The W&S allocator, starting around lines 82-87 (varies based on True-Up vs. Estimate files) on WS1-RateBase, it merely provides the transmission wages and no other, thereby creating a 100% allocator. The TP allocator, calculated near lines 71-76 of WS1-RateBase, are also set at 100% as no other transmission plant is included in the calculation. Instead, the actual TP allocators are found in WS4-CostData, Net Plant Investment Worksheet, and replicated further down as “Percentage of Total Plant allocator PTP” on WS1-RateBase. A TP allocator of 100% is then used on those already-allocated amounts.

7. Estimate file, WS1-RateBase, line 75, the source should state “(line 40 * line 108).” Similarly, in the True-Up file, WS1-RateBase, line 69, should state “(line 35 * line 103).” In both, the line with “RETURN (R)” should be moved to either 108 or 103.
8. It would be helpful to have complete information on the reference or source of an item, or a description of the calculation being performed. WAPA has done some of this, but not all. For example, in the Estimate file:
 - a. Summary-ATRR, all references should be to worksheets in the file, rather than to the SPP Schedule type.
 - b. WS1-RateBase: Lines 2-3, 54-58, 88-90, 92, 95, 98, and the cost of debt in line 106.
 - c. WS4-CostData: If sources come from other spreadsheets, the notes should indicate it. For example, Net Plant Investment sources come primarily from WS8, WS7, and WS13 and should be provided. If the inputs come from elsewhere, the sources should be described more fully.
 - d. WS4-Cost Data: Many of the footnotes have changed on this page, as line numbers change. For example, footnote 1 to the Net Plant Investment Worksheet references the Transmission Plant-in-Service Worksheet (of which there is nothing by that name, but instead refers to the WS8-TranFac now) C2L495. However, with the addition of lines in WS8, this reference is no longer correct.
 - e. WS8-TranFac: Line 501, Subtotal Western UGP only identified as “Grand Total - COE – RMR”
 - f. WS12-SSCD: Lines 7-8 should refer to WS4-Cost Data, while lines 12-13 should cite to a source, and line 21 be included in print-out along with the source.
 - g. WS14-Reg: Line 1 should reference line 19, line 3 should provide source of average of monthly peaks, and lines 11-12 should reference WS2-AllocFactor
 - h. WS15-Res: Lines 1-2 should reference WS2-AllocFactor, lines 7-8 need the source of the data, and lines 11-12 need sources of data.
 - i. SSCD Facilities: Excel lines 4-6, describe what cells are being added.
9. Also, the particular name of the tab should be used, rather than something else. For instance, in Cost Data, footnotes 1 and 4-7 refer to Transmission Plant-in-Service Worksheet, which apparently is WS8-TransFac tab.
10. Similar adjustments need to be made to the True-Up file, so that references indicate the worksheet from which the data is linked, or the source of data (if not linked) is more clearly provided.

Please let us know if you have questions related to comments above.

Sincerely,

A handwritten signature in black ink that reads "Terry Wolf". The signature is written in a cursive style with a large, stylized "W" at the end.

Terry Wolf
Director, Transmission and Distribution Services