

01/01/2021

**Western Area Power Administration (WAPA)
Upper Great Plains Region (WAPA-UGP)**

Transmission and Ancillary Services Rates for
WAPA-UGP¹ facilities and services in Southwest Power Pool, Inc. (SPP) and for
WAPA-UGP's WAUW Balancing Authority Area in the Western Interconnection

(Updated Rates (Rev 2) Effective 01/01/2021 per 12/31/2020 email to SPP Exploder List “Formula Rate Posting Information Notification” (frpin@ spplist.spp.org) to Transmission Customers and Other Interested Parties)

Type of Service	Rate	Effective
Transmission Service: (Rates expire 12/31/2021)		
Annual Transmission Revenue Requirement SPP Schedule 9 (UMZ)	\$ 147,054,972	01/01/2021
Annual Transmission Revenue Requirement SPP Schedule 11 – Total ²	\$ 914,585	01/01/2021
- Zonal Portion	\$ 793,667	01/01/2021
- Regional Portion	\$ 120,918	01/01/2021
Scheduling, System Control and Dispatch Service (Annual Revenue Requirement for Schedule 1 under SPP Tariff)	\$ 10,681,584	01/01/2021
WAUW Balancing Authority Area Related Ancillary Service: (Rates expire 12/31/2021)		
Regulation and Frequency Response Service (Annual Revenue Requirement)	\$ 447,694	01/01/2021
Energy Imbalance Service (EI) – Option A Index for Prevailing Market Energy Rate for EI	(See Note 1) (Not yet determined)	01/01/2021 * to 02/01/2021 **
Energy Imbalance Service (EI) WEIS Market	(See Note 1)	02/01/2021 **
Generator Imbalance Service (GI) Index for Prevailing Market Energy Rate for GI	(See Note 2) (Not yet determined)	01/01/2021 * to 02/01/2021 **

¹ WAPA-UGP is identified as “Western-UGP” in the SPP Open Access Transmission Tariff.

² The Schedule 11 – Total is provided to SPP for allocation by SPP in the RRR file. Zonal/Regional estimated portion values provided for information.

Generator Imbalance Service (GI) WEIS Market	(See Note 2)	02/01/2021 *
Operating Reserves – Spinning Reserve Service and Supplemental Reserve Service (Reserves) (Annual Revenue Requirement)	\$ 487,465 (See Note 3)	01/01/2021
Index for Prevailing Market Energy Rate for Reserves:	SPP Integrated Marketplace Interface at Miles City DC Tie (MCWEST)	01/01/2021

* WAPA-UGP has elected to delay financial settlement for Energy Imbalance and Generator Imbalance under Option (A) (See Note 1) until such time as certain billing procedures are finalized. Prior to charging and billing for these services on a financial basis, notice of WAPA-UGP’s intent to initiate financial charging will be posted on WAPA-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.

** February 1, 2021 (or “go-live” date of the WEIS Market, if later)

Note 1: Energy Imbalance Service:

(Option B) In the event that WAPA–UGP participates in a Western Interconnection energy imbalance market in the WAUW as the BA: Charges to the SPP Transmission Customer will reflect only the passthrough of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to WAPA–UGP as the WAUW BA for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.

WAPA-UGP will apply Energy Imbalance Service and Generator Imbalance Service charges under its Rate Schedules in its WAUW BAA based upon the WEIS Market providing such services effective February 1, 2021 (or the actual “go-live” date of the WEIS Market, if later). All load and resources within WAPA-UGP’s WAUW BAA will be subject to settlement under the WEIS Market pursuant to the provisions of the WEIS Tariff, and charges to customers for these ancillary services will be based upon the WEIS Market rates, terms, and conditions.

(Option A) In the event that WAPA–UGP does not participate in a Western Interconnection energy imbalance market in the WAUW as the BA, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:

Deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of SPP Transmission Customer’s scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost for the month.

Deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost when energy taken by the SPP Transmission Customer in a schedule hour is greater than the energy scheduled or 90 percent of incremental cost when energy taken by a SPP Transmission Customer in a schedule hour is less than the scheduled amount.

Deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of the incremental cost for energy taken by the SPP Transmission Customer in a scheduled hour that is greater than the energy scheduled, or 75 percent of the incremental cost for that hour when energy taken by a SPP Transmission Customer is less than the scheduled amount.

WAPA-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's Open Access Same-Time Information System (OASIS) at least 30 days prior to use for determining the WAPA-UGP incremental cost and will not be changed more often than once per year unless WAPA-UGP determines that the existing index is no longer a reliable price index. This information will also be posted on WAPA-UGP's OASIS home page at <http://www.oasis.oati.com/wapa/index.html>.

Note 2: Generator Imbalance Service:

(Option B) In the event that WAPA-UGP participates in a Western Interconnection energy imbalance market in the WAUW as the BA: Charges to the SPP Transmission Customer will reflect only the passthrough of the applicable charges associated with the Western Interconnection energy imbalance service market assessed to WAPA-UGP as the WAUW BA for embedded load and/or generation in the WAUW of such SPP Transmission Customer that does not make adequate alternate arrangements in such Western Interconnection energy imbalance service market or other alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation.

WAPA-UGP will apply Energy Imbalance Service and Generator Imbalance Service charges under its Rate Schedules in its WAUW BAA based upon the WEIS Market providing such services effective February 1, 2021 (or the actual "go-live" date of the WEIS Market, if later). All load and resources within WAPA-UGP's WAUW BAA will be subject to settlement under the WEIS Market pursuant to the provisions of the WEIS Tariff, and charges to customers for these ancillary services will be based upon the WEIS Market rates, terms, and conditions.

(Option A) In the event that WAPA-UGP does not participate in a Western Interconnection energy imbalance market in the WAUW as the BA, or such energy imbalance market is unable to provide the total energy imbalance requirements for certain loads and generation within the Balancing Authority Area:

Deviations within +/- 1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of SPP Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost.

Deviations greater than +/- 1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of SPP Transmission Customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost.

Deviations greater than +/- 7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the SPP Transmission Customer's scheduled transaction(s) will be settled at 125 percent of WAPA-UGP's incremental cost when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of WAPA-UGP's daily incremental cost for that hour when energy delivered from the generation resource is greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions in order to respond to directives by SPP as the Transmission Provider, a Balancing Authority, or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

WAPA-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's Open Access Same-Time Information System (OASIS) at least 30 days prior to use for determining the WAPA-UGP incremental cost and will not be changed more often than once per year unless WAPA-UGP determines that the existing index is no longer a reliable price index. This information will also be posted on WAPA-UGP's OASIS home page at <http://www.oasis.oati.com/wapa/index.html>.

Note 3: Reserve Services:

WAPA-UGP has no long-term reserves available beyond its own internal requirements. At SPP's request as the Transmission Provider, and if it is capable of doing so, WAPA-UGP will acquire needed resources and pass the costs, plus an amount for administration, on to SPP for the requesting SPP Transmission Customer. The SPP Transmission Customer is responsible to provide the transmission to deliver these resources.

In the event that Operating Reserve – Spinning Reserve Service and Operating Reserve – Supplemental Service (together referred to as Reserve Services) in the WAUW are called upon for emergency use, the SPP Transmission Customer will be assessed a charge for energy used at the prevailing market energy rate in the WAUW. The prevailing market energy rate will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on the applicable SPP Web site and/or SPP's OASIS at least 30 days prior to use for determining the prevailing market energy rate and will not be changed more often than once per year unless WAPA-UGP determines that the existing index is no longer a reliable price index. This information will also be posted on WAPA-UGP's OASIS home page at <http://www.oasis.oati.com/wapa/index.html>.