



Document last updated September 13, 2023

## OTHER COMMUNICATIONS DURING SPP RTO FEDERAL REGISTER NOTICE COMMENT PERIOD

On April 28, 2023, WAPA published a *Federal Register* notice (FRN) on its recommendation to pursue final negotiations regarding SPP RTO membership. WAPA recommends CRSP and RM pursue final negotiations regarding membership in the SPP RTO, and UGP expand its participation in the Western Interconnection. Through the public process, WAPA solicited written public comments from its customers and stakeholders and engaged in consultation with Indian Tribes on the substance of the recommendation.

A 45-day comment period opened on April 28, 2023, and ran through June 12, 2023. Based on comments received and a need to further discuss certain items, the comment period was reopened on June 13, 2023, and closed again on July 11, 2023.

As part of the public process, WAPA will disclose communications it has with other entities regarding its RTO recommendation on this page. Additionally, WAPA discloses that WAPA personnel will continue to participate in industry activities and discussions regarding markets, transmission, and system operations.

Other communications during the public process related to the RTO recommendation may include:

### Tribal Consultation

WAPA is engaging in Tribal consultation concurrent with the FRN process with Tribes who receive a WAPA allocation from CRSP, RM, or UGP or are otherwise potentially affected. Such consultation included one group webinar on May 12, 2023.

### SPP RTO-West Communications

WAPA will continue to engage in discussions with SPP on matters to include but not be limited to:

- **Conversion of SPP RTO WAPA terms and conditions to tariff terms:** WAPA intends to develop proposed tariff language for the WAPA provisions and provide such proposed tariff language to SPP staff. WAPA also will meet with SPP staff on this proposed tariff language. Please note, however, any proposed tariff language would still need to flow through the SPP tariff approval process, including the SPP Regional Tariff Working Group, but only if WAPA decides to move forward with formal negotiations.
- **Conversion of SPP RTO DC-tie terms and conditions to tariff terms:** The DC-tie group also may develop tariff provisions implementing the SPP Board-approved terms and conditions. If so, WAPA staff will participate in those discussions.
- **Other meetings with SPP RTO-West participants**

### Public Industry Activities

WAPA personnel will attend public meetings hosted by SPP, CAISO, Western Power Pool (WPP), and other applicable groups to monitor and/or participate in various public market, reliability, and transmission initiatives.

Specific meetings hosted by others will not be listed here. Please see public meeting dates and materials posted at SPP.org (Markets+, WEIS), CAISO.com (EDAM, WEIM), and westernpowerpool.org (WRAP).

### Customer Communications Regarding the RTO Recommendation

### Miscellaneous Communications Regarding the RTO Recommendation

#### SUMMARY OF OTHER COMMUNICATIONS

**May 2-3:** On May 2, 2023, SPP distributed by email an attachment labeled “RTO-West Expansion Project Updated Budget Estimate” to WAPA staff, representatives of the other RTO-West participants, and SPP staff, as well as two SPP East-side representative participants. On May 3, 2023, WAPA staff participated in a brief call hosted by SPP staff where SPP staff explained the attachment. Others invited to the meeting were representatives from each of the RTO-West participants, as well as the two representative SPP East-side participants. See the "[RTO-West Expansion Project Updated Budget Estimate.](#)"

**July 12:** On July 12, 2023, WAPA staff attended SPP’s biweekly RTO-West Webinar meeting. SPP asked WAPA if they planned to attend these biweekly meetings going forward and if WAPA was still under *ex parte* communication restrictions. WAPA replied *that ex parte* restrictions will continue until a decision is made. WAPA indicated we intend to attend SPP’s RTO-West biweekly participant meetings in the future for some but not all agenda items. SPP agreed to place agenda items on confidential matters that WAPA would need to drop off for to be at the end of the meeting.

During the brief meeting on July 12, SPP discussed the comments they sent to WAPA under the extended FRN comment period. Those comments answered questions about SPP’s Market Operations and Policy Committee (MOPC) membership and the RTO’s tariff provisions for pseudo-ties. WAPA will publish SPP’s comments with all other comments received per timing determined by WAPA’s Administrator. SPP disclosed that all expected parties signed the Commitment Agreement (this excludes WAPA), and SPP plans to focus on tariff revisions next. SPP asked if WAPA would be able to participate in tariff drafting work during the *ex parte* period. WAPA communicated we will confer internally and confirm at a later date.

**July 20:** On July 20, 2023, WAPA staff met with a representative from the DOE Office of Congressional and Intergovernmental Affairs and a staff member from the office of Senator Mark Kelly (D-AZ). This meeting was in response to a request from Senator Kelly’s office to discuss WAPA’s potential participation in SPP RTO-West and potential impacts to WAPA’s

customers. WAPA provided a brief presentation excerpted from already publicly available presentations and answered questions. The presentation and a summary of the meeting are linked below. Following the meeting, Senator Kelly and Senator Kyrsten Sinema (I-AZ), along with U.S. Representatives Debbie Lesko (R-AZ) and Juan Ciscomani (R-AZ), sent a letter to WAPA that is also linked below.

- [Presentation](#)
- [Summary – meeting minutes](#)
- [Letter from Arizona members of Congress](#)
  - [WAPA Response to Senator Sinema](#)
  - [WAPA Response to Senator Kelly](#)
  - [WAPA Response to Congresswoman Lesko](#)
  - [WAPA Response to Congressman Ciscomani](#)

**July 21:** On July 21, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA expects these tariff-related meetings to be ongoing. WAPA staff noted during this webinar that WAPA’s participation in these meetings should not be interpreted as indicating any decision has been made.

**July 26:** On July 26, 2023, WAPA staff attended SPP’s biweekly RTO-West webinar meeting. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. SPP shared the public information that the SPP Board had recently approved the RTO-West implementation budget, which was not increased from prior versions WAPA has posted. Based upon feedback from the previous meeting, SPP is proceeding to begin preparations to develop the necessary tariff revisions. WAPA indicated it would likely participate in that effort (e.g., DC Tie revisions to incorporate the posted terms and conditions) during this period prior to the decision, to help ensure the drafting and interpretation of the tariff changes match the negotiated terms and conditions. WAPA staff noted during this webinar that WAPA’s participation in these meetings should not be interpreted as indicating any decision has been made. The group also discussed the following topics at a high level, with reference to potentially necessary tariff revisions: zonal placements, potential Balancing Authority (BA) transition considerations, and existing resource adequacy (RA) program implementation for RTO-West. SPP noted the possibility of a future evaluation for RTO-West to use a different RA program from the East-side, but that this would be a change from the RTO-wide program in the existing tariff, and existing terms and conditions, and would require iteration with and consent by the East-side members. The group further noted that the tariff revision process would transition to public SPP stakeholder meetings when appropriate where all entities, regardless of membership status, are encouraged to attend and provide input.

**July 28:** On July 28, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA and SPP staff reviewed potential revisions to the WAPA-specific provisions in the SPP tariff,

including those that would be needed to Definitions, Section 39.3 for Federal Provisions, Attachment AE for Integrated Marketplace provisions to address the Federal Service Exemption (FSE), Attachment L for Point-to-Point revenue distribution requirements, and SPP Bylaws along with Membership Agreements and Amendments. WAPA also identified “clean-up” type tariff revisions to address the potential introduction of multiple WAPA Regions in these provisions, where they previously only identified UGP. The intent is to develop the WAPA-specific tariff revisions in this smaller group to ensure agreement on the potential implementation of the terms and conditions between WAPA and SPP staff prior to these revisions being included in the overall tariff revisions process that SPP staff would initiate with all the RTO-West participants and then later, if WAPA makes a decision to proceed, reviewed through the SPP public stakeholder process. The group also discussed the interpretation of the existing tariff provisions related to the possible use of dynamic schedules under “pseudo-ties” for WAPA FES deliveries and the impact, if any, to the ability of WAPA to receive FSE for such deliveries along with other associated market participation impacts. SPP staff noted its position that if WAPA resources were to be removed from the Integrated Marketplace, this would impact the FSE eligibility qualification based upon existing tariff language requiring WAPA resources to be cleared in the Day-Ahead market to qualify for FSE for deliveries from those resources. The requirement for WAPA resources be cleared in the Day-Ahead market is intended to accurately include the impacts of the FES deliveries on the Day-Ahead market and allow SPP as the agent for the market to obtain hedging on the WAPA Transmission Service Requests (TSRs) for the impacts of the WAPA deliveries to help offset the cost impacts of the FSE to other market participants. Additionally, the group reviewed the Withdrawal Provisions associated with changes to the Federal Power Marketing Agency Amendments and tentatively identified that the provisions would need to be modified to continue to respect the application of this language to UGP (for the 2015 UGP-specific requirements when it joined SPP) and also address the expanded RTO-West footprint and potential other WAPA Regions for the proposed new terms and conditions. The group also discussed other provisions to continue to review including WAPA Network Resource designation and Co-Supply application in the west.

**August 4:** On August 4, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA and SPP staff reviewed potential revisions to the WAPA-specific provisions in the SPP tariff, including focus on the WAPA-CRSP Federal Service Exemption (FSE) provisions for Statutory Load Obligations and Replacement Energy in Section 39.3, the WAPA-CRSP Point-to-Point Revenue Distribution in Section 39.3, and the application of the Federal Power Marketing Agency Amendments in the Bylaws and Membership Agreements/Amendments.

**August 9:** On August 9, 2023, WAPA staff attended SPP’s biweekly RTO-West webinar meeting. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. SPP identified two agenda items, followed by general discussion:

1) Process to finalize Transmission Zones: SPP is seeking to resolve any specific questions related to the facilities comprising the Zones. SPP requested contacts from each of the RTO-West participants to form a group to address this topic. Prior discussions generally assumed that each entity would have its own Zone if their system was large enough. In the terms and

conditions, it was assumed that UGP's zone (UMZ) would remain the same in both the Eastern and Western Interconnections and that RM's zone (LAPZ) would be a single zone covering both its footprints in the Eastern and Western Interconnections.

2) Resource Adequacy (RA) approach: SPP asked if the group had any feedback on a potential evaluation of Western Power Pool's Western Resource Adequacy Program (WRAP) for RA in the Western Interconnection. It was noted that a Western Energy Imbalance Service (WEIS) market task force analysis recently leaned towards WRAP. WAPA noted that the existing terms and conditions include the existing SPP RA approach and Tariff language (Attachment AA) with only the need for a separate Loss of Load Expectation (LOLE) study for the West footprint. A future evaluation of West RA would ultimately need to be vetted with the RTO stakeholders including East members and approved by the Regional State Committee (RSC). The participants that provided feedback noted some leaning towards evaluating WRAP, and some leaning towards utilizing the existing SPP RA program (Attachment AA).

3) Tri-State updated the group on its efforts to respond to the Colorado PUC's requests to Tri-State under an ongoing public docket, where information is available to the group, if interested.

**August 11:** On August 11, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA's website. WAPA and SPP staff reviewed potential revisions to the WAPA-specific provisions related to the Federal Power Marketing Agency Amendments in the Bylaws and Membership Agreements/Amendments based upon SPP's internal legal review of the initial drafts provided by WAPA.

**August 17:** On August 17, 2023, WAPA staff attended a webinar meeting with SPP legal staff only to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA's website. WAPA and SPP staff reviewed potential revisions proposed by Staff in the Bylaws.

**August 18:** On August 18, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA's website. WAPA and SPP staff reviewed potential revisions to the WAPA-specific provisions related to:

- 1) WAPA-CRSP Point-to-Point Revenue Distribution language and location(s) in the SPP tariff. Language is needed in Section 39.3 and Attachment L.
- 2) Federal Power Marketing Agency Amendments in the Bylaws and Membership Agreements/Amendments based upon the 8/17 meeting edits. WAPA agreed to the SPP approach in the Bylaws. Agency Amendments are applied separately for each WAPA division. Continuing review of the Membership Agreement related to RMR/CRSP withdrawal provisions tied to critical mass and Agency Amendments. Proposed addition in Section 39.3 for the DC Tie Incremental Market Efficiency Use being considered.

- 3) Proposed “deemed” language revisions in the Federal Power definitions. Further review identified based upon SPP’s feedback on 120% limitation on Network Resource designations in the tariff.
- 4) Co-supply language reviewed, and WAPA provided feedback that this is expected to apply to certain loads in RMR and CRSP where WAPA is not the full-requirements supplier.
- 5) Continued discussion of the Statutory Load Obligation for CRSP and the CRSP deliveries included.
- 6) Identification of other areas of the tariff that need routine WAPA-related updates to reflect multiple WAPA divisions instead of just WAPA-UGP in the existing language (e.g. GIP, GIAs, etc.). WAPA will provide a proposed markup of the other areas in the tariff for next meeting.

**August 23:** On August 23, 2023, WAPA staff attended SPP’s biweekly RTO-West webinar meeting. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. The group discussed the following:

1) SPP Staff reported that given the execution of the Commitment Agreement by certain of the RTO-West participants, they were ramping up efforts on the SPP Tariff revisions to incorporate the RTO-West terms and conditions, including the significant market design changes to address the market expansion and DC Ties, transmission planning, etc. Numerous staff have been assigned to lead development in various areas of the Tariff revision.

2) SPP Staff scheduled the kick-off meeting for developing and finalizing the proposed Transmission Zones in the West for 8/25/23.

3) SPP Staff noted that they are reviewing the requirements to complete the Loss of Load Expectation (LOLE) study for the West as outlined in the terms and conditions. Preliminary feedback from engineering staff is that the study will take about 1 year to complete (expected October 2024). Therefore, SPP will start that study right away and seek to reduce the schedule so that information is available earlier if possible. The separate LOLE results for the West will be used to set the Planning Reserve Margins (PRM) in the West. Some members of the group also continued discussion from last meeting regarding whether the WPP WRAP would or should be a consideration for addressing Resource Adequacy (RA) in the RTO footprint in the West. WAPA again noted that the existing terms and conditions include the existing SPP RA approach in the Tariff. SPP will be using the WPP Operating Reserves in the West as noted in the terms and conditions.

**August 25:** On August 25, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA and SPP staff continued to review and refine potential revisions to the WAPA-specific provisions and questions outlined in the earlier meetings described above. SPP Staff also provided feedback on their parallel efforts to revise the SPP Tariff in other areas to incorporate the other non-WAPA terms and conditions for RTO-West and expects to provide a 4-hour educational session on October 25<sup>th</sup> to the SPP Market Working Group and Regional Tariff Working Group on the needed revisions to the SPP Tariff. That meeting will be open to the public.

**August 25:** On August 25, 2023, WAPA staff attended SPP’s kick-off webinar meeting with RTO-West participants to discuss Zonal Placement (Zonal Group). WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. SPP discussed the intended scope of work for this Zonal Group, including development of the RTO-West Zones, and for the transmission owners to subsequently collect and provide to SPP any necessary data, such as facilities included in each Zone based upon Attachment AI for the West, to develop transmission rates in those new Zones. SPP discussed using the existing SPP Zonal Placement process, with the revised AI criteria changes, including a 100kV floor instead of 60kV. The Zones need to be identified for the FERC filing in 2Q 2024 of the Tariff revisions. The rates (and details of the facilities included in each Zone) will be filed subsequently (closer to go-live) in the Attachment H filings for each transmission owner in the Zones. Questions were also raised about whether there are any Green House Gas (GHG) implications affected by the Zonal designations. GHG is not in the terms and conditions, put some participants in certain States indicated that they may have to address such requirements in the future.

**September 1:** On September 1, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA and SPP staff continued to review and refine potential revisions to the WAPA-specific provisions and questions outlined in the earlier meetings described above.

**September 6:** On September 6, 2023, WAPA staff attended a webinar meeting with SPP staff to continue to refine the SPP Board-approved WAPA-specific terms and conditions, which are outlined in the [Recommendation Report](#), to a level of detail appropriate for tariff language. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. WAPA and SPP staff reviewed potential Staff-proposed revisions to Attachment H of the SPP Tariff to ensure consistency with the WAPA-specific provisions.

**September 6:** On September 6, 2023, WAPA staff attended SPP’s biweekly RTO-West webinar meeting. WAPA noted the meeting was subject to *ex parte* rules and would be disclosed on WAPA’s website. The group discussed the following:

1) Policy Review Ad-hoc Group: SPP Staff reviewed an initial draft of a Scope for this new group to address review and endorsement by the West participants of the proposed SPP Governing document redlines for the RTO expansion as those proceed through the SPP Committees. SPP requested comments on the draft Scope.

2) Zonal Group: SPP staff reviewed the current draft of the Scope for this group that will address finalizing the Zones in the Western Interconnection. The group discussed requests from East SPP RTO Members to participate.

3) Tariff Revisions: SPP Staff reported that they are making significant progress on the Tariff redlines. Target roll-out is ahead of the October SPP MWG and RTWG meetings.

4) Resource Adequacy: SPP Staff advised the group that they were initiating a review/comparison of the standard SPP RTO RA requirements under Attachment A of the Tariff and the WPP WRAP to provide that information to the West participants. They will also be submitting a draft Scope for another Ad-hoc group to participate in this evaluation with Staff,

with focus on differences in LOLE, CONE, and PRM, and whether an alternative to the existing Attachment A should be considered by SPP going forward. It was noted that the WMEC (WEIS group) had performed a similar comparative analysis within the last year and that information may be useful to review.

**September 6:** On September 6, 2023, WAPA staff received an email and voicemail from a customer representative providing information and requesting a meeting with WAPA staff to discuss the impacts to WAPA, and specifically CRSP, of a decision to pursue final negotiations. WAPA replied via email that the comment period is closed and WAPA is under ex parte restrictions. WAPA also explained WAPA would make a decision whether to pursue final negotiations with SPP shortly. WAPA further explained WAPA looks forward to discussions with customers, customer representatives, and stakeholders after the decision and WAPA will reach out to the customer following the decision.