

Transmission Pricing WG

3 Meetings by telephone conference call since last RRG
(June 2,9,14)

- **Schedule (IndeGO type of collection format)**

- June 7 - Draft template and definitions of data - complete

- June 13 - finalize template and definitions
(Complete -was 6/9)

- June 23 - Equivalent IndeGO type (Option 1) data collected

- June 30 - Option 1 -reconcile data and verify for completeness

- Option 2/3 data collected

- July 11 - initial run of data

Transmission Planning Work Group

Second Meeting – June 9 (23 participants)

- Consensus: Retain significant portions of the IndeGO planning proposal, but consider whether modifications are appropriate to address specific issues.
- The basic approach to be carried forward includes:
 - **Distinction between main grid and local facilities.**
 - **Distinction between reliability and transfer capability.**

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RTO West Pricing Data Models defined by RRG

- Option 1 - IndeGO type of facilities inclusion (FERC form 1 or equivalent submittal)
- Option 2 - Facilities designated as transmission by application of FERC 7 Factor test (Order 888) plus additional facilities to reach wholesale customers
- Option 3 - Facilities designated as transmission by application of FERC 7 Factor test (Order 888)

Not everyone has run the FERC 7 Factor Test

Open Issues - Transmission Pricing WG

- Degree of detail in data provided (see deadlock)
- Who is included in the modeling beside filing utilities
 - Deseret G&T, Seattle, Snohomish, etc. - yes
 - Canada - BCH - yes
 - Alberta - ?
 - 6/13 Canada - US Adjunct Committee Meeting
- WG still working through how to apply the 7 factor test
- Financial Incentives to Join RTO - working assumption is joining utilities will get a financial incentive (higher ROA, ROI for new assets, efficiency returns on fixed cost, etc)

It is a matter of time and resources

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Work Group Report (continued)

Consensus

- RTO West Data template 1 complete
- Data collection - team assigned
- Model owner(s) - team assigned
- 7 factor test - Use own definition and resolve differences later

Deadlocks

- Collection of Data by Facility (see attached slide)

Data collection consuming resources

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Deadlock - Collection of Revenue Requirement Data that can be associated to facilities categorized by function will not be provided.

Issue - A form of data separation (disaggregating) is required to permit the consideration of "rate segmentation" as identified in Consensus Issue List item 1.

Data requested - investment by line/substation & average cost of certain types of substation equipment, refinements later to investments, depreciation, O&M, taxes, etc by function.

Rate Segmentation model proposed - voltage-based rates alternatives.

Other benefits - specific list of facilities that are included in the pricing model input data set (specifically FERC 7 factor tests).

Rate Segmentation within Issue #1

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Deadlock (continued)

Some data suppliers' issues

- May be insufficient time to provide requested data for 3 model runs anyway (e.g. 7 factor test application)
- Data is not easily obtained (breakouts do not exist, different forms, deprecation may vary w/in a facility,etc.)
- Using approximation - rules do not hold true, may not fully understand the rules,etc.
- Little value for additional work & Fine tuning the model

Proponents for the data responses

- Need to do the disaggregating before filing anyway
- Disagree with facilities included, run other options
- As a minimum request, provide disaggregate data for facilities that are not clearly transmission

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Calendar:

May 18, 2000	Kick Off Meeting for WG - Complete	RTO West Facility
May 25	TXPR Workshop #1 Complete	RTO West Facility
May 30	TXPR WG Meeting #2- Complete	RTO West Facility
June 2	TXPR WG Meeting #3-Complete	Telephone
June 9	TXPR WG Meeting #4-Complete	Telephone
June 14	TXPR WG Meeting #5-Complete	Telephone
June 23	TXPR WG Meeting (9-11 am)	Telephone
June 29-30	TXPR WG Meeting	RTO West Facility
July 13	TXPR Workshop #2 or Meeting	RTO West Facility
July 14	TXPR WG Meeting	RTO West Facility
July 20-21	TXPR WG Meeting	RTO West Facility
July 27-28	TXPR WG Meeting	RTO West Facility

More, longer duration meetings may be required

