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To: <RRGA-L@LIST.RTOWEST.ORG>
Sent: Friday, March 08, 2002 3:22 PM
Subject: Explanation of Withdrawal of Benefit-Cost Information from Website

Hello, Everyone -

As many of you know, the Final and Preliminary Benefit Cost Reports were pulled this morning from the RTO West website at TCA's request. The reason is due to a coding error detected by TCA in the General Electric Multi-Area Power Systems (GE MAPS) model TCA is using. Ellen Wolfe, TCA's lead consultant, provided this explanation:

"TCA has identified a bug in the GE MAPs algorithm that impacts the outcome of the Energy Impact Analysis portion of the RTO West Benefit Cost study. (The GE MAPS model is the LMP model used to perform the quantitative analysis of the benefits and costs of the RTO West.) TCA is in the process of resolving the GE MAPs computational issue in coordination with GE, and will be re-running the RTO West Benefit Cost study simulations. TCA will make revised information available as soon as possible and believes the general conclusions of the RTO Benefit Cost study will hold. A more detailed description of this issue follows.

In the course of reviewing results of sensitivity runs that BPA had requested TCA to perform, TCA noticed some inconsistent results. The sensitivity run requested by BPA involved summarizing GE MAPS output in a fashion not previously utilized in the RTO-W base case or sensitivities, and showed that exports out of RTO West to Alberta did not sum to the difference between Alberta's loads and generation. TCA recognized that it was probable that the load/generation/export/import balance for other control areas may also be suspect, and investigated the underlying methodology employed by the model. TCA found that the GE MAPS bug is associated with the way MAPS sets the fixed generation defined in the load flow to zero, in order to substitute that generation with GE MAPs-derived generation. GE MAPS has a process to do this in an automated fashion, and that process is what TCA found was not working properly. TCA has worked to resolve this problem by replacing the fixed load flow generation on a control area, by control area, basis, rather than relying on the GE MAPS approach. TCA has re-run the base case, and examined the results to ensure proper treatment under the new computational process. The results of the base case reruns suggest the dollar values of the benefit cost study will change. TCA believes the general conclusions of the B/C study will hold and is preparing to re-run the sensitivity cases in order to provide a revised reporting of the Energy Impact Analysis."

We anticipate that an updated Energy Impact Analysis will be made available and posted on the RTO West website by COB on Monday, March 11. As soon as the final corrected report is completed, it, too, will be posted.

We are all committed to getting an accurate benefit cost study and wanted you to know of the steps we are taking to achieve that end.

Thanks very much,

- Bud