

WAG – MAY 23, 2005
INDUSTRY CONSENSUS ON ADDRESSING COMMERCIAL ISSUES

<i>Issue</i>	<i>Is it needed?</i>	<i>Who would do it?</i>	<i>How do we decide?</i>	<i>Next steps?</i>
<p>Transmission planning and expansion</p> <p>(as defined in the WAG Option 1 paper)</p> <p>(Need more equitable/stable funding)</p>	<p>Yes</p> <p>Maintain current SSG-WI effort until handoff (Secure adequate/equitable funding for SSG-WI until handoff)</p>	<p><i>Preference:</i></p> <p>WECC with the continuing support of the Planning Work Group/ PacifiCorp/ ISO</p>	<p>A work plan is developed by Louise McCarren (as point person) and reviewed/modified/ approved by WECC Board by October</p>	<ul style="list-style-type: none"> • WECC reforms structure/staffing to address west wide view of commercial needs (not reliability needs) for transmission expansion – database management • Develop proposal for integration with sub-regional planning efforts • WECC commits resources to manage public database
		<p><i>Alternate:</i></p> <p>New organization</p>	<p>If WECC fails to approve and propose funding a work plan by Dec 31, then WAG develops a new organization proposal</p>	<ul style="list-style-type: none"> • Form an new organization in 2006
<p>Resource adequacy</p>	<p>Yes (but some disagreement by those who think LSEs/customers will do the job)</p>	<p>WECC</p>	<p>WECC Board, in cooperation with regulators, will review and decide degree to which WECC PSA addresses RA needs</p> <p>Grace Anderson (point person)</p> <p>Submitted to the WECC Board by December 31, 2005</p>	<ul style="list-style-type: none"> • Continued work by WECC to improve PSA including transmission adequacy (As informed by subregional adequacy efforts) • Prepare a work plan to address related data collection, assessment and adequacy metrics and targets and a schedule for bringing that work to fruition
<p>Market monitoring</p> <p>(Need more equitable/stable funding)</p>	<p>No strong agreement on need for west-wide market monitoring function</p>	<p>Requires more independence than WECC</p>	<p>SSG-WI MM/CREPC/ OMOI</p> <p>Pilot study to demonstrate or evaluate benefits (DOE funding)</p>	<ul style="list-style-type: none"> • Establish a budget and funding mechanism for implementation of a pilot study • Evaluation after pilot study – how to be implemented

<p>Transaction practices</p>	<ul style="list-style-type: none"> • Agreement on need for a forum to air and resolve the issues • Disagreement on which commercial issues need to be addressed (e.g., pancaking) • Adequacy of WECC MIC to meet these needs is uncertain 	<p>WECC MIC (if industry will support)</p>	<ul style="list-style-type: none"> • By April 2006 WECC: (1) provides independent timely decision-making; (2) generates industry involvement in MIC • If changes are not in place by April 2006, <i>then</i> create a new structure or organization 	<ul style="list-style-type: none"> • WECC proposal to address commercial issues in a timely, effective fashion
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