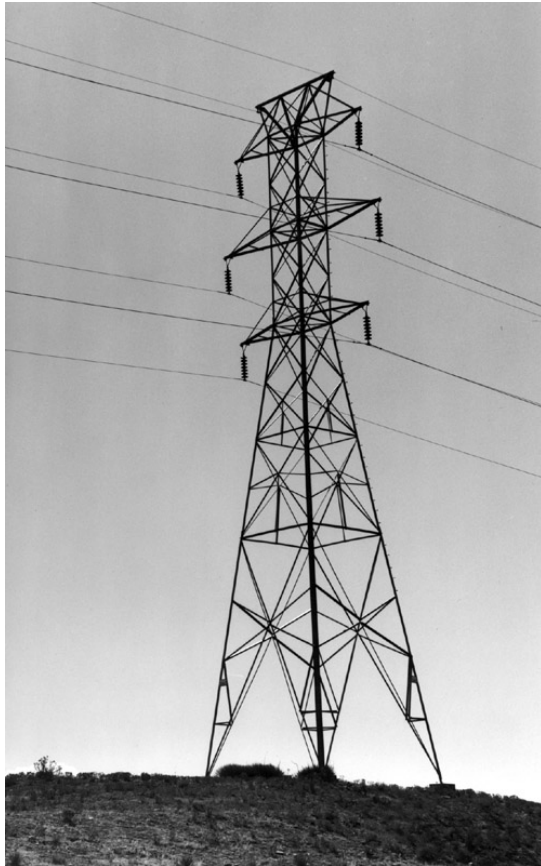


# *Market Enhancement Proposals*

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- **Regional Point-to-Point Transmission Service**
- Discounted Seasonal Rates
- ATC Calculation – Flow Based Model

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# *Regional Point-to-Point Transmission Service Overview*

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- Non-Pancaked Rates
- Two Year experiment
- One-year out of the experiment
- Working with Legal and Technical Subcommittees
- Filed as a group of Transmission Owners (TO) under a stand alone document or under individual OATTs
- Utilized OATI and the deal maker product

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# *Regional Point-to-Point Transmission Service*

## *Experiment Participants*

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### **Voting Participants (TO)**

**(8)**

- Tri-State
- XCEL
- APS
- TEP
- PNM
- SWTransco
- Nevada Power
- EPE

### **Non-Voting Participants**

**(3)**

- IID
- SRP
- WAPA

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# *Regional Point-to-Point Transmission Service*

## *Type of Product*

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- Firm and Non-Firm (as available)
- Hourly and Daily Service
- Competing longer-term service has priority (i.e. weekly company service bumps regional transmission service)

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# *Regional Point-to-Point Transmission Service*

## *Bill Components*

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- Transmission Service
- Ancillary Service 1  
Scheduling and Dispatch
- Ancillary Service 2  
Reactive Supply and Voltage Control
- Losses
- Administrative Adder

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# *Regional Point-to-Point Transmission Service Rate Design – Transmission Service*

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- Higher of: (1) “Average Rate” or (2) “Path Rate”
- “Average Rate”: Sum of each TO’s Transmission Revenue Requirement divided by the sum of the 12CPs divided by 347 hours  
**\$5.26 MWH**
- “Path Rate: Highest hourly rate (posed on OASIS) by a TO on a specified path

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# *Regional Point-to-Point Transmission Service*

## *Revenue Distribution – Transmission Service*

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- 75% of Revenue given to those TOs in the transaction distributed pro-rata based upon TO's rate
- 25% of Revenue distributed to all TOs participating in the experiment

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# *Regional Point-to-Point Transmission Service*

## *Ancillary Services*

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- #1 - Scheduling and Dispatch
  - Charge: highest in footprint  
(SWTransco \$289 per MW-month)
  - Revenue Distribution: All TOs in the path based pro-rata on rate
  
- #2 - Reactive Supply and Voltage Control
  - Charge: sinks TO's rate
  - Revenue Distribution: sink TO

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# *Regional Point-to-Point Transmission Service Losses*

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- Charged based on actual losses
- “Zonal” losses model
- Preliminary Study by WAPA ranged from negative up to 21%
- Financial Settlement only based on PV day-ahead index
- Revenue distribution based actual losses determined by study

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# *Regional Point-to-Point Transmission Service Billing and Revenue Collection*

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- Joint meeting with Technical Committee in November
- Technical Committee with working with OATI to develop start up costs
- Two proposals for billing (1) OATI (2) Tri-State
- Review after one year – possible RFP
- Administrative Adder on customers bill (TBD)

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# *Regional Point-to-Point Transmission Service*

## *Immediate Next Steps*

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- Draft Participation Agreement and Tariff
- Legal Sub-Committee involvement
- Loss Study
- OATI enhancement
- Billing and Collection Proposal
- Revenue Distribution (?)

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