

# RIF Introduction

January 25, 2022

# Agenda

- Introduction to WAPA
- WAPA's position on markets
- WAPA DSW's Markets Journey
- EIM Decision Factors
- EIM Timeline
- Current Activities

# What is WAPA?



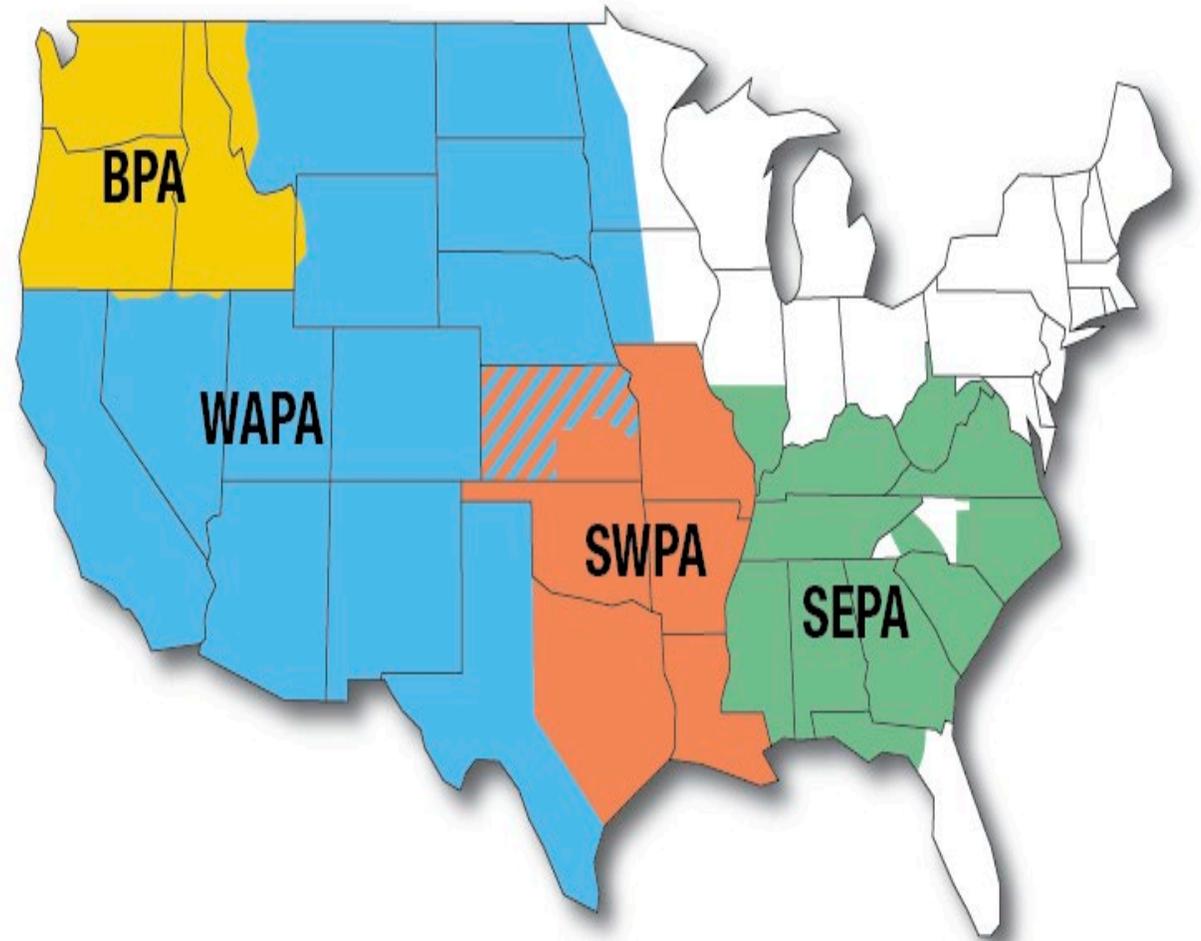
# Power Marketing Administration

One of four PMAs under  
DOE

Wholesale electricity  
supplier

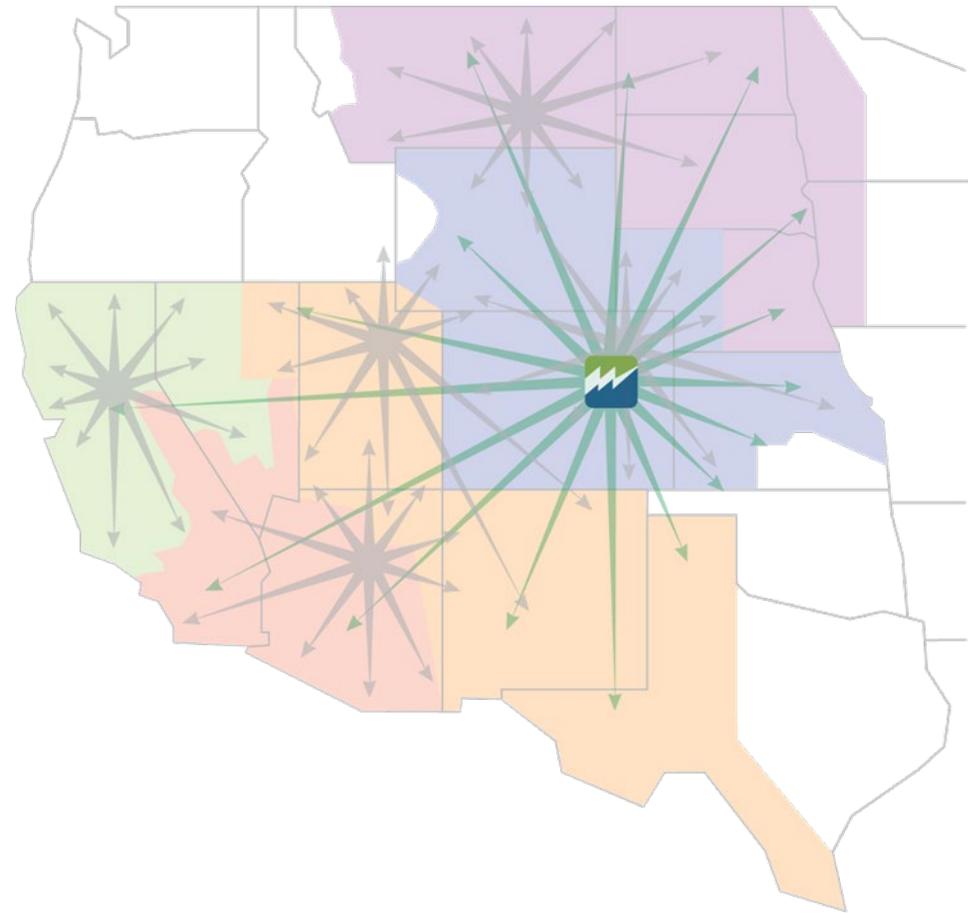
Nearly 700 customers

Customers, in turn, serve  
40 million Americans in  
the West



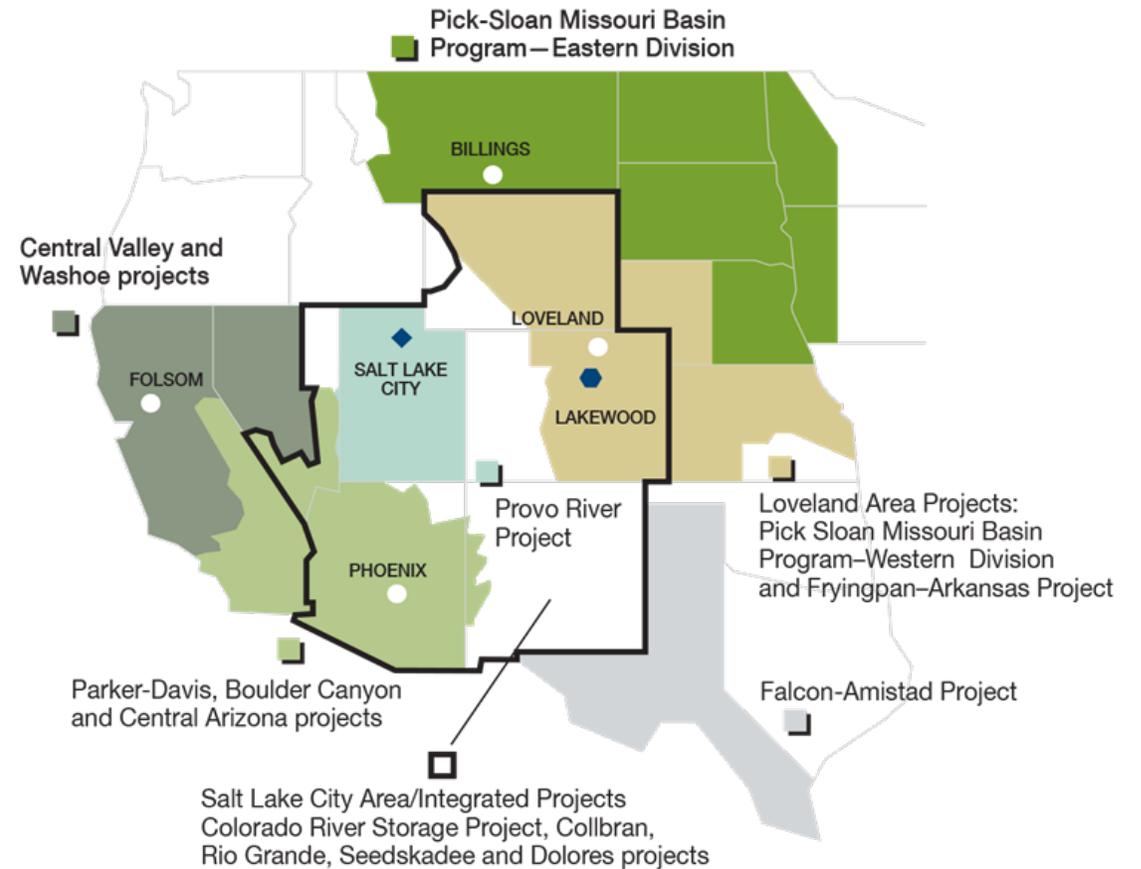
# In the West

- Balancing distributed and broad system
- 4 regions
- 1 Management Center
- 15-state footprint
- Top 10 largest transmission utility in country



# WAPA's Hydropower Projects

- Power marketed on a project-specific basis
- Marketing plans developed through public processes
- Normally consist of:
  - Marketing criteria
    - How power is sold
  - Allocation criteria
    - Who receives power
    - No total load requirement



# Our Role in Providing Energy



- Market clean hydropower
- Transmit it to customers
- Control parts of the energy grid
- Manage interties
- Provide open access to transmission

# WAPA's Services

- Firm electric
- Energy management and marketing
- Energy and resource planning
- Transmission
- Interconnection
- Ancillary



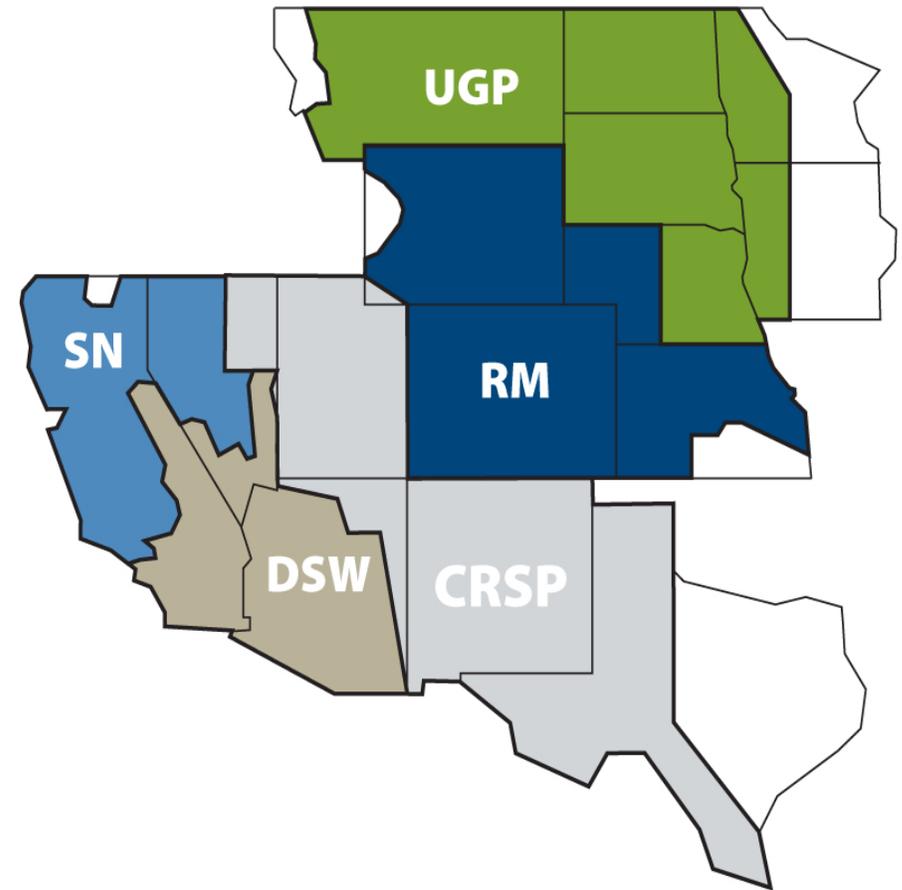
# What We Manage

- \$4.3 billion in assets
- 114,863 structures
- 17,231 miles of transmission line
- 322 substations
- 291 transformers
- 661 buildings
- 487 communication sites

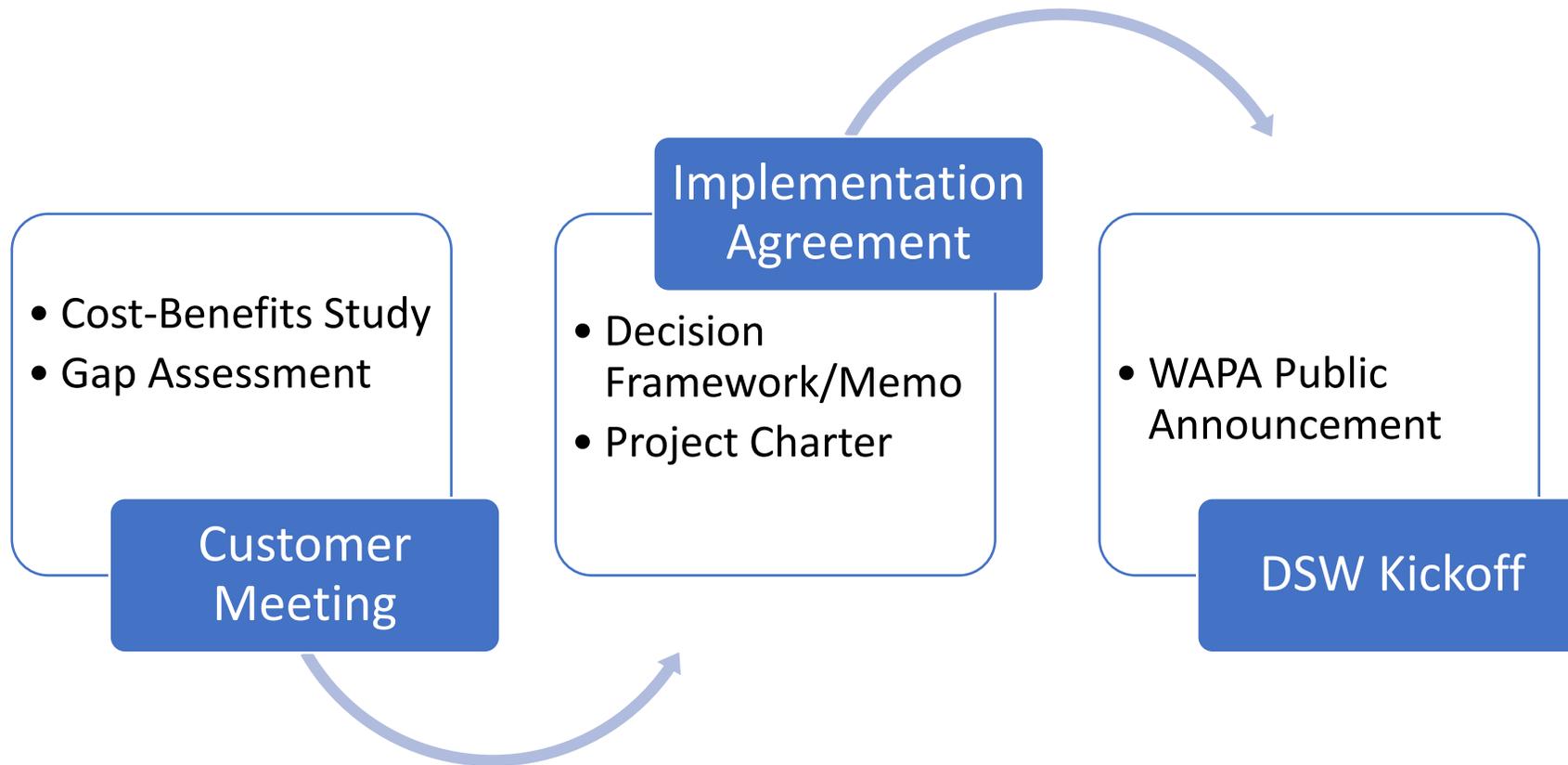


# WAPA's Position on Markets

- No 'one size fits all' solution
- Stay strategic, proactive and aligned with our mission
- Goal: Create the best possible outcome for our customers and our organization



# DSW's Markets Journey



# Decision Factors

- Net Benefit – minimal \$291K/yr
- WALC connection to EIM participants provides robust transfer capability
- Status Quo Concerns
  - Market participation is expanding
  - Western Area Lower Colorado Balancing Authority (WALC) is surrounded by market participants
  - Opportunities for transactions for timely hourly or sub-hourly power has evaporated
  - Transactions outside of the market will be less efficient and more costly
  - WALC customers are unable to take advantage of market transactions

# Implementation Challenges

- WALC will have several EIM Entity connections to manage
- Hydro constraints
- AEPCO Sub Entity Scheduling Coordinator
- Hoover operations
- Independent generators
- Staffing and other resources



# Questions?

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