

Topics and Presenters

- Working Group #2
 - Transmission Products Offered
 - Requests for Service
- Working Group #3
 - Study Process
 - Upgrades

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Working Group 2

Transmission Products Offered and Timeframes

Firm

- Hourly
- Daily
- Weekly
- Monthly
- Yearly (up to 3 years with rollover rights)

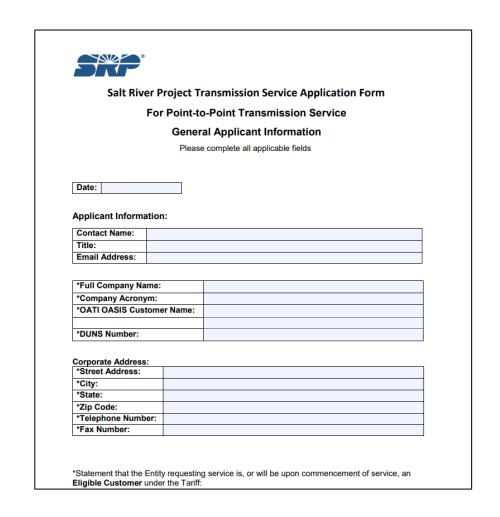
Non-firm

- Hourly
- Daily
- Weekly
- Monthly

Submitting Requests for Transmission Service

Automated through OASIS

- Must be customer of SRP
- Contracts required for long-term requests



Evaluation of Requests for Transmission Service

Long term v. short term -

- Short-term fully automated
- Long-term automated up to SRP receipt; manual following SRP receipt
- Manually processed for ATC
- Requires a Long Term service contract
- Once Long Term contract is executed then TSR is confirmed.

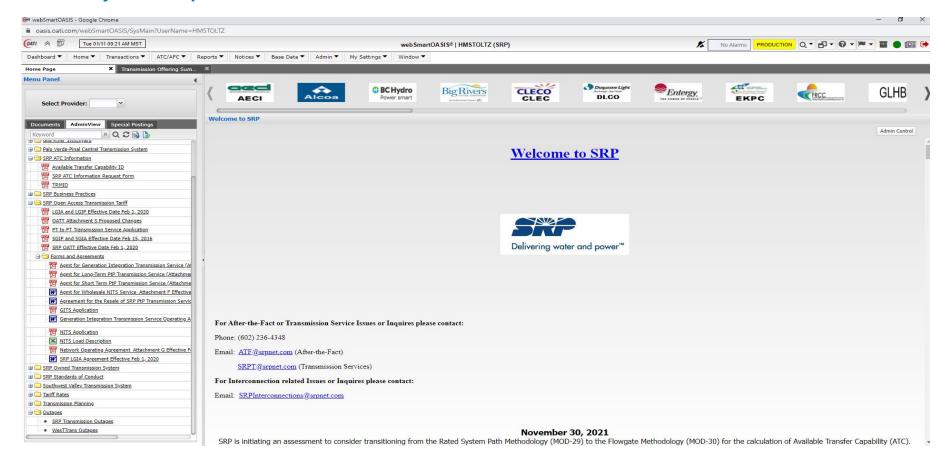
Firm v. non-firm

No differences in evaluation process



Publicly Available Reservation Information

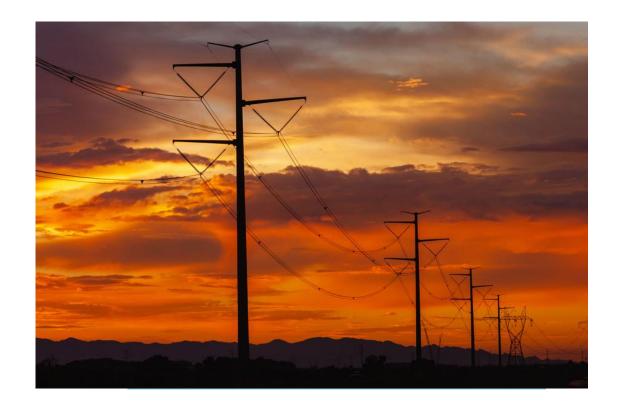
Process is fully transparent on OASIS:



Process for Requesting and Evaluating Long-term Service Requests

Does it move to a study even if it can be accommodated from the ATC perspective?

No, SRP does not move to a study



Minimum Timeframe for Long-term Transmission Service Request



What duration is required for Long-term Transmission Service Request?

- SRP requires a 60 Day minimum lead time.
- Maximum Lead Time is 3 years.
- Long Term is considered 1-3 years in duration.

Minimum Timeframe for Long-Term Transmission Service Request to Trigger an Upgrade

What is the minimum timeframe/duration of a long-term transmission request for SRP to deem it sufficient to support a system upgrade?

- SRP's minimum duration for long-term transmission is one year; therefore, any long-term request could trigger a study
- If SRP does not have ATC, the customer could request and pay for a study to determine necessary upgrades

Working Group 3

Studies Performed to Determine if Existing and Planned Transmission System Can Accommodate a Long-term Firm Transmission Service Request

SRPs approach to determine if Long-term Firm Transmission Service Request can be accommodated:

- SRP confirms the TTC ratings for its major paths on a seasonal basis.
- SRP performs a TTC study when a system change is likely to impact a paths rating.
- If SRP receives a TSR that does exceed ATC, SRP's Transmission Analysis Team would perform a study to determine the facility expansions or modifications required.

Types of Generation Interconnection Service that Allow a Generator with a Contract to an LSE to Serve Load

SRP's Generator Interconnection Service is energy resource only

"No Applicability to Transmission Service. Nothing in this LGIP shall constitute a request for transmission service or confer upon an Interconnection Customer any right to receive transmission service."

A customer could make a separate request for transmission service

Study may be required.

Assumptions in Long-term Firm Transmission Service Studies Regarding Modeling of Generation Interconnection Requests

Requests for Long-term Firm Transmission Service are queued per the date of the request with the generation interconnection requests and studied serially.

 A TSR study explores how to increase a Paths TTC using the MOD-029 methodology, new generator interconnection requests that are on the receiving end of a path may be adjusted in order to maximize the TTC.

Clustering Study Requests

Does SRP cluster study requests?

SRP is currently following a serialized study process.

If so, what is the frequency across the year?

• N/A



Upgrade Considerations

When identifying an upgrade, do you consider other reliability (or other) needs such that the project can be sized to meet multiple different needs, and not just the individual longterm request for firm service?

- When SRP is in the process of mitigating issues identified by a study, we will examine our own capital project database for opportunities to meet each of the needs.
- If a project construction schedule needs to be advanced for a customer, SRP would charge the customer for advancing.

Financial Requirements for an Upgrade

If an entity wants to pursue an upgrade, what are the financial requirements for funding the upgrade?

• SRP requires enough funding up front to cover the anticipated design and procurement costs (to include the material costs). This could be 50-60% of the total project cost. The remainder of the funding is due prior to the start of construction. If an overage is anticipated prior to the end of construction, there will also be the additional amount due at that time. Then there is a true-up at the end.

Does the funding entity receive the funds back over time?

- Per our OATT, SRP does not reimburse for Network Upgrades associated with Interconnections.
- If upgrades are for transmission service, the entity is reimbursed through transmission credits once transmission service begins.

thank you!