

RTO Car Talk – January 18, 2001 Edition

The list of proposed RTO West Stage 2 "content groups", and a 28-page roster of participants (!!!), has been posted to the RTO West website:

http://208.55.67.64/Doc/Stage2_ProposedRoster_Jan152001.PDF

Content groups will get underway the first week of February. RTO West Stage 2 leaders need additions or corrections by January 26th so that they can verify and/or update the list of participants. If you or anyone from your utility were involved in Stage 1 workgroups, you might check this list and decide if you want to continue to remain involved. Let PPC know and we can relay the info to Bud/Sarah, or contact the RTO West folks directly through Judy Welch:

judyrtowest@earthlink.net

Public power reps met with BPA earlier this week to discuss two issues:

1. TREATMENT OF THE 3RD AC IN THE RTO WEST WORLD

This was an initial meeting to get participants and BPA thinking about options for handling the 3rd AC in light of RTO West. 3rd AC participants believe that it might be time to revisit the 3rd AC relationship. BPA said it had four principles in considering any option regarding the 3rd AC: (1) the AC Intertie should be operated as a single asset; (2) there should be no cost shifts; (3) the payment structure for O&M and capital investments should be preserved; and (4) section 23.5 of the agreement regarding melding the Intertie into the Network should not be triggered. Another meeting is scheduled for 2/6.

2. BPA'S PRINCIPLES FOR PERFORMING SCHEDULING COORDINATOR FUNCTION ON BEHALF OF FULL AND SIMPLE/PARTIAL CUSTOMERS

BPA has 5 principles for offering scheduling coordinator services:

- (1) minimize risk borne by BPA and its customers;
- (2) minimize costs of the scheduling coordinator function;
- (3) meet standards of conduct requirements;
- (4) make the business environment as simple as possible (for the full and partial/simple customers who would qualify for the service); and
- (5) optimize BPA's ability to do business after RTO West startup, current estimated at late-2003.

Several tasks must be accomplished, such as identifying and mapping the RTO West and BPA products and services involved; drafting an agreement that BPA and its customers would execute; and developing related systems and personnel (such as billing and settlement). PBL is the lead for this effort but staff from both PBL and TBL are involved. Over the next 2-3 weeks, BPA is reviewing standards of conduct (SOC) and should get a list of potential SOC issues that might be associated with providing the scheduling coordinator service. A 7(i) hearing may be necessary for getting a rate for the service. Issues remaining are making sure non-users of the service don't bear costs (no cost shifts); clarifying BPA's scheduling coordinator obligations to non-converted contract holders (regardless of power product purchased); and the timing of BPA/customer negotiations for developing instructions for non-converted contracts. More to come in a couple of weeks.