

WIEC Data Request 5.3

Reference WIEC 2.6h. Explain why retail customers should be charged costs for transmission imbalances caused by third party loads.

Response to WIEC Data Request 5.3

Transmission imbalances are the net difference between metered loads and scheduled resources by third party entities that have load within the Company's control area. For hours when a third party's metered loads exceed scheduled resources, the Company sells power to that third party at prices that is at or above the then current market price. For hours when a third party's scheduled resources exceed metered loads, the Company purchases power from that third party a price that is at or below the then current market price. For the 12-months ending November 30, 2007, the sum of the hourly transmission imbalance transactions resulted in a net purchase to meet load at prices favorable to buying from the market and therefore these costs should be included in the PCAM. If the costs were removed, the energy would have to be removed as well in order to provide a matching of the costs and energy associated with the transmission imbalance transactions leaving the PCAM with not enough resources to meet load.

UE-199/PacifiCorp
August 15, 2008
ICNU 20th Set Data Request 20.33

ICNU Data Request 20.33

Please refer to the response to ICNU DR 18.29. Refer also to the response to ICNU 1.81. Identify in the response to ICNU 1.81 the imbalances (both on a dollar and MWh basis) that are due to legacy contract customers and those due to FERC tariff customers.

Response to ICNU Data Request 20.33

Please refer to Attachments ICNU 1.81 -1 through 1.81 -8 for the requested information, which identifies MWh and dollars for the customers operating under legacy contracts and customer operating under the transmission tariff. The customers operating under legacy contracts are Warm Springs Power Enterprises, Utah Associated Municipal Power, Utah Municipal Power Agency, and Deseret Generation and Transmission. The customers operating under the tariff are Bonneville Power Administration (Clark, Cow Creek, Green Springs, and Yakima), Eugene Water & Electric Board, PPM Energy, Inc. (Uinta and Stateline), Sempra Energy Solutions, Flathead Electric Cooperative, Inc., Weyerhaeuser, and Basin Electric Power Cooperative. In addition these reports include energy charges associated with PacifiCorp Merchant activity with other transmission providers, which are separate transactions from the referenced question. These are labeled as other.

UE-199/PacifiCorp
August 15, 2008
ICNU 20th Set Data Request 20.34

ICNU Data Request 20.34

Please refer to the response to ICNU DR 18.29, first paragraph. Please explain how, given that the Company does not track imbalances by tier, it can determine how much money to refund to first tier imbalance customers. Please provide documentation supporting the refunds to eligible customers with imbalances in the first tier.

Response to ICNU Data Request 20.34

Please refer to the Company's response to ICNU Data Request 18.29, which was intended to provide information on what information PacifiCorp does track for imbalance purposes. To clarify, PacifiCorp does not keep summary information that tracks in total or by customer the amount of energy or dollars that was charged at a premium, paid at a discount, or settled at market price as this information is not required to be reported, to determine the amount of penalties to assess to each customer, or to determine the allocation of refunds. The only reporting requirements that PacifiCorp has for imbalance is to report the total energy and dollars received and delivered. This information was provided in the Company's response to ICNU Data Request 1.81 and is further expanded upon in the Company's response to ICNU Data Request 20.33. The information requested is not compiled or readily available.

The Company tracks total penalties assessed for customers operating under the tariff for refunding to eligible customers per the business practice. For 2007 total penalties assessed were \$32,380.19. These penalties were refunded to eligible customers in 2008 based on a business practice effective December 2007. Subsequently, PacifiCorp revised its business practice and is in the process of adjusting the allocation of refunds made for 2007. Please refer to Attachment ICNU 20.34, which provides the Company's business practice related to penalties. Penalties are assessed each hour based on tariff and allocated to eligible customers defined a operating within the first imbalance tier for each hour on an equal basis and based on other eligible criteria as defined in the Company's business practice.

UE-199/PacifiCorp
August 7, 2008
ICNU 18th Set Data Request 18.29

ICNU Data Request 18.29

With regards to the transmission imbalance data provided to ICNU in the response to ICNU Data Request 1.81, please provide a breakdown or an estimate indicating how much of the imbalance energy was charged at no premium or discount from market, a 10% premium or discount from market and a 25% premium or discount from market.

Response to ICNU Data Request 18.29

The Company does not track imbalance activity in such a manner to readily provide the breakdown of imbalance energy charges as requested. Notwithstanding, as of August 2007, PacifiCorp's settlement of transmission imbalance energy for FERC tariff customers is at market price. Premiums or discounts, considered penalties, are assessed per the tariff but are not reported or booked as part of the imbalance; instead they are collected and redistributed to other eligible transmission customers who operate within the first imbalance tier.

Customers operating under legacy contracts are subject to two tiers for imbalance. The Company estimates that, on average, when these customers deviate from the first tier, the settlement is generally at a discount and is booked as part of the imbalance amount.

20000-277-ER-07/Rocky Mountain Power
September 6, 2007
WIEC 4th Set Data Request 4.34

WIEC Data Request 4.34

The attached analysis shows imbalances exported from GRID for the Walla Walla bubble in March 2008. Explain the following.

- a. What is the cause of the expected “trapped generation sales” during that month.
- b. Is there evidence to suggest that the Company has actually sold “trapped energy” in prior years in the Walla Walla bubble. If so, please provide supporting documentation.
- c. How is the price for trapped generation sales determined.
- d. Does the Company expect that on a normalized, on-going basis it will be selling trapped generation in the Walla Walla area in the years ahead?

Response to WIEC Data Request 4.34

- a. In GRID, whenever the committed resource is more than the requirement in a bubble and there is not sufficient firm transmission to move the generation out of the bubble, there will be “trapped generation sales.” In the current case, the reason why “trapped generation sales” occurred may also be due to the fact that the load in some of the hours are shifted to other load bubbles due to the methodology utilized in the load forecast (please refer to Response to WIEC Data Request 4.35).
- b. The concept of “trapped generation sales” is only used in GRID to catch the imbalances between load and resources, and the wholesale sales that are made from the imbalances.
- c. Please refer to Emergency Resources of the Resources section of the GRID model, which reflects the additional expenses that would be incurred when additional transmission is needed to transfer the generation.
- d. The Company has not done such analysis. Please note, however, the load and resources on the Company’s system are constantly changing and so will the load and resource balances.