

**Joint Market Report Workshop hosted by APS, TEP and UNSE
May 4, 2023
Teams Chat Questions and Comments**

Comment: Amanda Ormond (Guest) Thursday 10:11 AM
renewable energy is variable but predictable.

Akshay Shivaram (RWE Clean Energy) Thursday 10:14 AM
Is Transmission also optimized under markets? In other words, are there still wheeling charges in market?

Steve Jennings (AARP Arizona consultant) Thursday 10:15 AM
Aren't RTOs beholden to the (utility) members rather than utility ratepayers?

Comment: Alyssa Koslow (APS) Thursday 10:19 AM
We are keeping track of your questions and will answer them at the end of the presentations.

Amanda Ormond (Guest) Thursday 10:20 AM
Will WMEG studies be filed with utility IRPs?

Steve Jennings (Guest) Thursday 10:20 AM
What about the failures of RTOs in Texas, California and the Midwest to ensure reliable electric supply? Arizona has not had that problem.

Michelle King (Holland & Hart – Arizona Large Customer Group) Thursday 10:21 AM
Will you be sharing the presentations with the attendees?

Steve Jennings (Guest) Thursday 10:24 AM
Would an RTO be able to assess Arizona ratepayers the costs of constructing the grids in other states?

Reply: Brent Goodrich (APS) Thursday 10:26 AM
Michelle King 5/4/2023, 10:21 AM
Will you be sharing the presentations with the attendees?

We will file the presentations in the 2020 and 2023 IRP dockets at the ACC.

Reply: Michael Eugenis (APS) Thursday 10:26 AM
Amanda Ormond (Guest) 5/4/2023, 10:20 AM
Will WMEG studies be filed with utility IRPs?

Amanda, we will include public market reports as attachments to the IRP.

Comment: Brent Goodrich Thursday 10:28 AM
This is the 2023 IRP docket number: E-99999A-22-0046

Steve Jennings (Guest) Thursday 10:29 AM
Does joining an RTO increase support for local alternatives such as local solar, local storage and microgrids versus billions spent on high voltage transmission lines? Would such need approval from the RTO?

Autumn Johnson (Tierra Strategy/AriSEIA) Thursday 10:30 AM
What timing are we looking at for joining a day ahead market?

Akshay Shivaram Thursday 10:32 AM
Are generation interconnection processes going to be more consistent across RTO?

Steve Jennings (Guest) Thursday 10:35 AM
What is the annual operating costs of SPP? How much are the annual dues?

Reply: Alyssa Koslow Thursday 10:38 AM
Steve Jennings (Guest) 5/4/2023, 10:35 AM
What is the annual operating costs of SPP? How much are the annual dues?

Steve- we don't have the answer to the question regarding operating costs of the RTO off the bat. We will consider including that figure in our report. The annual dues are dependent on a number of factors however there is a flat membership fee of \$5,000.

Brendon Baatz (Gabel Associates/SWEEP/WRA) [Thursday 10:40 AM]
Are the utilities planning to file a joint proposal for ACC consideration at some point? What is the timeline on the process and a decision for which market to join?

Reply: Alyssa Koslow [Thursday 10:41 AM]
Autumn Johnson Thursday 10:30 AM
What timing are we looking at for joining a day ahead market?

Autumn, this slide should answer this question but let us know if you have follow-up.

Steve Jennings (Guest) [Thursday 10:43 AM]
Aren't RTOs regulated by FERC which allows higher rates of return than the Arizona Corporation Commission?

Reply: Amanda Ormond (Guest) [Thursday 10:43 AM]
@ Steve - The total savings and benefits achieved by SPP's members in 2022 was **\$3.787 billion**, compared to \$170.4 million in net revenue requirement costs, a benefit-to-cost ratio of 22-to-1. <https://spp.org/about-us/>

Brian Turner (Advanced Energy United) [Thursday 10:45 AM]
Can you describe the scope of the WMEG study? Does it look at or compare the market operations or governance of CAISO and SPP? Will it make recommendations about what is a preferable market or market design?

Steve Jennings (Guest) [Thursday 10:48 AM]
MISO has also warned of looming blackouts.

Brian Turner [Thursday 10:55 AM]
To what extent does joining a Day-Ahead market entail investments or commitments that then make joining that body's RTO more likely? What are the costs or commitments that would be sunk depending on which/whether you went with another RTO?

Brendon Baatz [Thursday 10:57 AM]
Maybe I'll reask my question in another way. It sounds like APS is moving towards a day ahead market, likely in a few years, while also considering the potential benefits of other markets. Will APS and/or TEP make a filing with the ACC on the day ahead market it is

planning to join prior to committing, or are the utilities planning to join a day ahead market without a filing at ACC?

Akshay Shivaram [Thursday 10:57 AM]

Are there plans in SPP Markets+ to improve/expand WI-EI Seem transmission capacity to leverage SPP resources?

Amanda Ormond (Guest) [Thursday 10:57 AM]

RE MWEГ - Not sure if you addressed this but will study provide utility-specific analysis of costs and benefits of different market footprint options?

Steve Jennings (Guest) [Thursday 11:04 AM]

Before joining any market or RTO/ISO there should be a full examination of costs and benefits including loss of state control, higher FERC returns, paying to upgrade your neighbors grid and lack of focus on local solutions.

Reply to own comment: Akshay Shivaram [Thursday 11:04 AM]

Are there plans in SPP Markets+ to improve/expand WI-EI Seem transmission capacity to leverage SPP resources?

Similarly, CAISO has offshore capabilities adding more gen supply flexibilities.