

Wind Forecasting and Transmission Service

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UWIG Fall Workshop

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AWEA Transmission Committee

- 50 companies including utilities
- We promote
 - better grid access
 - grid expansion



Outline

- FERC Open Access Transmission Tariffs
- ISO/RTO tariffs
- FERC Proposed Rule
- New generic FERC inquiry on transmission tariffs



FERC Open Access Transmission Tariffs (OATTs)

- Designed in 1996 with landmark open access Order No. 888
- Firm and non-firm service
- Customers must reserve Available Transfer Capability in advance
- Customers must schedule ahead of time
- \$100/MWh for generator imbalances >1.5% from schedule (!!)

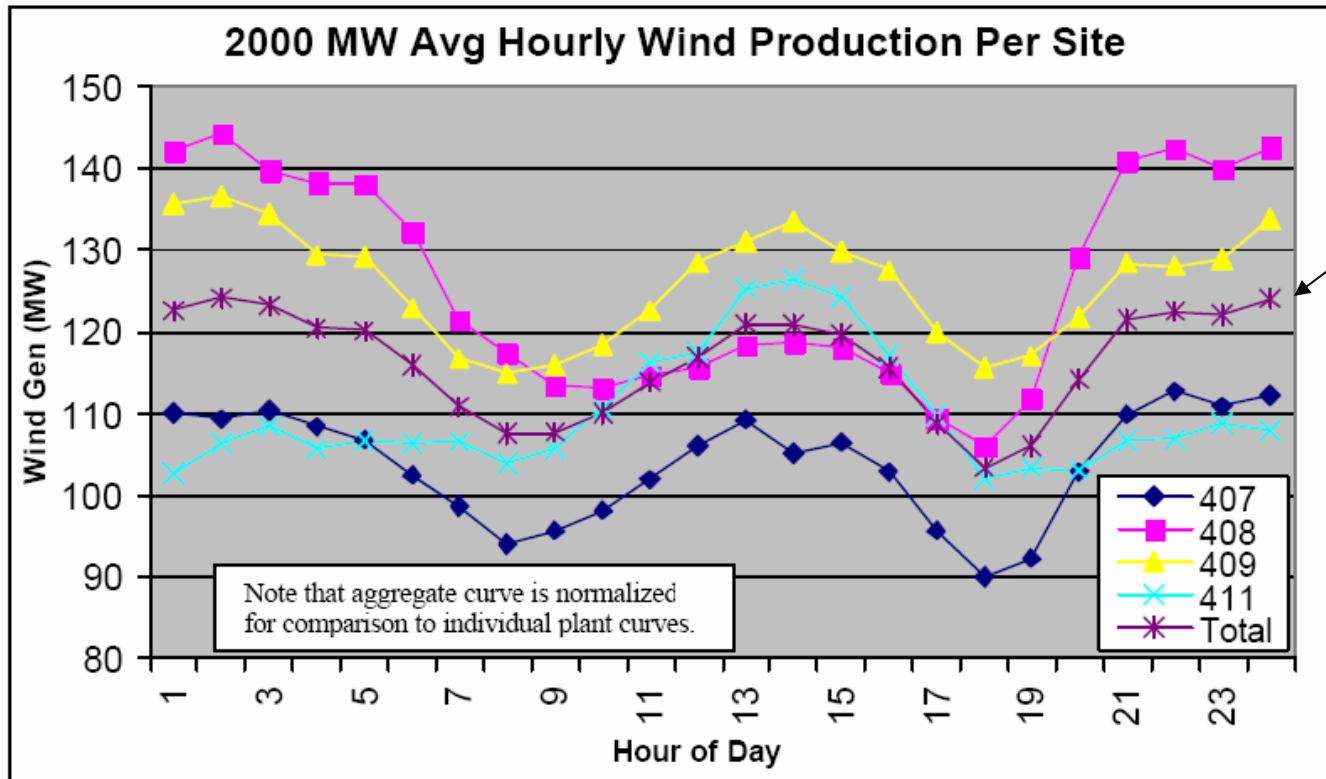


ISO/RTO Tariff imbalance charges

- Flexibility to bid into energy market
- Advanced scheduling generally limited
- CAISO's PIRP is most accommodating
- PJM charges costs which are only \$1.50/MWh on average
- NYISO, SPP, MISO considering penalties



Perverse incentive: bigger is better



Aggregation flattens output over time

Source: WE Energies study



FERC proposed rule

- Charge of 90/110% of marginal cost for deviations of +/- 10% from schedule, with schedule changes allowed up to 20 minutes before the operating time.
- Based on tariffs of PacifiCorp and other utilities that have successfully integrated wind.
- NERC intervention says the rule would not harm reliability.
- UWIG studies and summaries cited by EEI, AWEA, others.
- Fate under new Chairman is uncertain.



FERC inquiry on OATT reform

- Current tariff found to be discriminatory, question is how to fix.
- Asks many questions about planning, posting capacity available, ability to reserve capacity for native load.
- Also asks about generator imbalances.

