

MWG Call 01-19-11 Summary

NOTE: ACTION ITEMS NOTED IN BOLD ITALICS

WG members attending: Paul M., Stan H., Matt S., Samir S, Michael G., Doug Gotham, Dennis C., Chris H, Mary Ellen P., King L., Maryam S., Dave W. (EIPC), Ralph L. (CRA), Catherine M. (Keystone)

Debrief on SSC Mtg

- Request from SSC - Provide input on transfer limits and particularly the question of how to handle the changes in transfer limits to account for flows in both directions.

Update on Google Doc and update from Subteams

- ***MWG has the opportunity to provide input on BAU Model inputs to EISPC by submitting recommendations by next Wed.***
- ***Will also submit the package to SSC at the same time; but the final recommendation for Feb. SSC meeting are due by Jan. 31.***
- ***Will make recommendations based on current NEEM regions.***
- ***Should note areas where there is not consensus and places where input data is missing.***
- Stan has invited all team leaders to access the Google doc model inputs template with editing privileges.
- Comments and Table of Contents are on first worksheet.
- Can also post other documents to share with others if it doesn't fit into the spreadsheet format.
- Stan is waiting for information from Environmental Policies and RPS policies (Tyler & Paul); Demand and Fuel (King); Canada (Steve); New Generation.
- Stan will add a new worksheet for each sensitivity.
- Ralph noted that at least 10-15% change in loads by 2030 is needed to see a significant change in results.
- CRA needs to know whether the MWG recommends that the growth rate would change uniformly throughout the EI.
- Suggested that subgroups need to finalize BAU base case inputs before they begin work on sensitivities.
- CRA says it will take several weeks to code in first sensitivity; so would like the decision on transmission approach ASAP.
- CRA agreed to provide their input on how the sensitivities could be modeled and what other factors it might affect.
- CRA received adjustments from PAs on hurdle rates and wheeling rates; they were relatively minor changes; Mary Ellen asked that they be forwarded to the MWG.
- CRA is working on revising the input templates to reflect the new NEEM regions.

Questions for CRA

- Continue to feed your questions to CRA through John Buechler.

Proposed Transmission Approach

- SSC wants a recommendation from MWG for Feb. decision on approach and how it interacts with Sensitivity #2 – hurdle rates.
- Dave W. clarified that EIPC did not intend to change the hurdle rate as part of the first sensitivity to expand the transfer limits.
- If you remove the transmission rates and hurdle rates **and** overload charges and use the soft constraint approach, it simulates a copper sheet (unlimited transfer limits at no cost).
- Reference to removing the overload charges may have been an error and it makes sense to leave in the overload charges.
- Dave pointed out that lowering the hurdle rates allows more power to flow without the concomitant increase in costs you would expect.
- Chris H. raised the concern that leaving all these charges in the BAU is similar to pancaking and may serve to constrain flow between regions, which may argue for reducing the overload charges, rather than eliminating them to see the results.
- Dave W. agreed that reducing overload charges should be considered rather than eliminating them.
- Also anticipated that the results of the soft constraint will be used for all the subsequent sensitivities.
- **MWG assigned to the NEEM/Transmission sub-team the task of discussing further the Transmission Sensitivity approach.** The subteam will meet before the call next week to talk further with Dave W., John B., and possibly CRA.
- **Mary Ellen and Erin agreed to craft a written description for consideration by MWG next week.**
- **Will invite the SPWG to the MWG discussion**

Feb. SSC Agenda – MWG workshop

- Joint SP/MWG meeting would be designed to take up the definition of the other Futures and sensitivities. Request for CRA advice on how they might approach the model inputs, similar to the default values they provided for the BAU, or at least some direction on the strategic questions they might ask.
- **Catherine will circulate a Feb. SSC meeting agenda** draft with a placeholder for the MWG to ask for direction from SSC on other Futures, may be amended if MWG does not have adequate time to prepare. Agreed that the focus should be on completing the BAU first.
- **Catherine will draft an agenda for the MWG / SPWG joint session** following the SSC Meeting.