



TRANSMISSION TARIFF CONSULTANT

3/14/2009

Introduction

- David Shomber
 - ◆ Transmission Analyst, Marketing - June 2000
 - ◆ Sr. Transmission Tariff Consultant, Gov't & Regulatory Affairs – May 2008
- Projects and Tariff Initiatives Since May 2008

Topics of Discussion

- FERC 890 Postings Audit – July 2008
- Lamar DC Tie – Non-firm, Net Scheduling – October 2008
- Network Billing Filing – 10-31-08
- Order 890-A Further Compliance Filing – 12-5-08
- Losses Filing – 2-6-09
- HCEA TIE Agreement – Use of Network Transmission – 2-23-09

FERC 890 Postings Audit – July 2008

- FERC Directed
- Our OASIS Postings vs. Mandatory FERC Postings
- 2 Minor Deficiencies in Existing Postings
- 1 Major Deficiency – Quarterly Study Requests Metrics Posting
- Additional Identification of Unused Rate Calculation for Daily Off-Peak



Lamar DC Tie – Non-firm, Net Scheduling – October 2008

- Removed Restrictive Business Practice Language to Allow for Net Scheduling of Non-firm Transmission
- SWPP Also Changed Their BP Language at Our Request - BPWG

Network Billing Filing – 10-31-08

- Changed Loss Rate from 3% to
 - ◆ EHV system – 2.56%
 - ◆ Distribution system – 2.35%
- Changed Billing Methodology
 - ◆ From – 12 Month Average That Could be up to 17 Month Lag
 - ◆ To – Current Month Coincidental Peak

Order 890-A Further Compliance Filing – 12-5-08

- MEAN Intervened in Our 890-A Filing
- Methodology to Calculate Schedule 4 & 9 Imbalance Charges
- Found We Were Billing Incorrectly
 - ◆ Based on Decremental Cost – to Serve Native Load
 - ◆ Changed to Incremental Cost – Last 10 MWs Generated for Any Purpose

		Net MWh Sold (Purchased)	Net Charges (Credits)
Customer 1	Old	(9,878)	(559,387)
	Top Ten		(816,073)
	Difference		(256,686)
Customer 2	Old	(12,050)	55,154
	Top Ten		60,692
	Difference		5,538
Customer 3	Old	(5,233)	(155,476)
	Top Ten		(285,491)
	Difference		(130,015)
Total	Old	(27,161)	(659,709)
	Top Ten		(1,040,872)
	Difference		(381,163)

Losses Filing – 2-6-09

- Enforcement of Loss Repayment
- Customer May Provide Losses by
 - ◆ Concurrent Scheduling of In-kind Energy
 - ◆ Financial Settlement Based Upon Incremental Cost
 - ◆ Combination of Above Methods
- Approximate Annual Revenue Based Upon 2007 Data - \$800,000

Public Service Company of Colorado						
Financial Impacts of Financially Settled Losses					2007	
Based on 2007 FERC Form 1 data					Average	
				MWHs	Top Ten Cost	Impact
Total Point to Point Reservations *				3,992,158		
Less Exclusions:						
PSCM Aquila (currently paying back losses)				(2,047,320)		
Grandfathered **				(662,842)		
Interchange with Tri-State				(700,647)		
Total Point to Point Eligible for Loss Billing				581,349		
2007 Loss Rate				3.00%	17,440	\$ 52.88 \$922,252.05
2008 Loss Rate				2.56%	14,883	\$ 52.88 \$786,988.42
* Includes PSCM:						
Firm Aquila				2,047,320		
Firm				125,529		
Non-Firm				102,469		
** Includes						
Tri-State				404,749		
WAPA				258,093		
Note: Excludes Redirects						

HCEA TIE Agreement – Use of Network Transmission – 2-23-09

- HCEA Stance – TIE Agreement Gave Them the Right to Flow Economy Energy Purchases on Grandfathered Firm Transmission
- PSCo Stance – Prudent Utility Practice Language in TIE Agreement Required HCEA to Abide by Current Industry Standards



QUESTIONS ???