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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners: Stephen McAlpine, Chairman
Robert M. Pickett
Antony G. Scott
Daniel A. Sullivan
Janis W. Wilson

In the Matter of the Evaluation of the Operation and Regulation of the Alaska Railbelt Electric Transmission System) I-15-001
ORDER NO. 14

In the Matter of the Evaluation of the Reliability and Security Standards and Practices of Alaska Electric Utilities) I-16-002
ORDER NO. 14

ORDER REQUIRING FILING

BY THE COMMISSION:

Summary

We require the quarterly filing of the data requested by Order I-15-001(9)/I-16-002(9).

Procedural Background

In 2014, the Alaska Legislature required that we determine “whether creating an independent system operator or similar structure for electric utilities in the Railbelt area is the best option for effective and efficient electrical transmission”¹ We opened Docket I-15-001 to evaluate the operation and regulation of the Alaska Railbelt electric transmission system,² requesting and receiving numerous filings and presentations to assist us in determining the best option for effective and efficient electrical transmission. We responded to the legislature on June 30, 2015, with

¹Ch. 18, Sec. 31(b) SLA 2014. See Order I-15-001(1), *Order Opening Docket and Requesting Responses*, dated February 27, 2015 (Order I-15-001(1)).

²Order I-15-001(1).

1 recommendations that included promoting (1) system-wide merit order economic
2 dispatch of Railbelt electrical generation units, and (2) enforceable and consistent Railbelt
3 operating and reliability standards.³ We opened Docket I-16-002 to gather information
4 about the reliability and security standards and practices of Alaska electric utilities.⁴

5 We required the filing of daily transactional data regarding these economy
6 energy sales and purchases between Railbelt electric utilities. Specifically, we requested
7 the following data for the periods covering April 1 through September 30 of 2017 and
8 2018:⁵

- 9 1. Each day's economy energy transactions (sales and purchases) indicating
10 (a) buyer, (b) seller, (c) quantity, and (d) price;
- 11 2. All spin transactions (sales and purchases) indicating (a) buyer, (b) seller,
12 (c) quantity, and (d) price;
- 13 3. Their daily native load;
- 14 4. Each generation resource dispatched;
- 15 5. The average heat rate for the day of each owned generation resource
16 dispatched; and
- 17 6. The MWh generated from each owned and dispatched generation resource.

18 On November 21, 2018, five of the Railbelt electric utilities⁶ filed the required
19 information and filed a joint petition for confidential treatment of items 4 through 6 above

20 ³Correspondence from B. Pickett (Regulatory Commission of Alaska Chairman) to
21 K. Meyer (Alaska Senate President) and M. Chenault (Alaska House Speaker), dated
22 June 30, 2015.

23 ⁴Order I-16-002(1), *Order Opening Docket and Requesting Responses*, dated
24 June 8, 2016.

25 ⁵See Order I-15-001(9)/I-16-002(9), *Order Requiring Filings*, dated November 6,
26 2018 (Order I-15-001(9)).

⁶The five Railbelt electric utilities for these filings are Chugach Electric Association,
Inc. (Chugach); Golden Valley Electric Association, Inc. (GVEA); Homer Electric
Association, Inc. (HEA); Matanuska Electric Association, Inc. (MEA); and the Municipality
of Anchorage d/b/a Municipal Light & Power Department (ML&P).

1 (generation resource dispatched, average daily heat rate for each generation resource
2 dispatched, and MWh generated from each dispatched resource).⁷ We granted the
3 Petition for Confidential Treatment,⁸ finding the Railbelt electric utilities demonstrated that
4 disclosure of the requested daily unit-specific transactional data might provide
5 competitors with an unfair advantage and could result in competitive harm, and the need
6 for confidentiality outweighed the public interest in disclosure.

7 Discussion

8 At our public meeting held March 27, 2019, we voted to require the quarterly
9 filing of the data requested in Order I-15-001(9), which we intend to analyze and publish
10 results there from our web site on an on-going basis.⁹ More specifically, we require each
11 Railbelt electric utility to quarterly file the following daily information:

- 12 1. Each economy energy transaction (sales and purchases) indicating (a)
13 buyer, (b) seller, (c) quantity, and (d) price;
- 14 2. All spin transactions (sales and purchases) indicating (a) buyer, (b) seller,
15 (c) quantity, and (d) price;
- 16 3. Its daily native load;
- 17 4. Each generation resource dispatched;
- 18 5. The average heat rate for the day of each owned generation resource
19 dispatched;

22 ⁷*Joint Petition for Confidential Treatment*, filed November 21, 2018, (Petition for
23 Confidential Treatment). The City of Seward (Seward) was not a party to the Petition for
24 Confidential Treatment, subsequently noting it did not purchase or sell economy energy
or spinning reserves during the period for which data was requested. See *Seward's*
Notice Regarding Transactional Data, filed November 21, 2018.

25 ⁸Order I-15-001(11)/I-16-002(11), *Order Granting Petition for Confidential*
Treatment, Noting Partial Compliance with Filing Requirement, and Requiring Filing,
26 dated December 21, 2018.

⁹Public Meeting, held March 27, 2019; Tr. 34-35.

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6. The MWh generated from each dispatched generation resource.¹⁰
7. MWh for station service for each dispatched generation resource;
8. The maximum available capacity of each owned thermal generation resource on the day of dispatch; and
9. A short explanation of any significant events that offered dispatch for more than 2 days, such as major maintenance of generation or transmission resources.

As we have previously concluded that the information requested in 4 through 6 of the list above should be afforded confidential treatment, we allow the filing parties to file the daily unit-specific transactional data requested in 4 through 8 under seal.

As previously noted, in the last reporting period Seward did not purchase or sell economy energy or spinning reserves during the period for which data was requested. We would expect this to normally be the case given that Seward purchases power from Chugach and only maintains back-up generation capability. Consequently, absent a change in circumstances Seward may comply with this directive by notifying us that it did not purchase or sell economy energy or spinning reserves during the period in question.

The required data should be filed electronically, in Excel, using the following format.

The first worksheet shall record economy energy transactions. Each transaction on each date will constitute a separate row; in addition each date, even if no transactions occur, shall occupy a row. Columns in the following order should have headers for and include data on: date; whether the utility the buyer; the counterparty to the transaction; the quantity of MW sold; the price per MWh sold.

¹⁰Responses to this data request should exclude station service energy from the reported MWh generated from each owned and dispatched generation resource. The term “station service” refers to the kilowatt-hour consumption by the utility to run the power house. 3 AAC 52.519(10). Each utility should provide dispatch data for their Bradley Lake and Eklutna entitlements whether or not they deem those generation resources to be owned.

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The second worksheet shall record spin transactions. Each transaction on each date will constitute a separate row; in addition each date, even if now transactions occur, will occupy a separate row. Columns in the following order should have headers for and include data on: date, whether the utility the buyer; the counterparty to the transaction; the quantity of MW sold; the price per MW sold.

The third worksheet shall record the operational data outlined in items 3-8 of this order. Each date will constitute a separate row. Columns in the following order should have descriptive headers for and include data on: date and native load. In addition, for each thermal resource separate columns shall be included and have descriptive headers for each generator's average heat rate for the day, followed by the corresponding generator's MWh output net of station service, followed by its station service, followed by its maximum available capacity on the day. Finally, separate columns and descriptive headers shall be included for MWh taken from each non-thermal resource.

The fourth worksheet shall include the narrative discussed in items 9.

ORDER

THE COMMISSION FURTHER ORDERS that within thirty days of the end of each calendar quarter, Chugach Electric Association, Inc.; Golden Valley Electric Association, Inc.; Homer Electric Association, Inc.; Matanuska Electric Association, Inc.; the Municipality of Anchorage d/b/a Municipal Light & Power Department; and the City of Seward shall file the transactional data explained more fully in the body of this order.

DATED AND EFFECTIVE at Anchorage, Alaska, this 26th day of April, 2019.

BY DIRECTION OF THE COMMISSION

