

Meeting Notes
Power O&M Cost Suballocation

October 18, 2001
Sacramento, CA

After reviewing the agenda and introductions, we reviewed the background and purpose of the meeting.

When Pacific Gas and Electric Contract 2948A terminates at the end of 2004, Reclamation and Western Area Power Administration (Western) will be faced with new charges, (i.e., grid management charges, deviation charges, scheduling coordinator charges, purchase power charges, wheeling charges, etc.).

Martin Bauer explained the current O&M cost suballocation methodology and the option workgroup tasked with developing operational options, analyzing those options, and developing prioritization criteria for post 2948A operation. The workgroup looked at three options: an integration contract (no change), pump following (kWh reserved for pumping), and max peaking (project use reservation retained by allocation.) After analyzing all of the options, the max peaking with Western as the Scheduling Coordinator proved to be the best option.

Donna Daughety covered the interest-based problem solving process, which will be used in developing on the post 2948A power O&M cost suballocation. Interest-based problem solving relies heavily on developing and preserving relationships. Parties educate each other about their needs/interests and then jointly problem solve on how to meet those needs/interests. We have scheduled the first planning meeting for November 15 at 9:30 a.m. to identify the interests. Reclamation and Western identified what their interests are and challenged the participants to begin thinking about interests, not solutions.

Next meeting scheduled for November 15 – 9:30 a.m. – location to be announced
Following meeting scheduled for January 17, 9:30 a.m. – location to be announced.