Wind Integration Study were modeled in GRID using the same methodology employed by the Company to model reserves for load and wind in its filing.

Q. WHAT AMOUNT OF WCA RESERVE SAVINGS DID THE 2012 WIND INTEGRATION STUDY ASSOCIATE WITH 30-MINUTE BALANCING?

A. The 2012 Wind Integration Study calculated that the WCA regulation reserve requirement would decline by approximately 30 percent as a result of moving to 30-minute balancing.[76/] Moving to 5-minute balancing, as is accomplished in the EIM, will likely result in an even greater level of reserve savings.

Q. DO THE WITHIN-HOUR DISPATCH BENEFITS OVERLAP WITH FLEXIBILITY RESERVE DIVERSITY?

A. No. The E3 study was clear when it stated: "Production simulation analysis [was] modeled at [an] hourly level, omitting potential benefits of sub-hourly dispatch (other studies indicate that these benefits could be substantial)."[77/] In addition, because the various EIM benefit components have been modeled in GRID, the final balancing adjustment detailed in Table 2 removes any overlaps between components.

Q. WHAT IS THE IMPACT OF MODELING THE RESERVE REDUCTIONS ATTRIBUTABLE TO 30-MINUTE BALANCING PRESENTED IN THE 2012 WIND INTEGRATION STUDY?

A. Modeling the approximate 30 percent reduction to regulation reserves in the GRID model study resulted in a $3.03 million reduction to WCA NPC, with $702,450~~65,951~~ allocated to Washington. This amount represents a conservative provision for the savings associated with within-hour EIM dispatch benefits.

76/ Id. at 123.

77/ Exh. No.___(BGM-5 at 37)