



# THE ORG REPORT

A PUBLICATION OF SOUTHWEST POWER POOL

April 2010

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## Board of Directors Approves Highway/Byway Cost Allocation Methodology; Slated for FERC Filing April 19

The [Board of Directors](#) held a special meeting on March 31 to discuss the “Highway/Byway” cost allocation proposal. As directed by the Regional State Committee, the new Tariff language would change SPP’s cost allocation methodology as follows:

- Facilities greater than or equal to 300 kV will be allocated 100% regionally
- Facilities less than 300 kV and greater than or equal to 100 kV will be allocated 33% regionally and 67% zonally
- Facilities less than 100 kV will be allocated 100% zonally

After hearing presentations from stakeholders representing both [majority](#) (page 109 of background materials) and [compromise positions](#), the Board approved the Tariff language. The Markets and Operations Policy Committee will have the opportunity to refine the section related to the Unintended Consequences by April 16. SPP will file the cost allocation methodology with FERC on April 19.

## March Meeting Summaries

**[Business Practices Working Group:](#)** The BPWG updated Business Practices 2.12, 2.9, and 2.1 to align them with the Tariff and current processes.

**[Change Working Group:](#)** The CWG held a conference call to review the status of member-impacting efforts, including the member-requested settlements data application programming interface (API). SPP is working to finalize the plans and timing for providing additional settlements data via an interim solution to the API. The newly-developed maintenance patch bundling process was also presented by SPP staff and well-received by the CWG. This process was introduced as a way to better manage system enhancements and fixes requested of our vendors to achieve both resource and cost efficiencies. The CWG will conference again April 22 and review feedback on the settlements data API.

**[Corporate Governance:](#)** The CGC began the nomination process for elections to be held in October for the Board of Directors, Regional Entity Trustees, and Members Committee. The group voted to nominate Phyllis Bernard and Julian Brix to new three-year terms on the Board of Directors, and John Meyer to a new three-year term on the Regional Entity Trustees. The Members Committee nominees will be finalized later in the year. Anyone interested in being considered should contact [Stacy Duckett](#), CGC staff secretary.

**[Economic Studies Working Group:](#)** In March, the ESWG focused on the Integrated Transmission Planning Year 20 Assessment (ITP20). To advance this effort, the ESWG reviewed and approved the Metrics Task Force’s *Metrics for Integrated Transmission Planning Report*. The task force developed this report after determining what metrics and formulas should be used in the ITP20. To further support the ITP20, the ESWG continued its review of modeling input data, including fuel prices and capital costs for future generation.

**[Generation Working Group:](#)** The GWG held a conference call to discuss and vote on changes to SPP Criteria 7.8.4.1, 12.1, 12.1.5.2.i, and Appendix 2. The group discussed additional wording for Section 12 concerning reactive capability verification exemptions and solar accreditation methodology. The new language for the reactive capability verification exemption should be ready in a few months.

**[Market and Operations Policy Committee:](#)** The MOPC reviewed Tariff language from the Regional Tariff Working Group to implement the Regional State Committee-approved cost allocation policy commonly known as “Highway/Byway”. The MOPC failed to pass the language but requested that it be presented to the Board of Directors along with a summary of the discussion, vote results, and minority party issues.

**[Market Working Group:](#)** The MWG met three times in March, reserving one day for current business activities, five days for future market design activities, and one conference call to review Tariff language related to FERC Order 719. The group received updates on a market price volatility issue, market monitoring activities, and a market system error in February. The MWG reviewed outstanding Protocol Revision Requests (PRRs),

approved PRR 200 (keep whole payments for OOME dispatch) and PRR 212 (JOU's total dispatch only through ICCP), and amended Tariff language related to demand response for FERC Order 719. The group reviewed feedback offered by various parties on the Future Markets Mid-Level Design document, and compiled a list of items to present to the MOPC for guidance. They also completed the future markets protocol review of the post-operating day and settlements sections. The MWG will continue to meet twice a month during the summer to review and finalize the baseline of the Future Market Protocols.

**Model Development Working Group:** The MDWG finalized the first build of the MDWG 2010 series models. In March SPP hosted a Model On Demand training for the MDWG's modeling contacts.

**Operations Training Working Group:** The Job Task Analysis Taskforce continues its work; it reviewed the Balancing Authority job tasks in March. The OTWG discussed offering one large Train-the-Trainer session annually and presenting other training topics via net conferences throughout the year. SPP staff provided a status report on the new Learning Management System and solicited testing volunteers. Staff also gave an update regarding SPP's partnership with Pacific Northwest National Laboratories (PNNL) and utilization of the Dispatcher Training Simulator housed at PNNL. The group was encouraged to submit nominations for the current OTWG vacancy.

**Oversight Committee:** The Oversight Committee held its regular quarterly meeting. Stacy Dochoda, General Manager of the Regional Entity, joined the Committee to discuss pending changes in the NERC standards development process. The Deputy Director of the Office of Enforcement at FERC also joined the meeting to discuss changes that have occurred in that office, including several senior management changes and a greater focus on achieving compliance in the industry. In addition, Boston Pacific presented preliminary results of the 2009 State of the Market Report; a final report will be presented at the Board of Directors meeting in April.

**Regional Tariff Working Group:** The RTWG continues work on Attachment O changes to implement the Integrated Transmission Planning process. The group is also working on incorporating language to allow waivers for transformers in Attachment J as directed by the MOPC. The RTWG approved changes to Attachment AE to comply with a November 20, 2009 FERC order relating to Order No. 719. Finally, they approved changes to Attachments F and G.

**System Protection and Control Working Group:** The SPCWG and the Under Frequency Load Shedding (UFLS) Standard Drafting Team finished revisions to the [third draft of SPP's UFLS Regional Standard](#), and responded to comments received from the second draft. The third draft was posted March 29 for a 30-day comment period.

**Transmission Working Group:** The TWG discussed Attachment O revisions that incorporate the recently-approved Integrated Transmission Planning process. Both the RTWG and TWG are reviewing these revisions. The TWG also reviewed the RTWG's proposed process for the selection of a transmission constructor if a Designated Transmission Owner declines to build a project.

## Other Meetings

**Consolidated Balancing Authority Steering Committee**

**Cost Allocation Working Group**

**Critical Infrastructure Protection Working Group**

**Operating Reliability Working Group**

## April Meetings

April 1 - Operations Training Working Group

April 1 - Finance Committee

April 1 - SPP RE Trustees

April 1 - ESWG PROMOD Seminar

April 1 - Transmission Working Group

April 5/7 - Market Working Group

April 6 - Regional Tariff Working Group

April 13/14 - Markets and Operations Policy Committee

April 15 - Operating Reliability Working Group

April 19/21 - Market Working Group

April 19/22 - SPP System Operations Conference

April 20/21 - RE Spring Compliance Workshop  
April 22 - 2010 Quarterly Compliance Forum  
April 22 - Change Working Group Teleconference  
April 22 - Operations Training Working Group  
April 26 - Regional Entity Trustees  
April 26 - Regional State Committee  
April 26 - Human Resources Committee  
April 27/28 - Cost Allocation Working Group  
April 27 - Board of Directors-Members Committee  
April 28/29 - Regional Tariff Working Group  
April 30 - Generation Working Group

This is a summary of recent SPP organizational group meetings. For more information about a group, please visit [SPP.org](http://SPP.org) and select that committee on the [Org Groups](#) page. Documents are located in the left column.

Please contact [Emily Pennel](#) in the Communications Department with questions or comments about The Org Report.

[SPP Calendar](#)

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