UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc.)	Docket Nos.	ER10-1014-000
)		ER10-1014-001

ANSWER OF SOUTHWEST POWER POOL, INC.

Pursuant to Rules 212 and 213 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules of Practice and Procedure (18 C.F.R. §§ 385.212, 385.213), Southwest Power Pool, Inc. ("SPP") files this answer to the Motion to Intervene ("Intervention") of Westar Energy, Inc. and Kansas Gas and Electric Company (collectively "Westar") filed on June 9, 2010 in this proceeding.

I. **BACKGROUND**

On April 5, 2010, SPP filed in this proceeding ("April 5 Filing") revisions to its Open Access Transmission Tariff ("OATT" or "Tariff") modifying the Transmission Loading Relief ("TLR") provisions of SPP's real-time energy imbalance service market ("EIS Market"). The April 5 Filing accommodates a modification to SPP's EIS Market by removing from SPP's Tariff an exception from SPP's EIS Market TLR procedures for

¶ 61,153, at P 18, reh'g denied, 120 FERC ¶ 61,118 (2007); Sw. Power Pool, Inc., 118 FERC ¶ 61,148, at P 38 (2007); Sw. Power Pool, Inc., 118 FERC ¶ 61,065, at

Consideration of this answer is appropriate because this answer will aid the

P 21 (2007).

Commission in its decision making. See Sw. Power Pool, Inc., 127 FERC ¶ 61,283, at P 27 (2009); Sw. Power Pool, Inc., 125 FERC ¶ 61,314, at P 32 (2008); Sw. Power Pool, Inc., 123 FERC ¶ 61,176, at P 7 (2008), order on reh'g, 126 FERC ¶ 61,244 (2009); Sw. Power Pool, Inc., 119 FERC ¶ 61,199, at P 18, order on reh'g, 121 FERC ¶ 61,196 (2007); Brazos Elec. Power Coop., Inc., 118 FERC ¶ 61,199, at P 26 (2007); E. Tex. Elec. Coop., Inc., 118 FERC

a flowgate between SPP and Southwestern Public Service Company named SPPSPSTies.² This exception is no longer necessary because under SPP's modified congestion management procedures, all SPP flowgates will be treated in a manner similar to the SPPSPSTies flowgate. SPP will not declare a TLR event if there are no tags or schedules in the North American Electric Reliability Corporation ("NERC") Interchange Distribution Calculator that have a Transfer Distribution Factor of 5% or greater for that particular hour of activation.³ The April 5 Filing also includes various minor revisions to SPP's EIS Market Tariff provisions to conform the provisions to SPP's modified EIS Market Protocols.⁴

In its Intervention, Westar does not oppose the Tariff amendments filed in this docket, nor do they assert that the proposed changes are unjust and unreasonable. Rather, Westar only suggests changes to the EIS Market Protocols and SPP OATT Business Practices, which are beyond the scope of this proceeding. Thus, as discussed below, the Westar Intervention provides no basis for any modifications to, or rejection of, the April 5 Filing.

II. ANSWER

As described in the April 5 Filing, SPP's proposed Tariff revisions removing the exception from SPP's EIS Market TLR procedures for the SPPSPSTies flowgate and the accompanying modifications to the SPP Market Protocols were reviewed and approved

See April 5 Filing at 5.

³ See id.

See id. On May 19, 2010, SPP filed in this proceeding a modification to the April 5 Filing revising SPP's requested effective date for its proposed Tariff revisions.

by several SPP stakeholder committees from October 2009 through January 2010.⁵ At each such review, Westar supported SPP's proposed Tariff revisions that are included in the April 5 Filing.⁶ Furthermore, Westar itself concedes that it "supported the proposed EIS [M]arket protocol revisions" throughout SPP's stakeholder process.⁷ Nevertheless, Westar now proposes changes to SPP's Market Protocols and SPP OATT Business Practices.

A. Westar's Proposal Is Beyond The Scope Of This Proceeding

The sole issue in this proceeding is whether the Tariff revisions removing the exemption for the SPPSPSTies from the EIS Market TLR procedures and referencing "Congestion Management" are just and reasonable. Westar does not object to or claim that these revisions are unjust and unreasonable. Rather, Westar requests that the Commission require SPP to make the following changes to SPP's EIS Market Protocols and OATT Business Practices: (a) develop congestion management levels similar to NERC TLR levels and to include such information in an enhanced notification process in SPP's EIS Market Protocols; and (b) adopt in its OATT Business Practice a rebate to affected transmission customers of all charges associated with point-to-point confirmed and scheduled transmission requests that will be subject to curtailment under a congestion

⁵ See April 5 Filing at 2-3.

See Market Working Group Meeting Minutes, Oct. 5-7, 2009, at 4 (Shah Hossain of Westar moved for the approval of SPP's proposed Tariff revisions) (available at http://www.spp.org/publications/MWG%20MIN&ATTACH%2010%205-7%2009r.pdf); Markets and Operations Policy Committee Meeting Minutes, Jan. 12-13, 2010, at 4 (John Olsen of Westar seconded motion to approve SPP's proposed Tariff revisions) (available at http://www.spp.org/publications/MOPC%20Minutes%20&%20Attachments.rev2%20-%2001%20-12-10.pdf).

Westar Intervention at 3.

management event.⁸ These proposals do not suggest changing the Tariff revisions included in the April 5 Filing, nor do either of these suggestions have any direct bearing on whether the Tariff revisions proposed in SPP's April 5 Filing are just and reasonable. Thus, they provide no basis for rejection or modification of the Tariff revisions proposed in the April 5 Filing and are outside the scope of this proceeding.

B. The Stakeholder Process, Not This Proceeding Is The Proper Forum For Addressing Concerns Regarding SPP's EIS Market Protocols And OATT Business Practices

As explained in the April 5 Filing, the Tariff revisions filed in this proceeding and the modifications to the SPP EIS Market Protocols⁹ were developed through an extensive stakeholder process.¹⁰ Westar concedes that it "supported the proposed EIS [M]arket protocol revisions" during the stakeholder process.¹¹ If Westar now has concerns regarding the EIS Market Protocols or the SPP Business Practices, the appropriate forum to raise such concerns is in SPP's stakeholder process, where they can be addressed by SPP and all other interested parties.¹² This is consistent with the Commission's preference for issues to be addressed and resolved through the stakeholder process rather

⁸ See id. at 3-5.

SPP has not filed the EIS Market Protocols because they do not provide operating procedures that significantly affect rates and services that must be filed with the Commission pursuant to section 205 of the Federal Power Act. *See* April 5 Filing at 5, n.15.

April 5 Filing at 2-3.

Westar Intervention at 3.

Westar states that its concerns are "based on subsequent internal discussions and discussions with other stakeholders." *Id. at 3.* SPP notes, however, that no other party protested or commented on the April 5 Filing.

than at the Commission after the submission of a filing.¹³ Therefore, the Commission should disregard Westar's comments as beyond the scope of this proceeding and accept SPP's proposed Tariff revisions as just and reasonable.

¹³

See, e.g., ISO New Eng. Inc., 130 FERC ¶ 61,054, at P 137 (2010) (rejecting requests to further restructure ISO New England's market monitoring policies where such concerns were not raised during the stakeholder process, and directing the relevant parties to raise their concerns in the New England Power Pool Participants Committee stakeholder process); Ne. Utils. Serv. Co. & Select Energy, Inc., 109 FERC ¶ 61,204, at P 14 (2004) (requiring the Connecticut Department of Public Utility Control to use the stakeholder process to address its concerns over the current marginal cost refund mechanism under New England's standard market design); Regional Transmission Organizations, Order No. 2000, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,089, at 31,027 (1999), order on reh'g, Order No. 2000-A, 1996-2000 FERC Stats. & Regs., Regs. Preambles ¶ 31,092 (2000), petitions for review dismissed sub nom. Pub. Util. Dist. No. 1 v. FERC, 272 F.3d 607 (D.C. Cir. 2001) ("it is generally more efficient for [RTOs] to resolve many disputes internally rather than bringing every dispute to the Commission.")

III. CONCLUSION

For these reasons, the Commission should disregard Westar's proposal and accept SPP's April 5 Filing without modification or condition.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 24th day of June, 2010.

Matthew K. Segers

Matthew K. Segers

Attorney for Southwest Power Pool, Inc.