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FERC Approves Integrated Transmission Planning Process

On July 15, FERC approved SPP's [Integrated Transmission Planning process](#) (ITP), which was [approved by the SPP Board of Directors in October 2009](#). "The ITP will assess the SPP region's transmission needs in the long- and near-term to create a cost-effective, flexible, and robust transmission network. More transmission means better access to our region's diverse generation resources," said SPP Senior Vice President of Engineering and Regulatory Policy Les Dillahunt. "Along with the [recently-approved Highway/Byway cost allocation methodology](#), the ITP promotes transmission investment that will meet reliability, economic, and public policy needs."

[According to FERC Chairman Wellinghoff](#), "SPP management and its Members have developed a proactive approach to planning...It is also a flexible approach that allows SPP and its stakeholders to regularly assess whether that process is achieving its objectives and to adjust as the needs of the system change...other regions may want to follow its lead." [Read the FERC filing](#) and [FERC news release](#), or [watch the FERC meeting](#).

New Strategic Plan Approved

To continue to promote reliability excellence and meet our members' needs, the [Strategic Planning Committee](#) reassessed its 2008 Strategic Plan, positioning SPP to fulfill its mission statement over the next decade and beyond. The committee first established a baseline for where SPP is today, then reviewed alternative visions of how the industry may change over the next decade. The plan contains three foundational strategies and associated initiatives to leverage SPP's capabilities and operational processes:

1. Build a Robust Transmission System
2. Develop Efficient Market Processes
3. Create Member Value

[Read the 2010 Strategic Plan.](#)

Real-Time Data Added to SPP.org

Our [new LIP Contour Map page](#) (located under Market Info) depicts market prices and grid congestion, and updates every 60 seconds. The [Non-Coincidental Peak Load](#) page (linked from [Fast Facts page](#)) represents the sum of each footprint's members' peak energy use for a particular day. If you have questions about these new webpages, please [contact Webmaster Jon Vinson](#).

Learn More About Future Markets at Upcoming Workshops

SPP is hosting two four-hour workshops to give MOPC representatives and other stakeholders another opportunity to learn about future markets. [Register for the August 24 workshop in Dallas](#), which will cover:

- Day Ahead Market and Real-Time Balancing Market overview/examples
- Virtual Offers and Bids
- Co-optimization of Energy and Operating Reserves
- Scarcity Pricing of Operating Reserves
- Financial Schedules

July Meeting Summaries

Board of Directors-Members Committee: The Board of Directors/Members Committee held its regular quarterly meeting. Action items included the appointment of Sandra Bennett (AEP) to the Finance Committee, approval of an increase in SPP's fee cap to 35 cents, and approval of SPP's new Strategic Plan.

Change Working Group: The SPP Project Management Office provided the status of projects underway and introduced two new efforts in planning: the Fall Patch and a version upgrade of the WebTrans software required to provide platform functionality in advance of the Orders 729 and 676E project. The CWG will meet August 11 and 12 in Denver. The first day of this meeting will serve as a strategic planning session for maximizing the effectiveness of the group. Markets and Operations Policy Committee (MOPC) representatives are invited and encouraged to attend this meeting as they will nominate representatives to the CWG. The group will cover its standard agenda on day two, as well as receive staff reports including PRR Release Plan and a high-level overview of the Future Markets Program including member touch points.

Corporate Governance Committee: The CGC held a joint session with the Strategic Planning Committee to discuss revisions to SPP's governing documents related to withdrawal of membership, specifically how transmission cost allocation and construction obligations will be treated. Separately, the CGC approved establishment of the Credit Working Group reporting to the Finance Committee, determined there would be no Organizational Group Chairs and Secretaries Workshop this year, and reviewed the schedule of annual surveys issued by SPP.

Economic Studies Working Group: The ESWG held three meetings to accelerate development of the ITP 20-Year Assessment. The group approved resource plans for the four futures and accompanying generation (including wind) sites as presented by the resource plan consultant and SPP staff. Development of the ITP Manual continued in preparation for submittal to the Regional Tariff Working Group (RTWG) and MOPC. The relationship of least-cost plans, cost-effective planning, and robustness measures within the ITP 20-Year Assessment were presented by staff and discussed by the group in more detail.

Finance Committee: The Finance Committee approved an increase in the rate cap specified in Schedule 1A of the SPP Tariff to 35 cents from 22.5 cents. Following review of SPP's forecast expenditures through 2016, the committee directed staff to structure a rate recovery scheme which allows for greater predictability of and less fluctuations in the administrative fee rate.

Generation Working Group: The GWG is working with the Transmission Working Group on its role in a joint approval process of the SPP LOLE Report. The group is finalizing the revisions to the SPP Criteria regarding Wind Plant Net Capability and to the Net Capability Spreadsheet. The GWG submitted a request to SPP Operations for historical wind plant data to feed a graph for reference purposes.

Human Resources Committee: At its annual planning meeting, the HRC reviewed an internal auditor report conducted annually on SPP retirement plans, including the evaluation of fraud risk factors. Investment policy managers for SPP retirement plans presented their annual reports to the committee. In addition, the HRC reviewed the impact of national healthcare reform on SPP medical plans, met with the 401(k) employee advisory group, and received an update on the 2010 Compensation Survey.

Markets and Operations Policy Committee: Among items approved by the MOPC were Market Protocol revisions recommended by the Market Working Group (MWG), Business Practice revisions recommended by the Business Practices Working Group (BPWG), and Criteria 12 changes recommended by the GWG. The MOPC also approved the Transmission Owner Selection Process, Designee Qualification Process, and modifications to the Notices to Construct whitepaper recommended by the RTWG; MOPC directed the BPWG to incorporate these into appropriate Business Practices. The MWG presented an item of particular interest to market participants regarding budgeting and staffing considerations for future markets.

Market Working Group: The MWG met twice in July, reserving three days for future markets design activities, one day for current business activities, and one half-day for a joint meeting with the Operating Reliability Working Group (ORWG) to discuss outstanding Protocol items. The group received updates from SPP's Market Monitoring, Regulatory, and Operations departments and reviewed outstanding Protocol Revision Requests (PRRs). PRR 211 (Curtailed of Non-Dispatchable Resources), PRR 223 (Meter Agent Clarification for Joint Owned Units), PRR 224 (Expedited Review and Urgent Actions Requests for PRRs) were approved. The group continued to review the future markets Protocols and participated in a TCR Auction information session to discuss possible changes to the TCR Auction design. The MWG voted to change the Day-Ahead Market from voluntary participation to requiring a must offer, and established a schedule for the discussion of outstanding items and final review of the Protocols through August and September.

Operating Reliability Working Group: The ORWG continues to discuss reliability implications of the future markets project, and to work through design issues with the MWG. The group reviewed and approved PRR 222, reviewed proposed changes to the SPP Reliability Coordinator's Data Dictionary (SPP Criteria Appendix 7), and discussed the performance of NERC-required Transmission Operator Current and Next Day Reliability studies.

Operations Training Working Group: There is one vacancy on the OTWG; discussion regarding the vacancy

was tabled until August because the OTWG had not received any nominations. SPP staff reported the new [SPP Learning Center](#) is running smoothly; a recent addition is the ability to assign permissions to a designated person at each member company, allowing them to assign training within their own companies and view transcript reports. The OTWG will meet in August to discuss the FERC NOPR on PER-005 and organize comments. The SPP Training Department will present the 2011 regional training calendar at the OTWG's September meeting for a final review. The Job Task Analysis Taskforce will meet in August to validate its draft analysis, develop a communication plan, and schedule net conference debriefs for members.

Regional Entity Trustees: The compliance monitoring and enforcement program agreement between SPP-SERC and NERC reliability standard TOP-002 were among the significant items discussed. A FERC Order issued on July 12 conditionally accepted the SPP-SERC Compliance Monitoring and Enforcement Program (CMEP) Agreement and related Revised SPP-NERC Delegation Agreement (RDA). In its order, FERC directed NERC to file, within 90 days, amended CMEP and RDA agreements to: (1) reflect that SERC will receive any monies from penalties against SPP and that there will be no offset to SPP RE's assessments from such penalty payments; and (2) remove the automatic renewal provisions, subject to FERC's re-evaluation and re-approval following the initial term, which is scheduled to end December 31, 2012. The Trustees voted unanimously to authorize RE General Manager Stacy Dochoda to modify the agreements as directed by FERC. Concerning TOP-002, RE Executive Director Ron Ciesiel reviewed and answered questions regarding the applicability, main components, and requirements of TOP-002-2a R11. These discussions are expected to continue during the RE's Fall Compliance Workshop on September 21-22.

Regional State Committee: The RSC heard reports on a number of topics; two are noteworthy. The RSC has specific responsibilities related to Financial Transmission Rights, which are similar to SPP's Transmission Congestion Rights, and the committee reviewed portions of SPP's market development in four specific areas. The RSC also heard a status report on the efforts of its Rate Impacts Task Force, which is evaluating the costs and benefits of SPP-approved transmission projects on residential and small commercial customers.

System Protection and Control Working Group: The SPCWG and Under Frequency Load Shedding (UFLS) Standard Drafting Team continued making revisions to the fourth draft of the SPP UFLS Regional Standard and responding to comments received from the third draft. Powertech Labs, Inc. is conducting SPP's UFLS study that is required at least every five years.

Transmission Working Group: Staff presented assumptions, methodology, and stakeholder interaction plans on the analysis of selecting economic constraints. The TWG will provide input into and review this analysis throughout its process cycle in August. This analysis is one part of the ITP 20-Year Assessment.

Other Meetings

Consolidated Balancing Authority Steering Committee

August Meetings

- August 2 - OTWG Teleconference
- August 2 /4- Market Working Group Meeting
- August 4/5- Transmission Working Group
- August 4 - Cost Allocation Working Group Teleconference
- August 4 /5 - Regional Tariff Working Group
- August 5/6 - Model Development Working Group
- August 6 - Generation Working Group Net Conference
- August 10 - ESWG Teleconference
- August 11/12 - Change Working Group
- August 12 - ORWG Conference Call
- August 16/18 - Market Working Group Meeting
- August 25 - Cost Allocation Working Group Face to Face Meeting
- August 26 - Regional Tariff Working Group
- August 30 - September 1, 2010 Market Working Group Meeting
- August 31 - ESWG Face to Face Meeting

This is a summary of recent SPP organizational group meetings. For more information about a group, please visit [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](#)

[The Org Report Back Issues](#)

[SPP Governing Documents](#)