

**Southwest Power Pool
SETTLEMENT USER GROUP
Minutes
Conference Call
August 12, 2010**

Call to Order

Bill Olson called the meeting to order of the Settlement User Group (SUG) at 10:00am on August 12, 2010, and welcomed everyone to the meeting. Attending the meeting were Bill Olson(Xcel), Philip Bruich(SPP), Ken Donald(Utilicast), Tony Alexander(SPP), Josh Davis(SPP), Kim Farris(SPP), Barbara Holloway(AECC), Sean Liechty(AcesPowerMkt), Melie Vincent(AcesPowerMkt), Mackenzie Hartman(AcesPowerMkt), Chris Werner(AEP), Rob Offenburger(AEP), Doug Clark(AEP), Rhonda Robinson(CALP), Kristy Tackett(EDE), Steve Shull(EDE), Joyce Summers(GRDA), Jamie Wheeler(GRDA), Kari Hollandsworth(GSEC), Jill Coffey(KCPL), Steve Tegtmeier(LES), Jon Sunneberg(NPPD), Tom Sobotka(NPPD), Sandy Skipton(SECI), Ron Chartier(SECI), Mike Jeffus(SECI), Ken Roberts(SECI), MaryJo Montoya(Xcel), Kathy Shuerger(Xcel), Gail Eichelmann(Xcel), Chelsey Cairns(Westar), Curt Dedonder(Westar), Susan Quinn(Westar), Joshua Kirby(WFEC), Mandi Howell(WFEC).

Minutes Approval

Minutes were reviewed and approved for the July 15, 2010 meeting.

Dispute Metrics– Philip Bruich presented a monthly summary of dispute activity for the EIS market for the month of July. The summary is currently provided to the SPP BOD as part of metrics reporting. A request was made to also include metrics on all dispute activity opened for the month including status of granted, granted with exception, withdrawn and denied. Year to date monthly activity will be included going forward as well.

Meter Standards - Steve Shull presented a modification that was recently made to the Future Market protocols dealing with the timing for submission of meter data. The change provides consistency that the MWh register/accumulator is read at the same point to avoid timing discrepancies in the reporting of meter values. The SUG also supported Steve submitting a related PRR to add the change to the existing market protocols as well.

Financial Schedules Submittal Process-Kim Farris presented an overview of how Financial Schedules will be used in the Future Market settlement process. Financial schedules are not physical in nature and represent energy and operating reserve transactions that will not be cleared in the market. A market participant initially submits a contract header for a financial schedule that is subsequently used as a basis for validation against daily and hourly profiles. The profiles may be adjusted through final settlement and with similar functionality to the metering process. A separate task force

of SUG members will discuss options related to counterparty confirmation of the transactions. This will require protocol modifications prior to September.

Regulation Cost Allocation Changes- Ken Donald provided an update on MWG discussion of a proposed modification on August 3. No motion was made to change the protocol language.

- Potential alternatives of excluding exports or including something other than the entire unit output (i.e. just D from Set Point or URD over the tolerance band) for Resources off dispatch were considered.
- An action item to perform further analysis on methods used in other markets was assigned.
- A small group of MWG members agreed to go back to the drawing board to draft a different proposal.

Settlement Examples Update – Most of the charge types in the Settlements Examples Appendix to the Future Market protocols have been reviewed by the MWG. The review of any remaining charge types in the Examples Appendix will be completed via MWG conference call on September 9 & 10. The SUG training materials add significant additional detail to the calculations, and leverage the Settlement Example workbook which is a live calculation guide. The SUG training schedule lags the MWG reviews somewhat due to the urgency in completing the protocols.

Training –Operating Reserve Cost Allocation Charge Type- Ken presented training for operating reserve cost allocation charge types for slides 1-26 of the SUG Future Market Settlement Training II material. The remainder of the slides for cost allocation training will be completed in September.

Future SUG Meetings

Next SUG teleconference:

Teleconference/Webconference Wednesday, September 8 1pm - 3pm Central

Please register online at the SPP corporate website.

The Annual Settlement User Conference will be held in Little Rock at the AECC offices on October 26 & 27. The first day of the conference will focus on Future Market training, while the second day will focus on existing market and transmission settlement

production issues. A reception will also be held from 5-8pm the evening of Monday, October 25. Please register on the SPP calendar for each of these events you will be attending.

There will be a meeting with SPP and the shadow settlement vendors on September 1 to discuss an approach for settlement outputs in the Future Market. The results of the discussion including recommendations will be included as an agenda item on a subsequent SUG meeting.

Adjourn Meeting

With no further business, Bill thanked everyone for participating and adjourned the call at 12:03pm.

Respectfully submitted,

Philip Bruich
Secretary