

The Org Report

A monthly summary of organizational group activities.



November 2011

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SPP Hosts Webinars on EPA Emissions Regulations

SPP hosted two webinars November 4 to review with Members compliance plans for the EPA's Cross-State Air Pollution Rules (CSAPR), from both resource adequacy and reliability perspectives. SPP submitted to the EPA letters regarding CSAPR and a recommendation from the ISO/RTO Council for a temporary waiver mechanism that protects reliable availability of electricity. Read the [webinar presentation](#), the [EPA letters](#), and the [ISO/RTO recommendation](#).

October Meeting Summaries

[Board of Directors/Members Committee:](#) The Board approved SPP's 2012 budget and administrative fees during its regular quarterly Board of Directors/Members Committee meeting. The budget includes operating expenses of approximately \$152 million and capital expenditures of \$82 million. The administrative fee will be 25.5¢, effective Jan. 1, 2012.

The Annual Meeting of Members was held in conjunction with the Board of Directors/Members Committee meeting. The following were elected to three-year terms, commencing Jan. 1, 2012, during the annual election: Board of Directors: Josh Martin and Larry Altenbaumer; RE Trustees: Gerry Burrows; and Members Committee: Mel Perkins (OGE), Steve Parr (KEPCo), Cindy Holman (OMPA), Brett Kruse (Calpine), and Mo Doghman (OPPD). In addition, Tom Kent (NPPD) was elected to the Members Committee to serve an unexpired term vacated due to a resignation.

SPP has an opening on two of SPP's committees, as detailed below. The Corporate Governance Committee is seeking candidates for these openings and will recommend new representatives to the Board of Directors for approval. Please provide names and brief bios/resumes of interested candidates to [Stacy Duckett](#) by Tuesday, November 15.

[Strategic Planning Committee:](#) one Transmission Owning member (Pat Pope/NPPD has resigned from the committee).

[Finance Committee:](#) one Transmission Using member (Gary Voigt/AECC is retiring and has resigned from the committee).

[Change Working Group:](#) The Integrated Marketplace's program office updated the CWG on program health and progress on process development, including mitigations for delayed milestones and communications. The group was briefed on the Programmatic Interface Review Group, the Marketplace training program, and the Mobilization metrics presented to the Market and Operations Policy Committee, and discussed the Open Access Transmission Tariff work. The CWG also reviewed the findings of the EIS market switchover exercise to baseline the effort to operate from the disaster recovery Market system and welcomed three new members – City Utilities of Springfield's John Stephens, Rainbow Energy's Gordon Wood, and Arkansas Electric Cooperative's Stuart Bowles.

[Consolidated Balancing Authority Steering Committee:](#) The CBASC focused its October efforts on finishing the Balancing Authority's legal agreement. Many hours were spent reviewing and editing the original draft. Three meetings were held with SPP Regulatory and legal staff to refine the document in preparation for a final Regional Tariff Working Group review planned for early November. The Emergency Operations Task Force continues work on the SPP Emergency Operations Plan, expected to be presented to the Steering Committee in January 2012.

[Corporate Governance Committee:](#) The committee met to continue work on revisions to the governing documents to address withdrawal obligations associated with regional transmission cost allocation. The committee expects to conclude this work for action to be taken in April 2012.

[MOPC:](#) The MOPC's October meeting in Dallas included two pre-meeting seminars covering the [Integrated Transmission Planning 10-Year Assessment](#) and the [Integrated Marketplace's tariff language](#). A significant part

of the MOPC meetings was spent reviewing and approving a number of Marketplace protocol revisions highlighted by the Market Working Group. MOPC members appreciated an Oklahoma Gas and Electric presentation on synchrophasors. The more controversial items dealt with waivers for transformers in the Highway/Byway rate and for transmission service facilities.

Market Working Group: The MWG has passed 29 Marketplace Protocol Revision Requests (MPRRs) through the entire approval process. Up-to-date language can be found in the [Marketplace Protocols version 4.0](#) (effective date Nov. 1, 2011). Eight additional MPRRs currently remain in various stages of the review process. The MWG will continue to work diligently through these remaining MPRRs.

Operations Training Working Group: The OTWG approved the Integrated Marketplace Participant Training Task Force Charter. The group determined topics for the 2012 System Operations Conferences and voted to increase the conferences' enrollment limit from 50 to 55. SPP Dispatcher Training Simulator (DTS) engineer Daniel Baker updated the OTWG on enhancements to the DTS. The group discussed potential dates for Emergency Response Drills in 2012.

Project Cost Working Group: The PCWG discussed user feedback from the group's transmission-owning members on the Standardized Cost Estimate Reporting Template. Several minor changes to clarify the data requested and how it should be entered were discussed, and will be further reviewed during the PCWG's November 29 meeting. The group also began drafting a business practice for the Conditional Notification to Construct process, and will further develop it in November.

Quarterly Compliance Forum: The Compliance Department held a regional compliance forum in Little Rock with more than 100 participants attending. The event featured several valuable lessons-learned presentations, a discussion of NERC compliance standards and processes, and an in-depth panel discussion on transmission planning compliance. An overview of the SPP Member Outreach Program was provided to promote a theme of "Collective Compliance" for the region. Offered services included entity evidence reviews, the Compliance Support Site, regional compliance calls, and a collection of compliance best practices. The next Quarterly Compliance Forum will be March 1 in Baton Rouge, La.

Regional Entity Trustees: The SPP RE Trustees discussed the Draft 2012-2015 SPP RE Strategic Plan and asked for feedback from members and registered entities through Jan. 1, 2012. The Trustees reviewed the 2011 FERC audit results, which noted SPP has made tremendous progress in ensuring strong separation between the RE and RTO. The audit made recommendations in five areas; all corrective actions should be complete by the end of the year. The Trustees also reviewed the 2011 RE Stakeholder Satisfaction Survey results, which showed improvement in all five major categories over 2009 and 2010. The Trustees heard reports from SPP RE's General Manager, Compliance, and Enforcement groups, along with reports from NERC's Planning, Operating, Critical Infrastructure Protection, and Compliance/Certification committees. SPP RTO staff gave updates on the Underfrequency Load Shedding Regional Standard, potential impacts of the Cross-State Air Pollution Rule, and 2011-2012 Winter Assessment results.

SPP RE held its Fall Workshop in October, which was attended by RTO staff and 156 people from 57 member companies/registered entities. Presentations included a mock audit, NERC's new Compliance Enforcement initiative, mitigation plan milestones, PRC-005, Event Analysis, CIP-005/006, and a keynote address from FERC Commissioner John Norris.

Regional State Committee: The RSC held its annual meeting and elected the following members to serve as officers during the 2012 year: President Olen Reeves, Commissioner of the Arkansas Public Service Commission; Vice-President Tom Wright, Commissioner of the Kansas Corporation Commission; and Secretary/Treasurer Dana Murphy, Chair of the Oklahoma Corporation Commission. The RSC was also briefed on: 1) the efforts following the five RSC motions from the October 2010 meeting, which includes the establishment of the Project Cost Task Force and the Design Best Practices & Performance Criteria Task Force; 2) SPP's Order 1000 Compliance Plan; and 3) the work of the RSC's Seam Cost Allocation consultant.

Regional Tariff Working Group: The RTWG continued its work reviewing the tariff language required for the Integrated Marketplace. The work will continue into November.

Seams Steering Committee: The Seams Cost Allocation Task Force updated the committee on a general approach document that was presented to the SPP Regional State Committee. SPP staff also briefed the SSC on the ongoing Joint Operating Agreement dispute with MISO on market flow calculations. AEP's Richard Ross reported on a face-to-face meeting between MISO and SPP members who are party to the Arkansas Public Service Commission's docket on the Entergy System Agreement. MISO will reconcile the information it received during the meeting and report back to the group.

Strategic Planning Committee: The Committee held its quarterly meeting in Dallas and heard a staff report supporting SPP's conclusions and concerns about the EPA's Cross State Air Pollution Rule, expressed in a letter from Nick Brown to EPA Administrator Lisa Jackson. Staff was tasked to poll members for their compliance plans and to consider such compliance plans into reliability assessments. Staff presented a recap of Order 1000 Regional (RTO) Requirements and the current status of SPP Compliance. Staff also presented Order 1000 white papers (State Siting and Construction Requirements "4th Exception to ROFR"; Transmission Developer Qualifications; and Project Proposal Information Submission Requirements, Project Evaluation, and Project Re-evaluation Criteria). A SPC Task Force was created to further refine the proposals, address some specific

questions, and bring a recommendation to the SPC's January meeting. SPP RE staff presented the RE's draft Strategic Plan for 2012-2015, and feedback was encouraged.

Integrated Marketplace Update

- The Integrated Marketplace program has approved 131 deliverables against a plan of 173, as of early November. Most delayed deliverables are related to Settlements work and are scheduled to be completed by the end of January. Still, the program remains on track to meet its March 1, 2014 implementation date.
- The [draft Open Access Transmission Tariff revisions](#) remain on track to be presented to the Market and Operations Policy Committee in December and the SPP Board of Directors in January. The tariff amendments include replacing Attachment AE and amended many of the other tariff sections, attachments, and schedules. Also included is Attachment AN, the current Balancing Authority Agreement, which is being amended to reflect the change in responsibilities when moving from multiple to a singular balancing authority. The latter tariff was reviewed with the Regional Tariff Working Group November 2-4.
- The Marketplace's Regulatory workstream continues to educate state commissions on the program's benefits and designs, meeting with the Missouri Public Service Commission October 17. The team will continue to assist jurisdictional entities with any required state filings necessary for the Marketplace.
- The Market Working Group has successfully passed 29 Marketplace Protocol Revision Requests (MPRRs) through the approval process, leaving just eight additional MPRRs in various review stages.
- The Change Working Group, working with the Readiness workstream, presented a high-level overview of its initial Mobilization survey to the Market and Operations Policy Committee. The survey achieved a "critical mass" among respondents, with all EIS Market balancing authorities and Transmission Owners and more than 90% of market participants providing data to help set a baseline. A second Mobilization Survey is scheduled to be distributed November 14.
- SPP is sponsoring a [Vendor Trade Show](#) in Dallas November 16 in conjunction with the regular monthly CWG and MWG meetings. A dozen vendors have signed up for the opportunity to showcase market participants their products, expertise, and experience in the electric industry's ever-changing markets.
- The program published its first [Integrated Marketplace Update](#), a monthly e-newsletter summarizing the program's key activities, upcoming milestones, and project team efforts. The newsletter is distributed through the Integrated Marketplace News exploder. To subscribe, visit [SPP's exploder page](#) and select Integrated Marketplace News.

Other Meetings

[Credit Practices Working Group](#)

[Finance Committee](#)

[Human Resources Committee](#)

[Operating Reliability Working Group](#)

November Meetings

November 1 – Consolidated Balancing Authority Steering Committee

November 2-3 – Market Working Group

November 2-3 – Regional State Committee

November 2-3 – System Protection and Control Working Group

November 2-3 – Transmission Working Group

November 2-4 – Regional Tariff Working Group

November 7 – Operations Training Working Group

November 8 – Economic Studies Working Group

November 8 – Model Development Working Group

November 8 – Regional Tariff Working Group

November 9 – Cost Allocation Working Group

November 10 – Business Practices Working Group

November 10 – Economic Studies Working Group
November 10 – Operating Reliability Working Group
November 15 – Seams Steering Committee
November 15-16 – Market Working Group
November 16 – Regional Tariff Working Group
November 17 – Economic Studies Working Group
November 17-18 – Change Working Group
November 29 – Project Cost Working Group

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 [Tom Kleckner](#) in the Communications Department with questions or comments about *The Org Report*.

[SPP Calendar](#)

[The Org Report Back Issues](#)

[SPP Governing Documents](#)