

The Org Report

A monthly summary of organizational group activities.



April 2012

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Highway/Byway Cost Allocation Process Receives Full Support

Five SPP Members have formally submitted their request for voluntary dismissal of their petition with a federal appeals court to review SPP's Highway/Byway Regional Cost Allocation Methodology and Process for funding transmission expansion. The filing means all SPP Members have expressed their confidence in the methodology and process. Read the [full press release](#) and the [motion for voluntary dismissal](#).

Integrated Marketplace Update

- The Integrated Marketplace's program management is evaluating alternatives to change its status from yellow back to green. Program management has identified some areas where it can reduce scope or complexity and remains committed to its March 2014 Go-Live date.
- The Transmission Congestion Rights (TCR) workstream and 37 of 45 eligible market participants (MPs) completed an abbreviated Annual TCR Auction and three rounds of Auction Revenue Rights (ARR) during the Mock Auction's first phase. MPs nominated 28,306 megawatts (MW) of self converts for April and 26,258.4 MW for May, and an additional 7,813.5 and 8,793.1 MW of bids for April and May, respectively. An abbreviated Monthly Auction will be run April 9-12 to determine the awards, and results will be posted April 13 (ending the Mock Auction's first phase). The second mock auction phase will begin April 2, and runs through August 31.
- SPP has set market-registration freeze dates for new Market Participants (MPs) and the market model as part of the Integrated Marketplace's implementation. The market model's freeze period (Aug. 1, 2013-May 31, 2014) will help ensure a stable environment and true comparison of results for the Marketplace's Market Trials, scheduled to begin Jan. 7, 2013, with Connectivity Testing.

March Meeting Summaries

[Business Practices Working Group:](#) The BPWG adopted Regional Tariff Working Group revisions to Business Practice Revision (BPR) 018 – Guideline for Clarifying Application of the SPP Generator Interconnection Procedures. The group also reviewed Tariff Revision Request (TRR) 058 and expressed concerns about interim transmission service during Aggregate Study delays and the change's impact on the allocation of Auction Revenue Rights (ARR) and Transmission Congestion Rights (TCRs). The BPWG will hold a pre-Market and Operations Policy Committee (MOPC) workshop April 10 to discuss improvements to the Aggregate Transmission Service and Generator Interconnection study processes.

[Change Working Group:](#) Sam Ellis, the Integrated Marketplace's program director, briefed the CWG during its regular monthly meeting on the program's recent status change from green to yellow. Ellis said the Marketplace program is currently reprioritizing its work, reviewing its schedule, and adding resources to regain green status. The program towers and some workstreams delivered status reports to the group. The Readiness workstream reported on its metrics development work, noting the term "Critical Mass" has been changed to "Target Mass" to better reflect the intent, and that go/no-go criteria will be drafted and provided to the CWG for review and feedback. Presentations were also made on the Marketplace's Market Trials. Market Trials phases include connectivity testing, structured testing, unstructured testing, parallel operations, and the schedule for delivery of approach documents per phase and the phases themselves. Lastly, a presentation was given to review revisions made to the program's website.

[Consolidated Balancing Authority Steering Committee:](#) The CBASC continued to work on developing the Emergency Operations Plan (EOP), Emergency Procedures, and the Registration Tool options. CBASC members and SPP staff held a joint meeting with the SPP Regional Entity, MRO (Midwest Reliability Organization), SERC, and NERC to discuss registration options, recommendations, and timeline. The committee met for two days to review the EOP draft, and is working to have the plan approved by the end of April. A status report will be presented to MOPC at its April meeting, reviewing the CBASC's progress and issues that still need

to be addressed.

Corporate Governance Committee: The committee initiated the annual process of nominations for the Board of Directors, Regional Entity (RE Trustees) and Members Committee representatives. Corporate Governance will nominate Jim Eckelberger and Harry Skilton to new terms on the Board of Directors, and Dave Christiano to a new term on the RE Trustees. Nominations for the Members Committee will be finalized later this year. The committee also continued its consideration of revisions to SPP's governing documents to address the impact of withdrawal on regional transmission cost allocation.

Cost Allocation Working Group: The CAWG continued to focus on Hub and Spoke and discussed alternative charging methodologies. The group also heard a proposal from the Area Generation Connection Task Force, issued a proposal to the Economic Studies Working Group, heard a presentation on FERC Order 1000 right-of-first-refusal changes, and received updates from five other working groups and task forces.

Economic Studies Working Group: The ESWG met three times to finalize and approve the 2013 Integrated Transmission Planning 20-Year Assessment (ITP20) scope, receive a report concerning the progress of the Metrics Task Force, and provide input into questions for the FERC Order 1000 Task Force. The group approved the 2013 ITP20 scope with considerable consideration regarding the method by which transmission plans will be developed for the study's five "futures". The ESWG approved a mechanism that will consolidate the five plans' projects into one recommended transmission portfolio.

Market Working Group: The MWG met once in Dallas to review current business and the Integrated Marketplace's next steps. Members received updates from SPP's Market Monitoring, Operations, and Regulatory groups, and reviewed presentations on Pre-RTBM/Look Ahead SCED and ERCOT Combined-Cycle Lessons Learned. The group approved one Protocol Revision Request (PRR) and three Marketplace Protocol Revision Requests (MPRRs). There were initial discussions around the formation of a subgroup to set the Mitigated Offer Development Guidelines as related to MPRR 44 (Operating Reserve Offer Mitigation). The MWG also discussed sensitivity information that Market Participants can utilize to better understand results in the mock TCR auction and mock ARR allocation process, and will continue discussions at the April meeting. The topic of Business Continuity was introduced and the need for direction from members on how to address the handling of pricing and settlements in the event there is a problem with the systems. MWG will work through these business continuity scenarios over the next couple of months once staff has returned with a proposal in preparation for Marketplace implementation.

Operating Reliability Working Group: The ORWG reviewed additional Market Protocol Revisions for the MWG and completed the annual review and acceptance of the SPP Regional Black Start Capability Plan and SPP Regional Restoration Plan. The group revised the SPP Reliability Coordinator Reliability Plan to include ITC Great Plains as a new Transmission Operator, and Brazos Electric Cooperative as a new Balancing Authority; both will join SPP later this year. Finally, the ORWG discussed a proposal for additional data requirements from wind farms. Comments and questions were received from the CWG and the forecast vendor. The ongoing data-requirement questions will require further review before submission to MOPC for approval.

Operations Training Working Group: The OTWG discussed the 2013 customer training curriculum's assumptions, including any changes that may be needed to the registration and wait-listing processes. The Integrated Marketplace-related training's first phase (Level 1) is complete, and the second phase (Level 2) is now under design. The proposed curriculum design is currently being reviewed by the specific stakeholders.

Oversight Committee: The Oversight Committee's regular quarterly meeting included updates from Internal Audit, Compliance, and Market Monitoring, and preliminary presentations of the MMU's 2011 Annual State of the Market Report and consultant Boston Pacific's Looking Forward Report. The committee also adopted an MMU independence statement and received an update on the FERC's recent Constellation-Exelon case, which resulted in SPP receiving \$1 million for hardware and software dedicated to enhancing monitoring and analysis of market activities.

Project Cost Working Group: The PCWG completed its work on revisions to the Notification to Construct business practices, approving changes to BPR-028, BPR-029, and BPR-030, as suggested by other working groups. The group developed [a list of known environmental concerns](#) and posted it on SPP.org, along with the current versions of the [Study Estimate Design Guide](#) and [Study Cost Estimate Reporting Template \(SCERT\)](#). The PCWG intends to house these documents' current versions in an easy-to-find location. The group also began discussing improvements to the Quarterly Project Tracking process to address Market and Operations Policy Committee concerns, and developing processes to be used by the PCWG in evaluating project costs under the new business practice. The discussion will continue during the PCWG's April meeting.

Seams Steering Committee: The SSC discussed the upcoming (April 12) FERC Order 1000 Interregional Coordination Meeting, which will be open to all stakeholders and stakeholders from neighboring regions. The meeting will discuss concepts and principles for compliance with the Order 1000 interregional requirements. SPP's Ben Bright updated the committee on the Seams Coast Allocation Task Force's current status. A report will be provided to the SSC and other stakeholder groups on interregional cost allocation. SPP's David Kelley updated the SSC on the Western Area Power Administration (WAPA)-SPP joint operating agreement (JOA) negotiations. WAPA, as administrator of the Integrated System (IS), has an agreement with MISO that expires at the end of April, and would like an executed seams agreement with SPP before the expiration. Oklahoma Gas &

Electric's Jake Langthorn, who chairs the Seams FERC Order 1000 Task Force (SFOTF), updated the SSC on SFOTF concepts for interregional transmission planning. Work will begin on JOA language after the April 12 coordination meeting.

Other Meetings

[Regional Tariff Working Group](#)

[Transmission Working Group](#)

April Meetings

April 5 – Economic Studies Working Group

April 9 – Strategic Planning Committee

April 10-11 – Markets and Operations Policy Committee

April 11 – Seams Steering Committee

April 12 – Consolidated Balancing Authority Steering Committee

April 12 – FERC Order 1000 Interregional Coordination Meeting

April 12 – Human Resources Committee

April 17 – E-RSC Working Group & Stakeholders

April 17 – Finance Committee

April 17-18 – Market Working Group

April 18-19 – Change Working Group

April 19 – Critical Infrastructure Protection Working Group

April 19 – Operating Reliability Working Group

April 23 – Regional Entity Trustees

April 23 – Regional State Committee

April 23-26 – System Operations Conference

April 24 – Board of Directors/Members Committee

April 26 – Business Practices Working Group

April 26 – Operations Training Working Group

May Meetings

May 2 – Cost Allocation Working Group

May 3 – Regional Tariff 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](#)

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