

April 24, 2012

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 Second Street NE
Washington, DC 20426

Re: *Southwest Power Pool, Inc.*, Docket No. ER12-894-____
Refund Report

Dear Secretary Bose:

In accordance with the Federal Energy Regulatory Commission's ("Commission") letter order issued on March 22, 2012,¹ Southwest Power Pool, Inc. ("SPP") submits a refund report.

I. BACKGROUND

On January 25, 2012, in Docket No. ER12-894-000, SPP submitted: (1) an executed Service Agreement for Network Integration Transmission Service ("Service Agreement") between SPP as Transmission Provider and City of Lindsborg, KS ("Lindsborg") as Network Customer ("Second Revised Lindsborg Service Agreement"); and (2) a Network Operating Agreement ("NOA") between SPP as Transmission Provider, Lindsborg as Network Customer and Westar Energy, Inc. ("Westar") as Host Transmission Owner ("Second Revised Lindsborg NOA").² SPP filed the Second Revised Lindsborg Agreements because they include terms and conditions that do not conform to the standard form of service agreements set forth in the SPP Open Access Transmission Tariff ("SPP Tariff").³ As detailed in the January Filing, the Second

¹ *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER12-894-000 (Mar. 22, 2012) ("March Letter Order").

² *See* Submission of Network Integration Transmission Service Agreement and Network Operating Agreement of Southwest Power Pool, Inc., Docket No. ER12-894-000 (Jan. 25, 2012) ("January Filing"). The Second Revised Lindsborg Service Agreement and Second Revised Lindsborg NOA are referred to collectively as the "Second Revised Lindsborg Agreements," and SPP, Lindsborg, and Westar are referred to collectively as the "Parties." The Second Revised Lindsborg Agreements are designated as Second Revised Service Agreement No. 2014.

³ SPP Tariff at Attachment F and Attachment G.

Revised Lindsborg Agreements modify and supersede the Service Agreement and NOA accepted by the Commission on October 13, 2010, in Docket No. ER10-2483-000.⁴ In the January Filing, SPP requested a waiver of the Commission's notice requirements to permit an effective date of December 1, 2011 for the Second Revised Lindsborg Agreements.

In the March Letter Order, the Commission accepted the Second Revised Lindsborg Agreements but denied SPP's request for waiver of the 60-day prior notice requirement.⁵ Instead, the Commission made the Second Revised Lindsborg Agreements effective on March 23, 2012, and required SPP to make time value refunds within 30 days of March 23, 2012 (i.e., the date of the March Letter Order), and directed SPP to file a refund report with the Commission within 30 days thereafter or demonstrate that the time value refunds would result in a loss to SPP.

II. REFUND REPORT

As of the March Letter Order, SPP had not billed Lindsborg based on the new Wholesale Distribution Service Charges identified in the Second Revised Lindsborg Agreements. Although SPP requested a December 1, 2011 date for the Second Revised Lindsborg Agreements, pending a Commission order accepting those agreements, SPP continued to bill Lindsborg the Wholesale Distribution Service Charge contained in the Original Lindsborg Agreements, previously accepted by the Commission in the October Letter Order. As SPP only billed Lindsborg pursuant to a Commission-accepted Original Lindsborg Service Agreement between December 1, 2011 and March 23, 2012, and not pursuant to pending Second Revised Lindsborg Agreements, no refund is necessary. SPP will bill Lindsborg for the new Wholesale Distribution Service Charges effective March 23, 2012.

SPP is serving a copy of this filing on all parties to the service list in this docket, and on all representatives for the parties to the Second Revised Lindsborg Agreements.

Respectfully submitted,

/s/ Tyler R. Brown

Carrie L. Bumgarner

Tyler R. Brown

**Attorneys for Southwest Power
Pool, Inc.**

⁴ *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER10-2483-000 (Oct. 13, 2010) ("October Letter Order"). The agreements accepted in the October Letter Order are referred to collectively as the "Original Lindsborg Agreements" and individually as the "Original Lindsborg Service Agreement" and the "Original Lindsborg NOA."

⁵ *See* March Letter Order.

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, DC, this 24th day of April, 2012.

/s/ Tyler R. Brown
Tyler R. Brown