

The Org Report

A monthly summary of organizational group activities.



May 2012

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SPP 2011 Annual Report, “By Design,” Available

SPP's 2011 Annual Report is now available online. Titled, "By Design: Engineering SPP's Next Era of Growth", the report's theme reflects SPP's thoughtful, deliberate, planned, thorough, and complete approach to helping our members keep the lights on. Read [the report](#) and the [2011 financial statements](#).

Integrated Marketplace Moves to Integration and Testing

- Building and testing mark the next steps in the Integrated Marketplace program, with a formal kickoff scheduled for program staff May 10. A revised management structure will clarify responsibilities, improve communication, and better align roles.
- The Transmission Congestion Rights (TCR) workstream has begun the second phase of its Mock Auction. Forty of the 45 eligible market participants (MPs) have registered – with 30 participating – for this phase, which runs through August 31. The first phase ended April 13, with 31 of 37 registered users participating. More than 70% of first-phase respondents were satisfied with the entire Mock Auction process, according to survey results.
- The Market and Operations Policy Committee approved 20 Marketplace Protocol Revision Requests during its April meeting. The Marketplace protocols have been updated to version 10.0.

April Meeting Summaries

Board of Directors/Members Committee: The Board of Directors/Members Committee's regular quarterly meeting included approval of SPP's annual financial audit and funding for benefits programs, and appointment of Duane Highley (Arkansas Electric Cooperative Corp.) to the Human Resources Committee. The Strategic Planning Committee Task Force addressing FERC Order 1000 and made several recommendations related to SPP's implementation of those requirements. The Market Monitoring Unit presented the 2011 State of the Market Report, which will now be submitted to FERC.

Business Practices Working Group: The BPWG reviewed the next steps for improving the Aggregate Transmission Service and Generator Interconnection study processes. Its next scheduled meeting will be [face-to-face May 15](#) at the AEP-PSO offices in Tulsa, Okla.

Change Working Group: The CWG held an in-depth discussion of the Integrated Marketplace's recent program status change from green to yellow and was briefed on upcoming organizational changes as the program moves from Design into Build and Test. The Readiness and Metrics workstream presented recommended Market Participant Engagement Activity Dates for readiness measurement and demonstrated the online interactive Readiness Dashboard, scheduled to be released before the July Board of Directors/Members Committee meeting. The Windfarm Submission and Project Tracking and Cost Estimation projects also updated the CWG. The group's May meeting will include a focused discussion and review of the next six months' milestones, further details on the Marketplace's organization changes, and updates on the ICCP coordination efforts and from the Market Trials Review Group.

Consolidated Balancing Authority Steering Committee: The CBASC continued its work on the Emergency Operation Plan (EOP); a revision dated April 24, 2012, has been posted to SPP.org under the [CBASC's meeting materials](#). Several meetings were held with SPP Compliance to continue work on the separation of duties and incorporate member feedback. A status report was presented to the Market and Operations Policy Committee April 10 that explained the progress to date, issues being worked, and timeline for approval of the EOP and recommended registration tool.

Cost Allocation Working Group: The CAWG recommended a Hub and Spoke charging methodology to the Regional State Committee, heard recommendations from the Credit Processing Task Force, and presentations on Seams Cost Allocation, Metrics Task Force activities, Order 1000 Interregional Planning, and Order 1000

right-of-first-refusal changes. The group also received updates from six other working groups.

Critical Infrastructure Protection Working Group: The CIPWG conducted a joint meeting with ERCOT's CIPWG in Dallas, allowing SPP CIPWG members to interact with their peers in the neighboring region. Agenda items included a presentation from the Department of Energy and two of its labs (Pacific Northwest National Laboratory and Argonne), presentations from local Department of Homeland Security and FBI agents, and an update from the Electricity Sector Information Sharing and Analysis Center. The group also received an overview of the April 12 release of the Version 5 CIP standards and an update from the NERC CIP Committee.

Economic Studies Working Group: The ESG met twice to discuss the 2012 Policy Survey results, load forecasts for the 2013 Integrated Transmission Planning 20-Year Assessment (ITP20) Combined Policy future, progress of the Metrics Task Force, and received a generation-resource expansion update from staff for the 2013 ITP20. The group spent considerable time discussing the differences between the 2012 Policy Survey's renewable section and previous SPP renewable surveys. Continued discussion is expected during the group's May meeting. The ESG approved a peak load forecast method for the 2013 ITP20 Combined Policy that will result in a peak demand significantly less than that of the Business as Usual future.

Market and Operations Policy Committee: The MOPC began its April meeting with two pre-MOPC sessions to review the progress on the CBA and work on improving the Generation Interconnection and Aggregate Transmission Service Studies processes. A number of Integrated Marketplace revisions were approved to align the market protocols, business practices, and system design. Tariff revisions were approved to average the Schedule 11 rate for through and out, as well as the exclusion of Auction Revenue Rights for Network Integration Transmission Service re-dispatch. SPP staff and the CWG covered the Integrated Marketplace's status and progress, and the Seams Steering Committee reviewed the work on the interregional aspects of Order 1000. The MOPC approved the ITP20 and ITP Near-Term scopes, and also endorsed the Area Generation Connection Task Force's Hub and Spoke policy, sending it on the Regional Tariff Working Group and BPWG for further work.

Generation Working Group: The GWG continues to review its sections of the SPP Criteria in support of the MOPC Criteria Review request to decide where to place sections not fully covered by NERC standards. The group also discussed FERC Commissioner Phillip Moeller's letter concerning coordination of the electric and gas industries, reviewed and commented on a Loss of Load Expectation report, and discussed an SPP member's question concerning resource capability based on the number of hours of run-time per year. The GWG will submit a response to the question and address any areas that need to be strengthened during the MOPC Criteria Review.

Market Working Group: The MWG met in Dallas to review current business and the Integrated Marketplace's next steps. Members received updates from SPP's Market Monitoring Unit, Operations, and Regulatory groups, and reviewed presentations on the program change process and maintaining historical starts. The group prepared a list of topics for discussion at May's joint meeting with the Operating Reliability Working Group. The MWG solicited member feedback on business-continuity scenarios, and will continue to work through these scenarios over the next couple of months.

Operations Training Working Group: The OTWG has begun finalizing the 2013 Customer Training course offerings and topics. The 2013 calendar will again offer a variety of training events, including Instructor Led Training (ILT), Net Conferences, Train-the-Trainers, and Restoration and Emergency Response Drills. The specifics of these training events will be determined over the next few months. The OTWG has approved Integrated Marketplace Level 2 training curriculum, which is currently under development.

Project Cost Working Group: The PCWG reviewed the number of "legacy" projects that would be subject to its review if the new project cost process was applied to projects with Notifications to Construct issued prior to January 1, 2012. The group requested additional information from SPP staff for the next meeting. The PCWG reviewed proposed changes to the quarterly project tracking process and asked members to bring comments to the next meeting. The group also worked on developing a project-review process document and reviewed a producer price index for transmission construction. The members were asked to provide draft language for the document and to bring populated Study Cost Estimate Reporting Templates with example cost estimates for discussion at the next meeting.

Regional State Committee: The RSC held its second quarterly meeting of 2012, voting to not support regionally funding of Hub and Spokes for generation interconnections. The RSC also voted to create a joint task force with SPP members to develop interregional cost allocation proposals for Order 1000 compliance filings. Finally, the RSC was briefed on SPP's efforts to comply with Order 1000 and EPA rules and on the Integrated Marketplace.

SPP Regional Entity: The major topic of discussion was the SPP UFLS (Under-Frequency Load Shedding) Standard. After extensive discussion with attendees, the Trustees elected to defer action until their July 30 meeting, when additional information regarding the status of the NERC UFLS standard may be available. The Trustees expressed the importance of the regional standard to bulk electric system reliability. The Trustees heard updates from the SPP RE Compliance and Enforcement groups and an overview of the 2013 preliminary SPP RE budget. Written reports were provided by staff and representatives from the NERC Planning, Operating, Critical Infrastructure Protection, and Compliance and Certification Committees.

SPP RE General Manager Stacy Dochoda announced she had accepted the position of President and CEO of

the Florida Reliability Coordinating Council. She expressed her gratitude to the staff, Trustees, Directors, members, and stakeholders for their dedication to reliability excellence. The Trustees acknowledged her tremendous contributions to the region and appointed Ron Ciesiel as Acting General Manager, effective May 1 and continuing until they name a permanent replacement.

Strategic Planning Committee: The SPC approved eight recommended policy decisions in the SPC Task Force on Order 1000 Report. They were: Transmission Upgrades for which SPP Should Seek to Retain the Federal ROFR; What Model SPP Should Use to Select Transmission Owners for Projects Without a ROFR; Transmission Owner Qualification Criteria; Changes to SPP's Membership Agreement and OATT; Application of Order 1000 to Future SPP Projects; Consideration of Transmission Needs Driven by Public Policy; Information and Data from Merchant Transmission Developers; and Timeline for Compliance Filing. All but Recommendation 2 (What Model SPP Should Use to Select Transmission Owners for Projects Without a ROFR) passed without opposition. The SPC was also updated on SPP's recently completed Reliability Impact Assessment of EPA's MATS and CSAPR Rules, adopted a recommendation to abandon pursuit of the EPA ITP10 High Priority study, and adopted another recommendation to work with ORWG and MOPC to study the issues surrounding outage coordination associated with the expected 13,000 megawatts of capacity likely to be out of service at any given time during 2013-2015.

Other Meetings

Finance Committee

Human Resources Committee

Operating Reliability Working Group

Seams Steering Committee

May Meetings

May 8 – E-RSC Working Group

May 8 – Model Development Working Group

May 8 – Project Cost Working Group

May 8 – Seams Steering Committee

May 9-10 – Consolidated Balancing Authority Steering Committee

May 9-10 – Transmission Working Group

May 10 – Economic Studies Working Group

May 14 – Operations Training Working Group

May 15 – Business Practices Working Group

May 15-16 – Spring Marketplace Settlements Liaison Conference

May 16-17 – System Protection & Control Working Group

May 21 – Operating Reliability Working Group/Market Working Group Joint Meeting

May 22 – Operating Reliability Working Group

May 22-23 – Market Working Group

May 23-24 – Change Working Group

May 24 – Quarterly Compliance Forum

May 30-31 – Regional Tariff Working Group

June Meetings

June 1 – Generation Working Group

June 4 – Operations Training Working Group

June 4 – Oversight Committee

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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