

August 27, 2012

**VIA ELECTRONIC FILING**

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: *Southwest Power Pool, Inc.*, Docket No. ER12-\_\_\_\_-000  
Revised Schedule 11 Rates for Through and Out Transmission Service

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. 824d (2000) (“FPA”), and Section 35.13 of the Federal Energy Regulatory Commission’s (“Commission”) Regulations, 18 C.F.R. § 35.13 (2011), Southwest Power Pool, Inc. (“SPP”) submits revisions to its Open Access Transmission Tariff (“Tariff”) to revise Schedule 11 to provide the zonal component of through and out rates to be equal to the average rate per megawatt (“MW”) derived from all zonal revenues under Schedule 11. Also within this filing, SPP proposes to revise Schedule 11 to provide clarifying language referencing the Revenue Requirements and Rates File (“RRR File”) that was not incorporated into SPP’s filing in Docket No. ER12-74.<sup>1</sup>

SPP requests an effective date of November 1, 2012 for the proposed Tariff revisions.

**I. BACKGROUND**

SPP is a Commission-approved Regional Transmission Organization (“RTO”).<sup>2</sup> It is an Arkansas non-profit corporation with its principle place of business in Little Rock, Arkansas. SPP has 67 Members, including 14 investor-owned utilities, 11 municipal systems, 12 generation and transmission cooperatives, 4 state authorities, 8 independent power producers, 10 power marketers and 8 independent transmission companies. As an

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<sup>1</sup> *Submission of Revisions to Open Access Transmission Tariff to Incorporate Formulaic Process to Update Transmission Owner Formula Rates*, FERC Docket No. ER12-74-000 (October 13, 2011). See *Sw. Power Pool*, Letter Order (December 5, 2011) wherein the Commission accepted the Tariff revisions proposed in ER12-74-000.

<sup>2</sup> *Southwest Power Pool, Inc.*, 109 FERC ¶ 61,009 (2004), *order on reh’g*, 110 FERC ¶ 61,137 (2005).

RTO, SPP is a transmission provider currently administering transmission service over portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma and Texas serving more than 6 million households in a 370,000 square-mile area. As an RTO, SPP administers open-access transmission services across the SPP region under the terms of the Tariff. SPP plans for and functionally controls the transmission infrastructure committed to it and administers a competitive real-time wholesale electricity marketplace. The transmission facilities used to provide service under the Tariff are comprised of the transmission facilities owned by public utility and non-public utility members of SPP.

The Tariff revisions proposed in this filing are the result of SPP's stakeholder process and were approved by SPP's Board of Directors. At its meeting held April 10-11, 2012, SPP's Markets and Operations Policy Committee ("MOPC") directed SPP's Regional Tariff Working Group ("RTWG") to change the calculation of the Schedule 11 zonal component of through and out rates to be based on the regional average of all the Schedule 11 Zonal Annual Transmission Revenue Requirement(s) ("ATRR"). The Tariff currently determines through and out rates by using the lowest interconnected Schedule 11 zonal rate and results in substantial variability in rates amongst SPP's zonal areas.

Therefore, to avoid this pricing disparity and provide more consistent treatment of transmission service exiting the SPP region, the MOPC approved the methodology whereby SPP would utilize the same method to calculate the through and out transmission charge as used to determine the regional zonal average rate for Schedule 11's regional charge. The RTWG developed revisions to the Tariff's Schedule 11 consistent with the MOPC's directives, and the MOPC approved the RTWG's recommended Tariff revisions at the MOPC's July 17-18, 2012 meetings. SPP's Board of Directors approved the Tariff revisions during its meeting held on July 31, 2012.

## **II. DESCRIPTION AND JUSTIFICATION FOR TARIFF REVISIONS**

In this filing, SPP proposes to revise Section III of the Tariff's Schedule 11. Section III provides the Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service ("PTP"). The following revisions are being proposed for Section III of Schedule 11:

### ***A. Schedule 11, Section III.A***

SPP is proposing to revise Section III.A of Schedule 11 to delete language that provides that for PTP where generation is located within and load located outside of SPP's region and for generation and load both located outside of SPP's region, the transmission customer shall pay the base plan zonal rate of the zone interconnected with the control area external to SPP's region; and where there is more than one interconnected zone, the rate will be determined based on the lowest base plan zonal rate.

Additionally, SPP is proposing to revise Section III.A of Schedule 11 to add the word “Average” to the phrase “Base Plan Zonal Rate” to create the new Tariff term “Base Plan Average Zonal Rate.”<sup>3</sup> The effect of this new term will provide that Transmission Customers will pay the Base Plan Average Zonal Rate per kilowatt of reserved capacity rates for PTP where generation is located within and load located outside of SPP’s region, and for generation and load both located outside of SPP’s region. As previously stated, these Tariff revisions were thoroughly vetted by SPP’s stakeholder process and SPP respectfully requests that the Commission approve the revisions.

SPP is also proposing to include new clarifying language to Section III.A that provides the Base Plan Zonal Rates “and the Base Plan Average Zonal Rate” shall be calculated in accordance with Section III.D (the currently approved language); and new language “and as set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.” The Commission has approved the inclusion of the formulaic process to update the ATRR’s of SPP’s Transmission Owners via the RRR File.<sup>4</sup> Therefore, the addition of a reference to the RRR File in Section III.A provides clarity to the Tariff and appropriately identifies the RRR File as determinant of SPP’s Transmission Owners’ ATRR when calculating the Base Plan Zonal Rate and the Base Plan Average Zonal Rate. As this methodology has been previously accepted by the Commission, the inclusion of language referencing the RRR File is just and reasonable.

***B. Schedule 11, Section III.B***

Under Schedule 11, Section III.B, a Region-wide Charge is assessed to Transmission Customers taking firm and non-firm PTP. In this filing, SPP proposes to revise Schedule 11, Section III.B to include an additional reference that the Region-wide Rate under the Tariff shall be in accordance with Section III.C (the currently approved language) and “and as set forth in the RRR File posted on the SPP website.” As stated previously in Section A, the Commission has approved the use of the RRR File to establish SPP Transmission Owners’ ATRRs and the addition of this language will provide added clarity to the Tariff. SPP requests that the Commission find the additions to this section to be just and reasonable and accept the described Tariff revisions.

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<sup>3</sup> See Section II.D.2 of this filing. The Tariff revisions provided in this filing also include new language that provides a formula to calculate the Base Plan Average Zonal Rate.

<sup>4</sup> See *supra* footnote 1.

### *C. Schedule 11, Section III.C*

#### 1. Schedule 11, Section III.C.1

In this filing, SPP proposes to revise the definition of the Monthly Regional Transmission System Load (“MRTL”) in the formula for the annual Region-wide Rate (“RR”) provided in Schedule 11, Section III.C.1.

Schedule 11, Section III.C.1 provides the formula for determination of the RR for Firm PTP. The RR for Firm PTP is determined by dividing the region-wide Annual Transmission Revenue Requirement as specified in Attachment H (“RATTR”) by “the average of the sum of the monthly regional Transmission System load for the twelve months of the calendar year *on which the rate is based*. The monthly regional Transmission System load is determined in accordance with Section II.B.2” (“MRTL”) (emphasis added).<sup>5</sup>

SPP proposes to revise the definition of MRTL to delete “on which the rate is based” and replace with “prior to the billing year.” The revised definition of MRTL reads:

“MRTL= the average of the sum of the monthly regional Transmission System load for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.B.2.”

The purpose of the revision is to clarify that the load denominators for calculation of Schedule 11 PTP rates are based on the calendar year prior to the year in which those rates are used in billing. This revision is consistent with SPP’s Tariff process wherein SPP uses the sum of the ATRR contained in Attachment H, Table 1, Column 4 and Column 5 less any Balanced Portfolio transfers divided by the regional load. Therefore, the proposed revisions will more accurately describe how MRTL is calculated in the determination of the RR for Firm PTP.

#### 2. Schedule 11, Section III.C.5

SPP proposes to revise Subsection 5 of Section III.C of Schedule 11 to delete a redundancy in the terms. The language of the section uses the both the long version “Revenue Requirements and Rates File” and the shorter acronym “RRR File” to describe the RRR File. Whereas the term “RRR File” is previously identified in Schedule 11, Section III.A as the “Revenue Requirements and Rates File,” the deletion of “Revenue Requirements and Rates File” while maintaining the reference as “RRR File” is consistent with the use of defined terms/acronyms in a document and reduces a redundancy in this section.

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<sup>5</sup> Tariff, Schedule 11 §III.C.1.

***D. Schedule 11, Section III.D***

1. Schedule 11, Section III.D.1

In this filing, SPP proposes to fix a minor grammatical errors and revise the definition of the Monthly Zone Transmission Load (“MZTL”) in the formula for the annual Base Plan Zonal Rate (“BPZR”) provided in Schedule 11, Section III.D.1.

a. *Grammatical Errors*

SPP proposes to fix minor grammatical errors in the introductory paragraph of this section. The “s” is being deleted from “Base Plan Zonal Annual Transmission Revenue Requirements” to make the phrase singular. Likewise, in the same sentence “are” is being replaced with “is” to maintain consistent subject/verb agreement.

b. *Definition of “MZTL”*

Schedule 11, Section III.D.1 provides the formula to determine the BPZR for Firm PTP. The BPZR for Firm PTP is calculated by dividing the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone less any amount reallocated in accordance with Section IV.A of Attachment A (“BPZATRR”) by “the average of the sum of the monthly zone transmission load for the Zone for the twelve months of the calendar year *on which the rate is based*. The monthly zone transmission load is determined in accordance with Section II.A.2” (“MZTL”) (emphasis added).<sup>6</sup>

SPP proposes to revise the definition of MZTL to capitalize the term “zone” throughout the definition and delete “on which the rate is based” and replace with “prior to the billing year.” The revised definition of MZTL reads:

“MZTL= the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly zone transmission load is determined in accordance with Section II.A.2.”

The purpose of the revision is to clarify that the load denominators for calculation of Schedule 11 PTP rates are based on the calendar year prior to the year in which those rates are used in billing. This revision is consistent with SPP’s Tariff process wherein SPP uses the sum of the ATRR contained in Attachment H, Table 1, Column 4 and Column 5 less any Balanced Portfolio transfers divided by the zonal load. Therefore, the proposed revisions will more accurately describe how MZTL is calculated in the determination of the BPZR for Firm PTP.

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<sup>6</sup> Tariff, Schedule 11 §III.D.1.

2. Schedule 11, Section III.D.4

With this filing, SPP proposes to add a new Section 4 to Schedule 11, Section III.D. This new Section 4 will provide the formula for the Base Plan Average Zonal Rate, described above in Section II.A of this filing. The new Tariff language will be as follows:

**4. Base Plan Average Zonal Rate**

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$$\text{BPAZR} = \text{TBPZATRR}/\text{MRTL}$$

in which

BPAZR = the annual Base Plan Average Zonal Rate

TBPZATRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

The addition of the formula to calculate the Base Plan Average Zonal Rate is consistent with the other revisions being requested with this filing and were thoroughly and properly vetted through the SPP stakeholder process.

3. Schedule 11, Section III.D.5 and III.D.6

Whereas the Tariff revisions being requested include a new Section 4 for Schedule 11, Section III.D, SPP proposes to revise previous subsections 4 and 5 of Section III.D and re-number the subsections 5 and 6, respectively. Additionally, SPP proposes to revise new subsection 5 to clarify the charges paid by a Transmission Customer under “this Schedule 11” pursuant to a reservation for hourly delivery shall not exceed the

“applicable” on-peak daily rate multiplied by the factors defined in this section. Similarly, SPP proposes revisions to provide that the total zonal charge “under this Schedule 11” in any week pursuant to a reservation for hourly or daily delivery, shall not exceed the “applicable rate” specified for weekly delivery multiplied by the factors identified in this section.

As stated previously throughout this filing, the revisions requested by SPP are the result of the stakeholder process and were thoroughly vetted by the MOPC and the RTWG and approved by the SPP Board of Directors. The revisions stated herein are necessary to clarify Tariff certain rates calculations under Schedule 11 in conjunction with the implementation of the Balanced Portfolio transfers pursuant to Attachment O. Further, the proposed revisions described herein provide more consistent treatment of transmission service exiting the SPP region whereby SPP would utilize the same method to calculate the through and out transmission charge as used to determine the regional zonal average rate for Schedule 11’s regional charge. For these reasons, SPP respectfully requests the Commission to approve the Tariff revisions included in this filing.

### **III. EFFECTIVE DATES/REQUEST FOR WAIVER**

SPP requests that the Commission accept the proposed revisions to the Tariff to become effective November 1, 2012, which is more than 60 days but less than 120 days after the submission of this filing as required by the Commission.<sup>7</sup>

### **IV. ADDITIONAL INFORMATION**

#### **A. Documents Submitted with this Filing:**

In addition to this transmittal letter, the following documents are included with this filing:

Clean and Redline Tariff revisions under the Sixth Revised Volume No. 1

#### **B. Service:**

SPP has electronically served a copy of this filing on all its Members and Customers. A complete copy of this filing will be posted on the SPP web site, [www.spp.org](http://www.spp.org), and is also being served on all affected state commissions.

#### **C. Requisite Agreement:**

These revisions to the SPP Tariff do not require any contracts or agreements.

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<sup>7</sup> See 18 C.F.R. § 35.3 at (a) (1).

**D. Part 35.13 Cost of Service Support**

To the extent necessary, SPP requests waiver of any provisions of section 35.13 of the Commission's regulations that may be deemed to require cost support in the form of cost-of-service statements for the enclosed revisions. SPP notes that the enclosed revisions impact applicable Commission-approved rates; however, as explained herein, the revisions are being proposed at the request of SPP's Board of Directors and were developed by the stakeholder process.

**E. Communications**

Correspondence and communications with respect to this filing should be sent to, and SPP requests the Secretary to include on the official service list, the following:

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**V. CONCLUSION**

For all of the foregoing reasons, SPP respectfully requests that the Commission accept the Tariff revisions proposed herein as just and reasonable, with the effective date as discussed above.

Respectfully submitted,  
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**SCHEDULE 11**  
**BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE**

**I. Introduction**

Pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

**II. Base Plan Zonal Charges and Region-wide Charge to Resident Load**

**A. Base Plan Zonal Charge to Resident Load**

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

**1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load**

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected

with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

**2. Determination of Transmission Provider's Monthly Zone Transmission Load**

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

**B. Region-wide Charge to Resident Load**

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined by multiplying its Region-wide Load Ratio Share by one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Attachment H.

**1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load**

The Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.A.1.

**2. Determination of Transmission Provider's Monthly Regional Transmission Load**

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.A.2.

**III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service**

**A. Base Plan Zonal Charge for Point-To-Point Transmission Service**

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located

within the SPP Region and for Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity). The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

**B. Region-wide Charge for Point-To-Point Transmission Service**

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

**C. Region-wide Rate for Point-To-Point Transmission Service**

**1. Determination of Annual Region-wide Rate**

The Region-wide Annual Transmission Revenue Requirement specified in Attachment H is the basis for the Region-wide Rate. The annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

$$RR = \text{RATRR}/\text{MRTL}$$

in which

RR = the annual Region-wide Rate

RATRR = the Region-wide Annual Transmission Revenue Requirement as specified in Attachment H

MRTL = the average of the sum of the monthly regional Transmission System load for the twelve months of the calendar year prior to the billing year. The monthly regional Transmission System load is determined in accordance with Section II.B.2.

**2. Region-wide Rate for Firm Point-To-Point Transmission Service**

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per week” Region-wide Rate divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Region-wide Rate; and

Per day “off-peak” = the “per week” Region-wide Rate divided by 7.

**3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service**

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 8760.

**4. Total Region-wide Charge**

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**5. Rate Sheet for Region-wide Point-To-Point Transmission Service  
Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the (“RRR File”) posted on the SPP website.

**Non-Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

**D. Base Plan Zonal Rates for Point-To-Point Transmission Service**

**1. Determination of Annual Base Plan Zonal Rate**

The Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

$$BPZR = \frac{BPZATRR}{MZTL}$$

in which

BPZR = the annual Base Plan Zonal Rate for the Zone

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly Zone transmission load for the Zone for the twelve months of the calendar year prior to the billing year. The monthly Zone transmission load is determined in accordance with Section II.A.2.

**2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service**

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Base Plan Zonal Rate;

Per day “off-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 7.

**3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service**

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

**4. Base Plan Average Zonal Rate**

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$$\text{BPAZR} = \text{TBPZATRR}/\text{MRTL}$$

in which

BPAZR = the annual Base Plan Average Zonal Rate

TBPZATRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in

Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

**5. Total Zonal Base Plan Charge**

The total zonal charge paid by a Transmission Customer under this Schedule 11 pursuant to a reservation for hourly delivery shall not exceed the applicable on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11 in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the applicable rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**6. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service  
Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

**Non-Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

**E. On-Peak and Off-Peak**

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.



**SCHEDULE 11**  
**BASE PLAN ZONAL CHARGE AND REGION-WIDE CHARGE**

**I. Introduction**

Pursuant to Part V of this Tariff, Base Plan Zonal Charges and Region-wide Charges shall be assessed to Network Customers and, where applicable, Transmission Owners based on Resident Load. Likewise, Base Plan Zonal Charges and the Region-wide Charge shall be assessed to each Transmission Customer taking Point-To-Point Transmission Service under the Tariff based on Reserved Capacity. The charges stated in Schedule 11 shall not be changed absent a filing with the Commission.

**II. Base Plan Zonal Charges and Region-wide Charge to Resident Load**

**A. Base Plan Zonal Charge to Resident Load**

The Network Customer and the Transmission Owner shall pay a monthly Base Plan Zonal Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for each Zone in which the Network Customer's or Transmission Owner's Resident Load is physically located. Where a Network Customer has designated Network Load not physically interconnected with the Transmission System under Section 31.3, Network Customer shall pay a monthly Zonal Base Plan Charge, which shall be determined by multiplying its Base Plan Zonal Load Ratio Share by one twelfth (1/12) of the Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J for the Zone that is the basis for charges under Schedule 11.

**1. Determination of Network Customer's and Transmission Owner's Monthly Zonal Resident Load**

The Network Customer's or Transmission Owner's monthly zonal Resident Load is its integrated hourly load coincident with the monthly peak of the Zone where the Resident Load is physically located. Where a Network Customer or Transmission Owner has Resident Load in more than one Zone, the monthly Resident Load will be determined separately for each Zone. Where a Network Customer has designated Network Load not physically interconnected

with the Transmission System under Section 31.3, the Network Customer's monthly Resident Load will be its hourly load coincident with the monthly peak of the Zone that is the basis for charges under Schedule 11.

**2. Determination of Transmission Provider's Monthly Zone Transmission Load**

The Transmission Provider's monthly Transmission System load shall be determined in accordance with Section 34.5 of this Tariff.

**B. Region-wide Charge to Resident Load**

Network Customers and Transmission Owners shall pay a monthly Region-wide Charge, which shall be determined by multiplying its Region-wide Load Ratio Share by one twelfth (1/12) of the Region-wide Annual Transmission Revenue Requirement specified in Attachment H.

**1. Determination of Network Customer's and Transmission Owner's Monthly Regional Resident Load**

The Network Customer's or Transmission Owner's monthly regional Resident Load is the sum of its monthly zonal Resident Load for each Zone, where the monthly zonal Resident Load is determined separately for each Zone coincident with the monthly peak of the Zone in accordance with Section II.A.1.

**2. Determination of Transmission Provider's Monthly Regional Transmission Load**

The Transmission Provider's monthly regional Transmission System load is the sum of the monthly Zone transmission load for each Zone, where the monthly zone transmission load for each Zone is determined on a non-coincident basis in accordance with Section II.A.2.

**III. Base Plan Zonal Charge and Region-wide Charge for Point-To-Point Transmission Service**

**A. Base Plan Zonal Charge for Point-To-Point Transmission Service**

The Base Plan Zonal Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Base Plan Zonal Rate (per kW of Reserved Capacity) based upon the Zone where the load is located for Point-To-Point Transmission Service where the generation source is outside the SPP Region and the load is located

within the SPP Region and for Point-To-Point Transmission Service where both the generation source and the load are located within the SPP Region. For Point-To-Point Transmission Service where the generation source is located within the SPP Region and the load is located outside of the SPP Region, and for Point-To-Point Transmission Service where both the generation source and the load are located outside of the SPP Region, the Transmission Customer shall pay the Base Plan Average Zonal Rate (per kW of Reserved Capacity) ~~for the Zone interconnected with the Control Area, external to the SPP Region, that is the designated Point of Delivery. Where there is more than one Zone interconnected with such Control Area, the lowest Base Plan Zonal Rate of the interconnected Zones is applicable.~~ The Base Plan Zonal Rates and the Base Plan Average Zonal Rate shall be calculated in accordance with Section III.D and set forth in the Revenue Requirements and Rates File (“RRR File”) posted on the SPP website.

**B. Region-wide Charge for Point-To-Point Transmission Service**

The Region-wide Charge shall be assessed to Transmission Customers taking Firm or Non-Firm Point-To-Point Transmission Service under the SPP Tariff. The Transmission Customer shall pay the Region-wide Rate (per kW of Reserved Capacity) for Point-To-Point Transmission Service. The Region-wide Rate shall be calculated in accordance with Section III.C and set forth in the RRR File posted on the SPP website.

**C. Region-wide Rate for Point-To-Point Transmission Service**

**1. Determination of Annual Region-wide Rate**

The Region-wide Annual Transmission Revenue Requirement specified in Attachment H is the basis for the Region-wide Rate. The annual Region-wide Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula:

$$RR = RATTR/MRTL$$

in which

RR = the annual Region-wide Rate

RATTR = the Region-wide Annual Transmission Revenue Requirement as specified in Attachment H

MRTL = the average of the sum of the monthly regional Transmission System load for the twelve months of the calendar year prior to the billing year on which the rate is

~~based.~~—The monthly regional Transmission System load is determined in accordance with Section II.B.2.

**2. Region-wide Rate for Firm Point-To-Point Transmission Service**

The Region-wide Rate for Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per week” Region-wide Rate divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Region-wide Rate; and

Per day “off-peak” = the “per week” Region-wide Rate divided by 7.

**3. Region-wide Rate for Non-Firm Point-To-Point Transmission Service**

The Region-wide Rate for Non-Firm Point-To-Point Transmission Service shall be:

Per month = annual Region-wide Rate divided by 12;

Per week = annual Region-wide Rate divided by 52;

Per day “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Region-wide Rate multiplied by 12 then divided by 8760.

**4. Total Region-wide Charge**

The total Region-wide Charge paid by a Transmission Customer pursuant to a reservation for hourly delivery shall not exceed the above on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total Region-wide Charge in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the above Region-wide Rate specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**5. Rate Sheet for Region-wide Point-To-Point Transmission Service**

### **Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the ~~Revenue Requirements and Rates File~~ (“RRR File”) posted on the SPP website.

### **Non-Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth in the RRR File posted on the SPP website.

## **D. Base Plan Zonal Rates for Point-To-Point Transmission Service**

### **1. Determination of Annual Base Plan Zonal Rate**

The Base Plan Zonal Annual Transmission Revenue Requirements specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J ~~is~~ are the basis for the Base Plan Zonal Rates. The annual Base Plan Zonal Rates for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula for each Zone.

$$\text{BPZR} = \text{BPZATRR} / \text{MZTL}$$

in which

BPZR = the annual Base Plan Zonal Rate for the Zone

BPZATRR = the Base Plan Zonal Annual Transmission Revenue Requirement for the Zone as specified in Attachment H less any amount reallocated in accordance with Section IV.A of Attachment J

MZTL = the average of the sum of the monthly ~~z~~Zone transmission load for the Zone for the twelve months of the calendar year ~~prior to the billing year on which the rate is based.~~ The monthly ~~z~~Zone transmission load is determined in accordance with Section II.A.2.

### **2. Base Plan Zonal Rate for Firm Point-To-Point Transmission Service**

The Base Plan Zonal Rate for Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zonal Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 5; provided that the rate for 5 to 7 consecutive days may not exceed the “per week” Base Plan Zonal Rate;

Per day “off-peak” = the “per week” Base Plan Zonal Rate for the Zone divided by 7.

**3. Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service**

The Base Plan Zonal Rate for Non-Firm Point-To-Point Transmission Service for each Zone shall be:

Per month = annual Base Plan Zone Rate for the Zone divided by 12;

Per week = annual Base Plan Zonal Rate for the Zone divided by 52;

Per day “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 260;

Per day “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 365;

Per hour “on-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 4160; and

Per hour “off-peak” = the “per month” Base Plan Zonal Rate for the Zone multiplied by 12 then divided by 8760.

**4. Base Plan Average Zonal Rate**

The total Base Plan Zonal Annual Transmission Revenue Requirement specified in Attachment H for all Zones less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J is the basis for the Base Plan Average Zonal Rate. The annual Base Plan Average Zonal Rate for Firm Point-To-Point Transmission Service shall be determined in accordance with the following formula.

$$\text{BPAZR} = \frac{\text{TBPZATRR}}{\text{MRTL}}$$

in which

$$\text{BPAZR} = \text{the annual Base Plan Average Zonal Rate}$$

TBPZATTRR = the total Base Plan Zonal Annual Transmission Revenue Requirement for all Zones as specified in Attachment H less the total of all zonal amounts reallocated in accordance with Section IV.A of Attachment J

MRTL = as defined in Section III.C.1

The Base Plan Average Zonal Rates for Firm Point-To-Point Transmission Service and Non-Firm Point-To-Point Transmission Service for each month, week, day on-peak, day off-peak, hour on-peak, and hour off-peak shall be based on the annual Base Plan Average Zonal Rate and calculated consistently with the formulas shown in Sections III.D.2 and III.D.3.

**45. Total Zonal Base Plan Charge**

The total zonal charge paid by a Transmission Customer under this Schedule 11~~for each Zone~~ pursuant to a reservation for hourly delivery shall not exceed the applicable~~above~~ on-peak daily rate multiplied by the highest amount of Reserved Capacity in any hour during such day. The total zonal charge under this Schedule 11~~for each Zone~~ in any week, pursuant to a reservation for hourly or daily delivery, shall not exceed the ~~above Base Plan Zonal Rate~~applicable rate for the Zone specified for weekly delivery multiplied by the highest amount of Reserved Capacity in any hour during such week.

**56. Rate Sheets for Base Plan Zonal Point-To-Point Transmission Service Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth in the RRR File posted on the SPP website.

**Non-Firm Point-To-Point Transmission Service**

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum

of the applicable charges set forth in the RRR File posted on the SPP website.

**E. On-Peak and Off-Peak**

Off-Peak days shall be Saturdays and Sundays and all NERC holidays. All other days shall be On-Peak. All hours during Off-Peak days shall be Off-Peak. On-Peak hours during On-Peak days shall be all hours from HE 0700 through HE 2200 Central Prevailing Time. All other hours during On-Peak days shall be Off-Peak.