

The Org Report

A monthly summary of organizational group activities.



March 2013

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Marketplace Update: March 8 software release key to June 3 Market Trials

- A critical March 8 software release from Alstom could reduce concerns about the Integrated Marketplace's Market Trials beginning as scheduled June 3. Alstom is building the all-important Market System and its Market Clearing Engine (MCE). Two weeks of recent Factory Acceptance Testing at Alstom's headquarters in Redmond, Wash., revealed significant defects and a lack of functionality in the MCE and Market User Interface, and resulted in the Markets workstream being downgraded to red status. Alstom has said it has made substantial progress in addressing the issues; one approach is "just-in-time" functionality deliveries that would keep Market Trials on track.
- SPP made its compliance filing with FERC as scheduled on February 15, meeting one of the regulatory body's requirements for its conditional approval of the Integrated Marketplace. The filing included more than 40 Marketplace Compliance Revision Requests (MCRRs), addressing Marketplace design changes as a result of the FERC's October 18 order. SPP has requested a response from FERC by April 16.
- SPP Customer Training conducted its second Integrated Marketplace Clinic last week in Topeka, Kan. (the first was held at Omaha, Neb., February 4-7). The week-long clinics focus on generation, transmission, and load-serving entities, and the new responsibilities participants will face in the Integrated Marketplace. Future clinics will be held in Amarillo, Texas (March 25-28), Kansas City, Mo. (April 22-25), Columbus, Ohio (May 13-16), and Dallas (June 3-6), all at member sites.

February Meeting Summaries

Business Practices Working Group: The BPWG reviewed proposals from SPP staff and related parties regarding the Aggregate Transmission Service Study (ATSS) and Generator Interconnection Agreement (GIA) process improvements. Revisions to the processes will reduce the current timeframe for granting customers the respective services. Cost-allocation proposals will be reviewed by the Cost Allocation Working Group in March, after which the BPWG will meet to finalize details. Revised ATSS and GIA concepts are scheduled for submission to the Members and Operations Committee (MOPC) in April.

Change Working Group: The CWG discussed the Integrated Marketplace Market System workstream's red status and actions being taken to preserve the June 3 start of Market Trials. Staff said it would notify the group in March upon receipt of a critical third Market System software release and its functionality. Staff also presented a timeline for the Marketplace's Go/No-Go decision making. Finally, Marketplace staff presented the normal monthly updates.

Consolidated Balancing Authority Steering Committee: The CBASC continues to complete work on the Operating Protocols, which help identify areas the legacy Balancing Authorities will have to demonstrate compliance once SPP becomes the Consolidated BA. The committee is also making plans for a select group of member staff to review SPP's readiness to take over the Balancing Authority function in 2014. These activities will help the CBASC fulfill its charter as it was originally constructed – though the CBASC is expected to continue providing technical implementation expertise through the Integrated Marketplace Go Live.

Corporate Governance Committee: The committee continues to address corporate indemnification and withdrawal obligations associated with transmission-expansion costs. A special meeting will be held March 19 to continue consideration of these topics. The committee is recommending Bill Grant (SPS/Xcel) to fill a vacancy on the Strategic Planning Committee. The group also voted to recommend John Meyer to a new term on the SPP RE Trustees and Julian Brix and Phyllis Bernard to new terms on the Board of Directors. All would be considered during elections in October.

Cost Allocation Working Group: The CAWG was updated on the [Open Access Transmission Tariff's](#) Attachment Z2 (Crediting for Upgrades), SPP transmission planning, and the recent Board of Directors and Regional State Committee meetings. The group also appointed a co-chair for the Long-Term Firm Transmission Rights Task Force, took action on Transmission Owner formula rate notices, and heard updates from six other task forces and working groups.

Finance Committee: The Finance Committee is reviewing investment management structures that would result in improved returns to SPP's defined benefit pension plan, with lower volatility of returns. This would reduce the retirement plan's overall cost. The committee approved the rate and terms to extend and increase SPP's revolving line of credit. The committee would also like to have more information comparing assessments of SPP's financial effectiveness and efficiency assessment with other RTOs.

Generation Working Group: The GWG discussed wind generation data to verify SPP Criteria 12.1.5.3.g for accreditation of Wind Resources Capability, and NERC Standards revision impacts on current GWG-owned SPP Criteria. The group also discussed a question regarding NERC Long Term Reliability Assessment accounting of generation resources.

Market Working Group: The MWG focused on two topics: Mitigated Offer Development Guidelines (MPRR 112) and the Long-Term Congestion Rights Task Force (LTCRTF). After an introductory presentation from SPP's Market Mitigation staff, the MWG began a detailed review and discussion of the Mitigated Offer Development Guidelines. That review will continue at the March meeting. The focus on long-term firm congestion rights included an education session by SPP's Market Design and Congestion Hedging staff and approval of the newly formed LTCRTF. The task force's membership will be comprised of MWG, CAWG, Economic Studies Working Group, and Transmission Working Group representatives.

Operations Training Working Group: The OTWG will hold its 2014–2016 [strategic planning session](#) March 21 in Little Rock. The Level 2 Integrated Marketplace Clinics have begun; the first two clinics resulted in full classes and strong reviews. Regional emergency operations training is underway, and the first 2013 System Operations Conference is March 18-21 in Little Rock.

Project Cost Working Group: PCWG Chair Terri Gallup (AEP) updated the group on MOPC's feedback regarding legacy projects, and no changes were made. Staff presented a proposed process to manage interregional projects' cost increases in compliance with FERC Order 1000, and led a review of the Confidentiality Agreement's latest draft. The PCWG approved the changes unanimously, and also approved revisions to Business Practice 7060 and the latest draft of the Project Cost Review Process document. Finally, the group reviewed an illustrative Standardized Cost Estimate Reporting Template (SCERT) and members' potential additions to the Environmental Resource repository.

Regional Compliance Working Group: The RCWG was approved in January as a working group by the Board of Directors and other committees. The group will provide guidance on policy issues related to federal and regional regulatory compliance activities; provide expertise on regional compliance-related membership issues to other working groups; provide a stakeholder forum to encourage membership discussion of regional compliance issues; and provide a means to communicate collective membership input to the appropriate regulatory bodies. RCWG Chair Jennifer Flandermeyer (KCP&L) led a review of SPP bylaws and other formalities during the group's first meeting. A vice chair was to be elected during its March 4 meeting.

Regional Tariff Working Group: The RTWG reviewed proposed tariff revisions concerning determination of credits and distribution of credit revenue in Tariff Revenue Request (TRR) 085. The TRR will ensure revisions are complete before the April Board and MOPC meetings. Staff presented Order 1000 Seams Agreement Tariff proposed revisions in Attachment J, Attachment O, and Section 1.1; Definition I. Staff also briefed the group on the Credit Stack Analysis Update and the Cost Allocation Forecast.

Transmission Working Group: The TWG approved the Transient Stability Task Forces' rotor-angle disturbance requirement and approved the (Attachment) AQ Improvement Task Force (AQITF), charged with improving the [Tariff's](#) Attachment AQ process. Staff updated the group on the Integrated Transmission Plan 20-Year assessment. The TWG also discussed defining reliability problems in the Consolidated Balancing Authority Integrated Transmission Plan Near-Term (ITPNT) Assessment, as well as combining ITPNT activities with NERC activities.

Other Meetings

Credit Practices Working Group

Economic Studies Working Group

Model Development Working Group

Operating Reliability Working Group

Seams Steering Committee

March Meetings

March 5-6 – 2013 SPP RE Spring Compliance Workshop

March 6– Cost Allocation Working Group

March 6-7 – Regional Tariff Working Group

March 6-7 – RTO Spring Compliance Forum
March 7 – Human Resources Committee
March 7 – Business Practices Working Group
March 8 – Consolidated Balancing Authority Steering Committee
March 12—Critical Infrastructure Protection Working Group
March 12-13 – Project Cost Working Group
March 12-13 – Market Working Group
March 14 – Seams Steering Committee
March 14-15 – Change Working Group
March 18-21 – System Operations Conference
March 19 – Corporate Governance Committee
March 19 – Operating Reliability Working Group
March 20-21 – Regional Tariff Working Group
March 21 – Operations Training Working Group
March 21 – Settlement User Group
March 21 – Oversight Committee
March 26 – SPP-MISO Joint Stakeholder Meeting
March 27 – Transmission Working Group
March 27-28 – Regional Tariff Working Group

April Meetings

April 2 – Economic Studies Working Group
April 2 – Seams Steering Committee
April 3 – Cost Allocation 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*.

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