

# The Org Report

A monthly summary of organizational group activities.



April 2013

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## Ross resigns from SPP to pursue public-service opportunity

Mike Ross announced his resignation from SPP April 3 to pursue another opportunity in public service. The former six-term U.S. congressman joined SPP in January as its senior vice president for government affairs and public relations. "I will always be grateful for the time I spent here at SPP with all of you," Ross said in a message to employees.

## Marketplace Update: FERC gives SPP time for Order 755, Market-to-Market

- The Federal Energy Regulatory Commission (FERC) [issued an order](#) March 21 allowing SPP's request for additional time to implement certain terms and conditions of FERC's original conditional approval of the Integrated Marketplace. The FERC order granted SPP's request for rehearing and will allow SPP a year after Go-Live (March 2014) to implement two items: FERC Order 755 (generation resource frequency regulation compensation) and real-time market coordination with Midwest ISO.
- The FERC separately issued a ruling March 29 conditionally accepting SPP's request for a model freeze before the Marketplace's launch. The rule extends the registration deadline for new resource or asset-owning market participants (MPs) from Feb. 1, 2013, to April 15, 2013. Financial-only MPs still have a June 1, 2013 registration deadline.
- The Marketplace program's newly formed Go-Live Team supported staff and MP recommendations to proceed with Phase II of the TCR (Transmission Congestion Rights) Market Trials as scheduled on March 18. The 11-person Go-Live team consists of both SPP and member representatives. It was formed to review analyses and stakeholder input before determining whether the various Market Trials sub-stages and the final Go-Live should move forward.
- A critical third release of the Marketplace's Market System was delivered to SPP as scheduled March 8. Program staff has been installing and putting the system through testing in preparation for Structured Market Trials. Concerns over the system's functionality after the first two releases – particularly with the Market Clearing Engine – caused the program to downgrade the Markets workstream to red in early February.

## March Meeting Summaries

**[Business Practices Working Group:](#)** The BPWG continued its review of the Aggregate Transmission Service Study (ATSS) improvements, Generator Interconnection Agreement (GIA) process improvements, and the Notice To Construct Review Business Practice Revision. These items are slated for presentation at the April Markets and Operations Policy Committee (MOPC) meeting. A pre-MOPC webinar briefed the committee on the ATSS and GIA proposals' finer points. Once approved, work will continue of the requisite tariff language to implement the proposed modifications.

**[Change Working Group:](#)** SPP staff gave the CWG an in-depth update on the Integrated Marketplace's Market Systems progress, including a discussion of the third Markets release. The group also received updates on Market Trials, including the go/no-go criteria for the various sub-stages, and a comprehensive review of all open Marketplace Protocol Revision Requests (MPRRs) and Marketplace Compliance Review Requests. The CWG also discussed embedded entities, with SPP taking an action item to follow up with additional validation steps. Finally, the group reviewed the Marketplace website and requested improvements to its responsiveness.

**[Consolidated Balancing Authority Steering Committee:](#)** The CBASC continued work on its two main priorities for the first half of 2013: the Balancing Authority (BA) Readiness Evaluation exercise and the BA operating protocols support document. The CBASC is assisting SPP staff's review of BA processes and procedures in advance of a late-April test of the SPP BA's overall readiness. The exercise is designed to help SPP better prepare for the Southeastern Electric Reliability Council BA certification this fall. The BA operating protocols will support SPP's compliance as the BA and help identify the members' support for SPP's

demonstrated compliance.

**Corporate Governance Committee:** The committee held a special meeting to continue work on the withdrawal obligations associated with regional transmission cost allocation and the approach to indemnification related to the BA function. The committee voted out recommendations on both issues; they will be reviewed by the MOPC and presented to the Board of Directors for votes. Notice has been issued to SPP membership representatives regarding corresponding changes to the SPP Bylaws and Membership Agreement.

**Credit Practices Working Group:** A CPWG drafting team is determining the appropriate language for the collateral amount and timing of releases of collateral held for financial security. This becomes an issue when a credit holder permanently leaves the Integrated Marketplace. These amounts would cover any resettlements that may occur. The team will also determine if this language belongs in the Tariff or in the business practices.

**Critical Infrastructure Protection Working Group:** The CIPWG met in Topeka, Kan., where it received an update from the Kansas Fusion Center. The group approved the SPP Grid Exercise Task Force's charter, which was presented in December. The SPP Regional Entity's general manager also updated the CIPWG and briefed the group on the last North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection Committee meeting.

**Market Working Group:** The MWG approved MPRR 112 (Mitigated Offer Development Guidelines) and the impact analysis for MPRR 102, which contains the Tariff and protocol changes associated with SPP's Marketplace design for compliance with FERC Order 755. The group also approved three other MPRRs, received an update on embedded entities from the ICCP workstream, and offered guidance on communicating the Marketplace Protocols' versioning process.

**Operating Reliability Working Group:** The ORWG reviewed several MPRRs for the MWG and completed its annual review of the SPP Blackstart Capability Plan. The group discussed a proposal to alter how contingency reserve obligations will be calculated for the Reserve Sharing Group, once existing members transition to Midwest ISO later in 2013. The ORWG elected to move forward with an interim step of proposing to MOPC a change from daily reserve obligations to annual reserve obligations.

**Operations Training Working Group:** The first of five System Operations Conferences (SOC) was held at SPP's Corporate Center and received overwhelmingly positive evaluations. The OTWG began its strategic planning for 2014-2016 and nominated a new chairperson: Denney Fales (KCP&L). SPP Customer Training has completed three Integrated Marketplace Clinics, with three more scheduled through June. The **SPP Learning Center** now has six Marketplace self-studies available, with the newest one dated March 26 and entitled Technology.

**Oversight Committee:** The Oversight Committee previewed the Market Monitoring Unit's Annual State of the Market Report and a Looking Forward Report developed by Boston Pacific at the request of the Board. Both will be presented during the April Board meeting.

**Project Cost Working Group:** The PCWG revisited the confidentiality agreement and the corresponding changes in its charter. The group approved changes to the charter and forwarded them to the Corporate Governance Committee, and will also consider in April a simplified agreement that would not require signatures from the Designated Transmission Owner. The PCWG reviewed the transmission owners' Priority Projects and determined estimated costs have stabilized, now that all projects have at least a medium probability that final costs will fall within +/-20 percent of the latest estimates. The group also reviewed projects under its purview from the second quarterly update, and approved the report to MOPC. The PCWG approved revisions to Business Practice 7050, which provides review of legacy projects above \$20 million and 100 kilovolts. The group considered allowing reduced Standardized Cost Estimate Reporting Templates (SCERTs) for certain projects, but decided to defer a decision until April. Finally, the PCWG approved adding a SCERT checkbox that indicates a project is energized and in service.

**Regional Compliance Working Group:** The RCWG conducted its first face-to-face meeting, electing John Allen (City Utilities of Springfield) as vice chair. The group is working to finalize its strategy document.

**Transmission Working Group:** The TWG approved Business Practice Revision (BPR)-033 (NTC Re-Evaluation Review Business Practice) and the 2013 Integrated Transmission Planning 20-Year Assessment's final reliability-assessment process. The TWG also discussed the 2013 TPL study process and SPP's Transfer Capability Methodology for the Near-term Transmission Planning Horizon used for compliance with NERC FAC-013-2 Standard.

## Other Meetings

**Cost Allocation Working Group**

**Economic Studies Working Group**

**Human Resources Committee**

**Model Development Working Group**

## Regional Tariff Working Group

### Seams Steering Committee

#### **April Meetings**

- April 8 – Operations Training Working Group
- April 9 – Finance Committee
- April 9 – Project Cost Working Group
- April 12 – Generation Working Group
- April 15-18 – System Operations Conference
- April 16-17 – Markets and Operations Policy Committee
- April 18 – Consolidated Balancing Authority Steering Committee
- April 18 – Operations Training Working Group
- April 18 – Settlement User Group
- April 23 – Human Resources Committee
- April 23 – Operating Reliability Working Group
- April 23-24 – Market Working Group
- April 24 – Transmission Working Group
- April 24-25 – Change Working Group
- April 25 – Regional Tariff Working Group
- April 29 – RE Trustees
- April 29 – Regional State Committee
- April 30 – Board of Directors/Members Committee

#### **May Meeting**

- May 1 – Seams Steering Committee

This is a summary of recent SPP organizational group meetings. For more information about a group, please visit [SPP.org](http://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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