



**Southwest Power Pool**  
**BOARD OF DIRECTORS/MEMBERS COMMITTEE MEETING**  
**Teleconference**  
**July 1, 2013**

**- Summary of Action Items -**

1. Approved the Markets and Operations Policy Committee's recommendation that the Board of Directors approve TRR 098 with the addition that SPP Staff first seek a waiver from Order 1000 Interregional Requirements with the Southeastern Regional Transmission Planning Process (SERTP) region.

**Southwest Power Pool**  
**BOARD OF DIRECTORS/MEMBERS COMMITTEE MEETING**  
**Teleconference**  
**July 1, 2013**

**Agenda Item 1 - Administrative Items**

SPP Chair Mr. Jim Eckelberger called the meeting to order at 9:25 a.m. The following Board of Directors/Members Committee members were in attendance or represented by proxy:

Mr. Larry Altenbaumer, director  
Ms. Phyllis Bernard, director  
Mr. Julian Brix, director  
Mr. Nick Brown, director  
Mr. Mike Deggendorf, Kansas City Power and Light  
Mr. Jim Eckelberger, director  
Mr. Kelly Harrison, Westar Energy  
Ms. Cindy Holman, Oklahoma Municipal Power Authority  
Mr. Rob Janssen, Dogwood Energy  
Mr. Paul Malone, proxy for Mr. Tom Kent, Nebraska Public Power District  
Mr. Brett Kruse, Calpine Energy Services  
Mr. Gary Roulet, Western Farmers Electric Cooperative  
Mr. Harry Skilton, director  
Mr. Kevin Smith, Tenaska  
Mr. Stuart Solomon, American Electric Power  
Mr. Noman Williams, Sunflower Electric Power Corporation

Mr. Nick Brown declared a quorum (Proxies - Attachment 1).

**Agenda Item 2 – Markets and Operations Policy Committee Recommendation**

Mr. Jim Eckelberger presented the Markets and Operations Policy Committee (MOPC) recommendation regarding TRR 098 (Attachment 2):

**MOPC recommends the approval of TRR 098 with the addition that SPP Staff first seek a waiver from Order 1000 Interregional Requirements with the Southeastern Regional Transmission Planning Process (SERTP) region.**

**Mr. Harry Skilton moved to approve; Mr. Larry Altenbaumer seconded the motion. During discussion, Mr. Eckelberger asked if the Tariff language would support three items: 1) interregional projects would not be limited to voltage or mileage, 2) cost benefits would be significant/defined, and 3) would not limit the project type to any one category. It was agreed the language would allow for these items. The Members Committee voted in unanimous approval. The Board voted; the motion passed.**

**Adjournment**

With no further business, Mr. Eckelberger thanked everyone for participating and adjourned the meeting at 9:45 a.m.

Stacy Duckett, Corporate Secretary



**Southwest Power Pool  
MARKETS AND OPERATIONS POLICY COMMITTEE  
BOARD OF DIRECTORS/MEMBERS COMMITTEE  
July 1, 2013**

**Teleconference**

**• A G E N D A •**

8:30 a.m. – 10:00 a.m. CDT

**Markets and Operations Policy Committee**

1. Call to Order ..... Rob Janssen
2. Update on MAPP Order 1000 Compliance ..... Dennis Reed (2 minutes)
3. Tariff Changes for Interregional FERC Order 1000 SERTP Compliance .....Dennis Reed (1 hour)
4. Update on Grandfather Agreements and MWG MPRR ..... Richard Ross (15 minutes)

**Board of Directors/Members Committee**

1. Call to Order .....Mr. Jim Eckelberger
2. MOPC Recommendation:  
Tariff Changes for Interregional FERC Order 1000 Compliance .....Mr. Rob Janssen (10 minutes)

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**Subject:** MEETING NOTICE: Order 1000 Interregional Tariff Changes Teleconference 7/1/13

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**From:** Keefover, Sandra K. [<mailto:skkeefo@nppd.com>]

**Sent:** Tuesday, June 04, 2013 10:41 AM

**To:** Cheryl Robertson

**Subject:** RE: MEETING NOTICE: Order 1000 Interregional Tariff Changes Teleconference 7/1/13

Cheryl,

Tom Kent has a schedule conflict and cannot participant in this teleconference, but has asked Paul Malone listen in and represent NPPD. Do you need a proxy letter or will this e-mail be sufficient?

Thanks,

*Sandy Keefover*

Executive Administrative Assistant

Nebraska Public Power District

(402) 563-5201 - Office

(402) 563-5145 - FAX

(402) 942-1204 - Cell

E-mail Address: [skkeefo@nppd.com](mailto:skkeefo@nppd.com)



Southwest Power Pool

SPP BOARD OF DIRECTORS/MEMBERS COMMITTEE TELECONFERENCE

July 1, 2013

ATTENDANCE LIST

<b>Name</b>	<b>System</b>
Larry Altenbaumer	SPP Director
Phyllis Bernard	SPP Director
Julian Brix	SPP Director
Denise Buffington	Kansas City Power & Light
Bruce Cude	Xcel Energy
Tom DeBaun	KCC
Mike Deggendorf	Kansas City Power & Light
Patricia Denny	Kansas City Power & Light
Jim Eckelberger	Kansas City Power & Light
Les Evans	KepCo
Kip Fox	AEP
Steve Gaw	Wind Coalition
Brian Gedrich	Nextera Energy
Matthew Gomes	Nextera Energy
Kelly Harrison	Westar Energy
Matt Harward	SPP
Tom Hestermann	Sunflower
Dave Osburn	OMPA
Cindy Holman	OMPA
Rob Janssen	Dogwood Energy
Paul Johnson	AEP
Davis Kelley	SPP
John Krajewski	NE Power Review Board
Brett Kruse	Calpine
Jake Langthorn	OG&E
William Leung	
Charles Lock	Kansas City Power & Light
Jack Madden	GDS Associates
Paul Malone	NPPD
Charles Marshall	ITC Transco.
Kaye McCarty	SPP
Chris McGeeney	AECI
Adam McKinnie	PSC Missouri
Michael Moffet	Sunflower
John Olsen	Westar Energy
Dennis Reed	Wester Energy
Gary Roulet	Western Farmers
Robert Safuto	CES
Kristine Schmidt	ITC Trancso
Harry Skilton	SPP Director
Kevin Smith	Tenaska

**Name****System**

Stuart Solomon  
Tom Stuchlik  
Michael Swearingen  
Bary Warren  
Michael Wech  
Noman Williams  
Mitch Williams  
Richard Ross  
Bill Dowling  
Cheryl Robertson

AEP  
Westar Energy  
TCEC  
Empire District  
SWPA  
Sunflower  
Western Farmers  
AEP  
Midwest Energy  
SPP



## Tariff Revision Request (TRR)

<b>TRR Number</b>	098	<b>TRR Title</b>	Order 1000- Coordinated Interregional Transmission Planning with SERTP
<b>Cross Reference #</b>	PRR	BRR	Other ( <i>Specify</i> ) _ _____
<b>Sponsor</b>			
<b>Name</b>	Matthew Harward		
<b>E-mail Address</b>	mharward@spp.org		
<b>Company</b>	Southwest Power Pool, Inc.		
<b>Phone Number</b>	501-614-3560		
<b>Date</b>	6/21/2013		
<b>Tariff Section(s) Requiring Revision</b>	Section No.: Attachment O		
<b>Requested Resolution</b>	<input type="checkbox"/> Normal <input checked="" type="checkbox"/> Urgent (provided justification below for urgent request)		
<b>Revision Description</b>	Revisions to the Tariff to comply with the coordinated interregional transmission planning requirements of Order 1000, et al. This Tariff revision contains the interregional coordination process with the Southeastern Regional Transmission Planning ("SERTP") region.		
<b>Reason for Revision</b>	Compliance filing due July 10, 2013		
<b>Stakeholder Approval Required (specify date and record outcome of vote; n/a for those stakeholders not required)</b>	MWG BPWG (n/a) TWG (n/a) ORWG (n/a) Other (specify) (n/a) RTWG- June 21, 2013 Unanimous approval MOPC Board of Directors		
<b>Legal Review Completed</b>	<input checked="" type="checkbox"/> Yes ( <i>Include any comments resulting from the review</i> )  <input type="checkbox"/> No		

## Tariff Revision Request (TRR)

<b>Market Protocol Implications or Changes</b>	<input type="checkbox"/> Yes ( <i>Include a summary of impact and/or specific changes &amp; PRR #</i> )  <input checked="" type="checkbox"/> No
<b>Business Practice Implications or Changes</b>	<input type="checkbox"/> Yes ( <i>Include a summary of impact and/or specific changes &amp; BPR #</i> )  <input checked="" type="checkbox"/> No
<b>Criteria Implications or Changes</b>	<input type="checkbox"/> Yes ( <i>Include a summary of impact and/or specific changes</i> )  <input checked="" type="checkbox"/> No
<b>Other Corporate Documents Implications (i.e., SPP By-Laws, Membership Agreement, etc.)</b>	<input checked="" type="checkbox"/> Yes ( <i>Include which corporate documents</i> ) Order 1000 regional planning filing contained membership agreement revisions which are applicable. Not providing as part of this review. See Order 1000 Regional Planning Compliance Filing  <input type="checkbox"/> No
<b>Credit Implications</b>	<input type="checkbox"/> Yes ( <i>Include a summary of impact and/or specific changes</i> )  <input checked="" type="checkbox"/> No
<b>Impact Analysis Required</b>	<input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No





## **Tariff Revision Request (TRR)**

### **Proposed Tariff Language Revisions (All new language- no redline)**

#### **ADDENDUM 5 TO ATTACHMENT O**

#### **INTERREGIONAL TRANSMISSION COORDINATION BETWEEN THE TRANSMISSION PROVIDER AND THE SOUTHEASTERN REGIONAL TRANSMISSION PLANNING PROCESS**

Pursuant to Section VIII of Attachment O, the Transmission Provider and the public utility transmission providers in the Southeastern Regional Transmission Planning Process (“SERTP”) region shall undertake coordinated interregional transmission planning in accordance with the provisions of this Addendum 5. All terms not otherwise defined herein shall have the definitions assigned in the Tariff.

For purposes of this Addendum 5, the Transmission Provider’s regional transmission planning process is the process described in Attachment O of this Tariff; the SERTP is the process described in the respective Attachment Ks (or comparable tariff sections) of the public utility transmission providers in the SERTP. References to the respective regional transmission planning processes in this Addendum 5 are intended to identify the activities described in those tariff provisions. Unless noted otherwise, Section references in this Addendum 5 refer to Sections within this Addendum 5.



## **Tariff Revision Request (TRR)**

### **INTERREGIONAL TRANSMISSION PLANNING**

#### **1. Coordination**

**1.1 Annual Coordination:** Representatives of the Transmission Provider and the SERTP will meet no less than once per year to facilitate the interregional coordination procedures described below (as applicable). Representatives of the Transmission Provider and the SERTP may meet more frequently to coordinate the evaluation of interregional transmission project(s).

#### **1.2. Data Exchange**

**1.2.1 Annual Data Exchange:** At least annually, the Transmission Provider and the public utility transmission providers in the SERTP shall exchange power-flow models and associated data used in the regional transmission planning processes to develop their respective then-current regional transmission plan(s). The Transmission Provider shall designate a representative for its region and the SERTP sponsors shall designate a representative for the SERTP region to facilitate the annual data exchange. The data exchange will occur when such data is available in each of the regional transmission planning processes, typically during the first calendar quarter. Additional transmission-based models and data used in the development of the respective regional transmission plans will be exchanged between the Transmission Provider and the public utility transmission providers in the SERTP if requested. Data exchanged between the Transmission Provider and the public utility transmission



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providers in the SERTP under this Section 1.2.1 shall be posted on the pertinent regional transmission planning websites consistent with the posting requirements of the respective regional transmission planning processes and is generally considered CEII.

**1.2.2 Exchange of Regional Transmission Plans:** The Transmission Provider's regional transmission plan(s) will be posted on the SPP website<sup>1</sup> pursuant to the Transmission Provider's regional transmission planning process. The Transmission Provider will also notify the SERTP representative of such posting so they may retrieve the transmission plan(s). The public utility transmission providers in the SERTP will exchange the then-current SERTP regional transmission plan(s) in a similar manner according to its regional transmission planning process.

**1.2.3 Confidentiality:** Any CEII and Confidential data disclosed by the Transmission Provider pursuant to this Addendum 5 shall be subject to the provisions of Section VII of Attachment O of this Tariff.

### **1.3. Joint Evaluation**

**1.3.1 Identification of Interregional Transmission Projects:** At least biennially, the Transmission Provider will review the then-current regional transmission plan of the SERTP, and the public utility transmission providers in the SERTP will review the Transmission Provider's then-current regional transmission plan. Such plans include the transmission



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needs of each region as prescribed by each region's planning process. This review shall occur on a mutually agreeable schedule, taking into account each region's regional transmission planning processes timetable. If through this review, the Transmission Provider and the public utility transmission providers, as applicable, in the SERTP identify a potential interregional transmission project that could be more efficient and cost effective than transmission projects included in the respective regional transmission plans, the Transmission Provider and the public utility transmission providers in the SERTP will jointly evaluate the potential transmission project pursuant to Section 1.3.3.

### **1.3.2 Identification of Interregional Transmission Projects by Stakeholders:**

Stakeholders may also propose transmission projects that may be more efficient or cost-effective than transmission projects included in the Transmission Provider's and/or the SERTP's regional transmission plans pursuant to the procedures in each region's regional transmission planning processes or new transmission projects to address interregional transmission needs pursuant to Transmission Provider's and/or the SERTP's regional transmission planning processes. The Transmission Provider and the public utility transmission providers in the SERTP will evaluate interregional transmission projects proposed by stakeholders pursuant to Section 1.3.3.



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### **1.3.3 Evaluation of Interregional Transmission Projects:**

#### **1.3.3.1 Joint Evaluation of Interregional Transmission Projects:** The

Transmission Provider and the public utility transmission providers in the SERTP shall act through their respective regional transmission planning processes to evaluate potential interregional transmission projects and to determine whether the inclusion of any potential interregional transmission projects in each region's regional transmission plan would be more efficient or cost-effective than transmission projects included in the respective then-current regional transmission plans. Initial coordination activities to facilitate such analysis will typically begin during the third calendar quarter. Such analysis shall be consistent with accepted planning practices of the respective regions and the methods utilized to produce each region's respective regional transmission plan(s). To the extent possible, and as needed, information will be coordinated between the Transmission Provider and the public utility transmission providers in the SERTP, including, but not limited to:

- Planning horizons;
- Expected timelines/milestones associated with the joint evaluation;
- Study assumptions and data;
- Models; and
- Criteria



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The Transmission Provider and the public utility transmission providers in the SERTP will exchange status updates for new interregional transmission project proposals or proposals currently under consideration as needed. These status updates will generally include, if applicable: (i) an update of the region's evaluation of the proposal; (ii) the anticipated timeline for future assessments; and (iii) reevaluations related to the proposal.

### **1.3.3.2 Determination of Regional Benefit(s) for Interregional Cost**

**Allocation Purposes:** The Transmission Provider and the SERTP shall evaluate the proposed interregional transmission project that meets the criteria of Section 2 for interregional cost allocation within the respective regions as follows:

- A. Each region, acting through its regional transmission planning process, will evaluate proposals to determine whether the proposed interregional transmission project(s) provides Regional Benefits to its respective region. For purposes of this Addendum 5, "Regional Benefit" shall mean the calculation described in Section 1.3.3.2.B.
- B. Based upon the evaluation made pursuant to 1.3.3.2.A, each region will quantify a Regional Benefit based upon (i) for the Transmission Provider, the Transmission Provider shall calculate the total avoided costs of regional transmission projects that would be displaced if the proposed interregional transmission project was

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included; and (ii) for the SERTP, the SERTP sponsors shall calculate the total avoided costs of transmission projects included in the then-current regional transmission plan that would be displaced if the proposed interregional transmission project was included.

- C. Updated Regional Benefits calculations will be exchanged in a similar manner to the status updates described in Section 1.3.3.1.

In any regional benefit to cost (“BTC”) ratio calculation(s) performed pursuant to the respective regional transmission planning processes, the anticipated allocation of costs of the interregional transmission project to each region shall be based upon the ratio of the region’s Regional Benefit to the sum of the Regional Benefits identified for both SPP and the SERTP.

## **2. Cost Allocation**

### **2.1 Interregional Transmission Projects Proposed for Interregional Cost**

**Allocation Purposes:** For a transmission project to be considered for purposes of interregional cost allocation between the Transmission Provider and the SERTP, the following criteria must be met:

- A. The transmission project must interconnect to the Transmission System and the transmission facilities of one or more SERTP sponsors and meet the qualification criteria for transmission projects potentially eligible to be included in the regional transmission plans for purposes of regional cost



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allocation in accordance with the respective regional transmission planning processes of both the Transmission Provider and the SERTP.

- B. At the request of either planning region, the Transmission Provider and SERTP will consider an interregional transmission project that does not satisfy all of the criteria specified in Section 2.1.A but: (i) provides quantifiable interregional benefits; (ii) would be located in both regions; and (iii) would be interconnected to the transmission facilities of one or more SERTP Sponsors and the transmission facilities of a Transmission Owner in SPP.
- C. The transmission project must be proposed in the Transmission Provider and the SERTP regional planning processes for purposes of cost allocation, as well as any other regions to which the proposed transmission project would interconnect, in accordance with the procedures of the applicable regional transmission planning processes. If the proposed transmission project is being proposed by a transmission developer, the transmission developer must also satisfy all qualification criteria specified in the respective regional transmission planning processes, as applicable.

### **2.2 Inclusion in Regional Transmission Plans for Purposes of Cost Allocation:**

An interregional transmission project proposed for interregional cost allocation purposes in each region will be included in the respective regional transmission plans for purposes of cost allocation after each region has performed all evaluations and the transmission project has obtained all approvals, as prescribed



## **Tariff Revision Request (TRR)**

in the respective regional transmission planning processes, necessary for it to be included in each regional transmission plan for purposes of cost allocation.

**2.3 Allocation of Costs Between the Transmission Provider and the SERTP:** The cost of an interregional transmission project selected for purposes of cost allocation in the regional transmission plans of both the Transmission Provider and the SERTP will be allocated between the regions as follows:

- A. Each region will be allocated a portion of the interregional transmission project's costs in proportion to such region's Regional Benefit to the sum of the Regional Benefits identified for both the Transmission Provider and the SERTP.
  - o The Regional Benefits used for this determination shall be based upon the last Regional Benefit calculation performed – pursuant to the method described in Section 1.3.2 – before each region included the transmission project in its regional transmission plan for purposes of cost allocation and as approved by each region.
  - o Should one region be willing to bear more costs of the interregional transmission project than the costs identified pursuant to the methodology described in this Section 2.3.A, the regions may voluntarily agree, subject to applicable regional approvals, to an alternative cost sharing arrangement.



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### **2.4 Milestones of Required Steps Necessary to Maintain Status as Being Selected**

**for Interregional Cost Allocation Purposes:** Once selected in the respective regional transmission plans for purposes of cost allocation, the Transmission Provider and the SERTP sponsor(s) that will be allocated costs of the transmission project (“beneficiaries”) and the transmission developer must mutually agree upon an acceptable development schedule including milestones by which the necessary steps to develop and construct the transmission project must occur. These milestones may include (to the extent not already accomplished) obtaining all necessary rights-of-way and requisite environmental, state, and other governmental approvals and executing a mutually-agreed upon contract(s) between the transmission developer and the beneficiaries. If the specified milestones are not met, then the Transmission Provider and the SERTP sponsor(s) may remove the transmission project from the selected category in the regional transmission plan for purposes of cost allocation.

### **2.5 Interregional Project Contractual Arrangements:**

The contracts referenced in Section 2.4 will address terms and conditions associated with the development of the proposed transmission project included in the regional transmission plans for purposes of cost allocation, including but not limited to:

- a) Engineering, procurement, construction, maintenance, and operation of the proposed transmission project, including coordination responsibilities of the parties;
- b) Emergency restoration and repair;

## **Tariff Revision Request (TRR)**

- c) The specific financial terms/specific total amounts to be charged by the transmission developer of the transmission project to each beneficiary, as agreed to by the parties;
- d) Creditworthiness/project security requirements;
- e) Milestone reporting, including schedule of projected expenditures;
- f) Reevaluation of the transmission project; and
- g) Non-performance or abandonment.

### **2.6 Removal from Regional Transmission Plans for Purposes of Cost Allocation:**

An interregional transmission project may be removed from the Transmission Provider's or the SERTP's regional transmission plan for purposes of cost allocation (1) if the project is removed from either regions', regional transmission plans pursuant to the requirements of its regional transmission planning process or (2) if the developer fails to meet the developmental milestones established pursuant to Section 2.4.

**2.6.1:** The Transmission Provider and/or the public utility transmission providers in the SERTP will notify the other party if an interregional transmission project or a portion thereof is likely to be removed from its regional transmission plan.

### **3. Transparency**

**3.1** The Transmission Provider and the public utility transmission providers in the SERTP shall host their respective regional websites for communication of information related to coordinated interregional transmission planning procedures.

## **Tariff Revision Request (TRR)**

The regions shall coordinate on the documents and information that is posted on their respective websites to ensure consistency of information. Each regional website shall contain, at a minimum, the following information:

- i. Link to this Addendum;
- ii. Information related to joint meetings, such as links to materials for joint meetings;
- iii. Documents relating to joint evaluations; and
- iv. Procedures for coordination and joint evaluation

**3.2** Access to the data utilized will be made available through the pertinent regional planning websites subject to the requirements in Section 1.2.3. The Transmission Provider will make available, on the SPP website, links to where stakeholders can register (if applicable/available) for SERTP stakeholder committees and distribution lists.

**3.3** The Transmission Provider shall report back to its stakeholders on the status of any interregional activities done under this Addendum 5 including:

- Facilities to be evaluated
- Analysis performed
- Determinations/results

**3.4** Stakeholders will have an opportunity to provide input and feedback related to interregional facilities identified, analysis performed, and any determination/results within the respective regional transmission planning processes. Stakeholders may participate in either or both regions' regional transmission planning processes to provide their input and feedback regarding the interregional coordination activities described in this Addendum 5.



**Tariff Revision Request (TRR)**

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**Proposed Market Protocol Language Revision (Redlined)**

n/a

**Proposed Business Practices Language Revision (Redlined)**

n/a

**Proposed Criteria Language Revision (Redlined)**

n/a

**Revisions to Other Corporate Documents (Redlined)**

n/a