

The Org Report

A monthly summary of organizational group activities.



December 2013

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Marketplace Update: Program conducting Parallel Ops, BA deployment tests

- The Integrated Marketplace program transitioned into the [Parallel Operations](#) sub-stage of Market Trials November 12, following approval from the Marketplace Go-Live Team. Parallel Ops runs through January and includes 15 Integrated Deployment Tests (IDTs), which measure SPP's ability as the Balancing Authority (BA) to dispatch as many as 550 generating resources from the Marketplace's software (the first two IDTs were successfully conducted November 19 and 21). The program concluded the Structured Market Trials sub-stage with Markets and Settlements systems running and supported for five and three full months, respectively; however, time has been set aside for additional Structured and Unstructured testing during Parallel Operations.
- The SPP BA passed a significant milestone November 6 when a [SERC Reliability Corporation \(SERC\)](#) certification team concluded a two-day onsite visit finding no material issues. SPP BA staff demonstrated the systems and tools the balancing coordinators will use. The SERC certification team provided feedback, and interviewed operators who will perform the balancing coordination function and management staff. SPP must provide additional documentation and demonstrate its ability to control generation across the SPP BA footprint before SERC can officially recommend SPP be allowed to register as a BA with NERC.
- SPP has posted the first Auction Revenue Rights (ARR) allocation results and is conducting an interim Transmission Congestion Rights (TCR) auction for the TCR Market, which [became the first Marketplace function to go live](#) October 18. The interim TCR auction concludes December 13. This will allow market participants (MPs) to hold TCRs before any congestion costs are incurred when the Marketplace goes live March 1 (TCRs are used as a financial hedge against congestion in the Day-Ahead Market, allowing MPs to reduce their potential exposure to market-price fluctuations).
- MPs have begun submitting initial data to the Market Monitoring Data Depository, an online tool that will help the [SPP Market Monitoring Unit \(MMU\)](#) keep tabs on the Marketplace and MPs' energy offers. MPs will use the Depository to confidentially submit generator cost, fuel usage, and physical unit capability data. The MMU will use that data to monitor Mitigated Offers into the Marketplace, in accordance with [SPP's Open Access Transmission Tariff](#), Appendix G of the [Integrated Marketplace Protocols](#), and the Mitigated Offer Development Guidelines (mitigated offers capture the incremental cost for generating units to provide energy into the SPP market).
- SPP filed a compliance response November 11 to FERC's [September 20 order](#) that accepted in part and rejected in part a series of earlier compliance filings in the Marketplace docket. The response includes 39 Marketplace Compliance Revision Requests containing proposed Tariff revisions to comply with the FERC order. The regulatory focus now turns to the MPs' Readiness Self-Certification forms – due to SPP Regulatory by December 20 – and a readiness go-live filing December 27.

November Meeting Summaries

[Board of Directors/Members Committee:](#) The Members Committee and SPP Board approved the [Markets and Operations Policy Committee's \(MOPC\) recommendation](#) to have the Market Working Group (MWG) re-examine the need for designated network resources (DNRs) to offer into the Day-Ahead (DA) Market, and approved Marketplace Compliance Revision Request (MCRR) 100 (DA Market & Real-Time Balancing Market-Must Offer Requirement Load Forecasting Error and Deliverability). The committee also approved MCRRs 101-138.

[Change Working Group:](#) The CWG reviewed the Integrated Marketplace's [Parallel Operations](#) schedule and discussed how best to freeze the Settlements system, eventually approving a recommendation for a 30-day core system freeze prior to Go Live on March 1. The group reviewed go-live planning activities, Marketplace test environments, known issues and system defects, and how Integrated Deployment Tests will be tracked. SPP Regulatory staff walked the CWG through the Marketplace Readiness filings and associated timeline. Staff also briefed the group on Marketplace Phase II (post-Go Live enhancements), plans to update the 2010

Strategic Plan, and the October 25 EIS Market system hold and subsequent suspension. The CWG also discussed changes made to Attachment AH and Meter Agent agreements and how to be better informed of future Go-Live discussions and votes.

Consolidated Balancing Authority Steering Committee: The CBASC is awaiting documentation from the SPP Regional Entity and Midwest Reliability Organization identifying the legacy Balancing Authorities' (EIS Market BAs) requirements during the Marketplace's post-Go Live reversion period. The committee is working with the Market Trials Review Group to provide input to the planning guides and cutover plans for the Marketplace's March 1 Go-Live date. The CBASC is also considering options for its long-term viability and how it will move forward after the Marketplace's implementation.

Cost Allocation Working Group: The CAWG discussed the Z2 Crediting Project, the SPP Project Tracking Report, and zonal considerations. The group also heard updates on the New Aggregate Transmission Service Study process, the Regional Cost Allocation Review report, the WAPA/Basin/Heartland study, and seams-related issues and concerns.

Critical Infrastructure Protection Working Group: The CIPWG's GridEx Task Force helped prepare SPP and members' participation in NERC's GridEx II security exercise. The group exchanged participation information at their respective organizations and thoughts on exercise content and upcoming actions. A debrief session was held following the exercise, and a report will be presented during the CIPWG's December meeting.

Markets and Operations Policy Committee: The MOPC conducted a special teleconference to review and approve Open Access Transmission Tariff language proposed by the Regional Tariff Working Group and MWG to meet FERC's compliance order for the Marketplace. The committee discussed a FERC requirement to change day-ahead must-offer requirements. The MOPC approved the change, but directed the MWG to discuss the issues and whether additional changes should be considered.

Market Working Group: The MWG reviewed and approved proposed protocol language conforming to previously approved Tariff language in MCRRs related to FERC's September 20 Marketplace order. Staff also updated the group on the 2010 Strategic Plan and asked for its input in updating the plan.

Model Development Working Group: The MDWG discussed the Powerflow model's build status and proposed a schedule for the 2014 Series Dynamics model build. The group reviewed proposed NERC standards and SPP staff's thoughts on how to meet the standards with revised modeling practices. The MDWG also discussed improvements to the Short Circuit models; a joint meeting with the System Protection and Controls Working Group will be scheduled.

Operations Training Working Group: The OTWG is working on topics and development of the 2014 System Operations Conferences. Registration for 2014 Regional Emergency Operations training has been open since November 13.

Project Cost Working Group: The PCWG approved two revisions to SPP Business Practice (BP) 7060. The first moves all projects issued Notifications to Construct (NTCs) prior to Jan. 1, 2012, under BP 7060's purview (these projects were previously subject to BP 7050's cost-monitoring process). The second revision clarifies the process of issuing NTC modifications for Applicable Projects, or projects with a cost estimate greater than \$20 million and nominal operating voltage greater than 100 kilovolts. SPP staff also presented an overview of a proposed Transmission Owner selection process, scheduled to be implemented in compliance with FERC Order 1000.

Regional Tariff Working Group: Staff updated the RTWG on Frequently Constrained Areas (FCAs) and proposed Tariff revisions in Addendum 1 to Attachment AF, which contains the initial list of Marketplace FCAs. Staff informed the group two compliance changes must be filed in December to meet a FERC order on the Consolidated Balancing Authority filing. The RTWG reviewed and approved protocol revisions in multiple MCRRs. The group also reviewed and approved Business Practice Revision (BPR)-043 (Moving Legacy Projects under BP 7060) and BPR-045 (NTC Modifications for Projects Previously Issued NTC-Cs). Finally, staff presented Transmission Revision Request (TRR) 114, incorporating the Western Area Power Administration as a market participant in the Marketplace.

Seams Steering Committee: The SSC reviewed a proposed TRR – under discussion at the CAWG – that would cost allocate seams projects at the “highway level” regardless of voltage. Staff updated the committee on market-flow discussions with MISO and a Memorandum of Understanding (MOU) between the two regions. The MOU outlines the calculation methodologies for market flow, firm-flow entitlements, and firm-flow limits, but does not address all issues SPP has identified, including compensation for unscheduled flows. The SSC approved a negotiations policy statement that guides staff in negotiating with SPP's neighbors. Two joint stakeholder meetings were announced: the November 22 SPP-MISO joint stakeholder meeting on the Joint Operating Agreement, and the SPP-MISO Interregional Planning Stakeholder Advisory Committee's discussion of the SPP-MISO Coordinated System Plan study.

Strategic Planning Committee: The SPC will update the 2010 Strategic Plan early next year, following the same stakeholder-input process it used to put together the plan. The SPC will reach out to each MOPC working group before January's MOPC meeting, using a presentation that describes the 2010 Strategic Plan and how the groups can help update the plan.

Transmission Working Group: The TWG approved the Regional Review Methodology and discussed integrated-transmission planning improvements, NERC's new TPL-001-3 standard, and the 2014 SPP Strategic Plan. The group also received staff updates on the 2014 Integrated Transmission Plan (ITP) Near-Term Assessment; the 2015 ITP 10-Year Assessment; and NERC-related assessments.

Other Meetings

Business Practices Working Group

Credit Practices Working Group

Economic Studies Working Group

Operating Reliability Working Group

System Protection and Control Working Group

December Meetings

December 6 – Consolidated Balancing Authority Steering Committee

December 6 – Markets and Operations Policy Committee

December 9 – Finance Committee

December 9 – Oversight Committee

December 9 – Transmission Working Group/Economic Studies Working Group

December 10 – Board of Directors/Members Committee

December 10 – Project Cost Working Group

December 12 – Credit Practices Working Group

December 13 – Generation Working Group

December 16 – Settlements User Group

December 16-17 – Regional Tariff Working Group

December 17 – Critical Infrastructure Protection Working Group

December 17-18 – Market Working Group

December 18 – Transmission Working Group

December 18-19 – Change Working Group

December 19 – Business Practices Working Group

December 19 – Economic Studies Working Group

December 19 – Operating Reliability Working Group

December 30 – Business Practices Working Group

January Meetings

January 3 – Regional Tariff Working Group

January 6 – Operations Training 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*.

[SPP Calendar](#)

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