

The Org Report

A monthly summary of organizational group activities.



May 2014

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FERC issues public rulemaking notices to NERC, NAESB

The [Federal Energy Regulatory Commission](#) (FERC) has issued Notice of Public Rulemakings (NOPR) to both wholesale electric standards development organizations SPP participates in. [The North American Electric Reliability Corporation](#) (NERC) was issued a NOPR to file within 90 days a reliability standard ensuring critical substations are sufficiently protected from physical attacks. SPP is participating in the standard's drafting and leading members in review and commenting on the standard in an expedited development process. The NERC board anticipates approval by NERC participants for filing by June 5.

FERC issued a NOPR to the [North American Energy Standards Board](#) (NAESB) to establish new market times for the wholesale gas industry that will make it easier for gas-fueled electric generators to nominate and schedule supplies to meet demand during critical times. SPP has been participating in a special NAESB Gas Electric Harmonization Task Force developing changes to the Wholesale Gas Quadrant standards; they will be filed by November to meet the FERC deadline.

April Meeting Summaries

[Board of Directors/Members Committee:](#) The Board of Directors/Members Committee focused much of its quarterly meeting's discussion on the [High Priority Incremental Load Study](#) (HPILS) process, taking up a multipart staff recommendation with a further amendment by a director. The Markets and Operations Policy Committee (MOPC) discussed the HPILS process during its meeting, but did not pass it. Additional work by staff and further discussion by the Board resulted in a passing vote. The Board approved numerous items on the consent agenda, including the annual financial audit and benefit-plan funding level. The SPP Market Monitoring Unit (MMU) presented the Annual State of the Market Report for 2013 and preliminary data on the Integrated Marketplace's market performance since it went live March 1. Boston Pacific presented its annual Looking Forward Report. Finally, SPP's Cheryl Robertson was recognized for her service; she retired effective May 1.

[Business Practices Working Group:](#) The BPWG focused on waiver-request procedures in the new Aggregate Transmission Service Studies, set to go into effect in 2015. The group also reviewed a new business practice dealing with schedule timing and a Temporary Generator Interconnection update.

[Change Working Group:](#) Integrated Marketplace Project Pinnacle – formally known as [Integrated Marketplace Phase II](#) – leadership updated the CWG on the program and each of its projects. The group discussed the change-notification process, the CWG's Member-Impacting Change Reporting process, and the severity levels of known issues for which member feedback was received. The CWG was also introduced to the opportunity cost calculator that will be added to the MMU's Market Monitoring Data Depository.

[Consolidated Balancing Authority Steering Committee:](#) The CBASC continued to evaluate its long-term status. Its options include remaining intact with a revised scope, folding under the Operating Reliability Working Group as a subcommittee or group, or relinquishing any responsibilities and ceasing to exist. The committee is also primed to formally approve the Balancing Authority operating protocols document, which is essentially the CBASC's last open task.

[Corporate Governance Committee:](#) The committee continued its discussions on revisions to SPP's governing documents that will facilitate the membership of the Integrated Systems (IS) entities (Western Area Power Administration's Upper Great Plains Region, Basin Electric Power Cooperative, and Heartland Consumers Power District).

[Cost Allocation Working Group](#) The CAWG designated Meena Thomas (Public Utility Commission of Texas) as a nonvoting liaison for the ESWG; approved Marketplace Protocol Revision Request (MPRR) 171 (Long-Term Congestion Rights) clarifications; and discussed SPP wind accreditation, Criteria 12. The group also discussed HPILS and IS integration issues.

[Economic Studies Working Group:](#) The ESWG discussed metrics and the 2015 Integrated Transmission

Planning 10-Year Assessment's (ITP10) scope.

Finance Committee: The committee received a report from SPP's external financial auditors on the 2013 financial statements (the auditors issued an unqualified opinion). The FC approved 2014 funding for SPP's pension and post-retirement health care plans; funding for both plans will be less than 2013 levels because of strong investment returns during 2013.

Generation Working Group: The GWG shared its feedback on SPP's strategic plan with the Strategic Planning Committee; approved the GWG Protocols document; and sent new language to MOPC and the Board of Directors on SPP Criteria 12.1.5.3.g for accreditation of wind and solar resources capability. The group is developing a bi-annual report coinciding with the SPP system summer and winter peak-load data; the report would support the GWG's charter responsibilities and assigned SPP criterion. The group is also coordinating with the [Gas Electric Coordination Task Force](#) new unit weatherization language for the SPP Criteria's Section 12.1.

Markets and Operations Policy Committee: The MOPC held major discussion and approved the ITP10 scope and metrics, 13 MPRRs, four tariff-language changes, and three business-practice changes. The MOPC approved a sponsored upgrade for Kansas City Power & Light Company, recommended suspension of Notice to Construct for two facilities, and recommended a novation and an assignment for two facilities. The MOPC also approved a criteria change for the amount of wind that can be counted as capacity. MOPC failed to approve the HPILS recommendation and a tariff change for removing non-network customers' penalties for use of the transmission system in the Integrated Marketplace.

Market Working Group: The MWG approved MPRR180, which contains proposed changes for implementing a Federal Service Exemption carve-out to accommodate the Western Area Power Administration-Upper Great Plains Region's entry into the SPP market. The MMU delivered the 2013 Annual State of the Market report, the final report on SPP's EIS Market. The MMU and SPP Operations also delivered [Integrated Marketplace](#) updates with statistics and observations from the market's first month.

Model Development Working Group: The MDWG finalized the 2014 Series Powerflow and Short Circuit models, and discussed steps to ensure compliance with the new TPL-001-04 requirement R1 standard.

Operations Training Working Group: The OTWG is preparing for the June System Operations Conference in Springfield, Mo. Project Pinnacle training initiatives are continuing to be developed. The group will begin planning for the 2016 budget and course deliverables during the next few months.

Project Cost Working Group: The PCWG reviewed and approved its quarterly report to MOPC. The report did not include any recommendations, as no updated cost estimates for the quarter's applicable projects exceeded established bandwidth thresholds. The group discussed a [Strategic Planning Committee Task Force](#) (SPCTF) for FERC Order 1000 action item evaluating the length of time required for request-for-proposal (RFP) responses in the Transmission Owner Selection Process. The tariff's language requires an RFP response 90 days after it is issued; the PCWG approved a recommendation to the SPCTF extending the RFP-response window to 180 days, allowing RFP responders adequate time to develop a cost estimate accurate within ± 20 percent of the actual cost. The group approved an additional recommendation to the SPCTF considering the implementation of minimum design standards for SPP transmission construction.

Regional State Committee: The RSC was updated on a number of topics including HPILS, the IS' integration into SPP, the Integrated Marketplace, and the Strategic Planning Committee's work on SPP's Strategic Plan.

Regional Entity Trustees: The SPP RE Trustees reviewed the preliminary 2015 business plan and budget; at \$11.9 million, the budget is less than 1 percent higher than 2014's. The complete draft budget will be posted to the SPP.org RE budget folder by May 6; comments or concerns should be sent to Debbie Currie by May 30. The Trustees will review the final budget for approval during their June meeting. The Trustees approved a staff proposal to reimburse travel expenses for regional representatives on North American Electric Reliability Corporation (NERC) standard drafting teams (SDT). The Trustees approved spending up to \$50,000 annually on SDT travel reimbursement; those taking advantage of the program will represent the region (not just their company) and report back on SDT progress to staff and stakeholders. The Trustees heard updates on regional system events, CIP In the News, SPP RE's compliance and enforcement groups, and the NERC System Protection and Control Subcommittee. They also heard a report on the 2014 Summer Reliability Assessment, which found that SPP has sufficient capacity to meet forecasted demand during the 2014 summer assessment period.

Regional Tariff Working Group: The RTWG approved Tariff Revision Request 117 (Delivery Point Addition Process) that will improve the screening-delivery process. The group continued its review of tariff revisions necessary to integrate Western Area Power Administration's Upper Great Plains Region, Basin Electric Power Cooperative, and Heartland Consumers Power District. Staff updated the RTWG on the Z2 Crediting Project.

Seams Steering Committee: The SSC's newly chartered [Seams Projects Task Force](#) reported it would be comprised of stakeholders from the committee, ESWG, RTWG, and Transmission Working Group; the CAWG will have a member participate informally. The committee was briefed on the Operations Reliability Coordination Agreement, which governs the operations between MISO Midwest and MISO South. The SSC reviewed the Federal Energy Regulatory Commission responses on the Section 5.2 dispute; staff gave the committee an

overview of the Interface Price Definition. The SSC accepted the Third Party Impacts Task Force's recommendations on enhancements to SPP's joint-operating agreements coordinating the evaluation of impacts from transmission service studies; these suggested enhancements will be proposed and negotiated with SPP's neighbors. The SSC was also updated on two coordinated system plan studies: SPP-Arkansas Electric Cooperatives, Inc., and MISO-SPP.

System Protection and Control Working Group The SPCWG reviewed a special protection scheme, misoperations statistics, and revisions to a list of recommended changes to the SPP Criteria. The group's review of misoperations data will identify the most common causes and identify measures to reduce a reoccurrence. Recommendations will be formulated and provided to SPP members, thus helping them reduce future misoperation occurrences. The SPCWG is continuing to look at the current practices of updating short-circuit cases as part of the MDWG model-building process.

Other Meetings

Credit Practices Working Group

Operating Reliability Working Group

Transmission Working Group

May Meetings

- May 6 – Seams Steering Committee
- May 8 – Cost Allocation Working Group
- May 8 – Operating Reliability Working Group
- May 8 – Regional Tariff Working Group
- May 13 – Project Cost Working Group
- May 13 – Regional Compliance Working Group
- May 13 – Settlements User Group
- May 14 – Regional Tariff Working Group
- May 15 – Cost Allocation Working Group
- May 16 – Generation Working Group
- May 19 – Business Practices Working Group
- May 20-21 – Market Working Group
- May 20-21 – Transmission Working Group
- May 21-22 – Model Development Working Group
- May 21-22 – Regional Tariff Working Group
- May 22 – Change Working Group
- May 22 – Credit Practices Working Group
- May 22 – Economic Studies Working Group
- May 27 – Regional State Committee
- May 28-29 – System Protection and Control Working Group

June Meetings

- June 2 – Critical Infrastructure Protection Working Group
- June 2 – Operations Training Working Group
- June 3 – Project Cost Working Group
- June 4 – Cost Allocation Working Group
- June 4-5 – Compliance Forum

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](#)

[The Org Report Back Issues](#)

[SPP Governing Documents](#)