

The Org Report

A monthly summary of organizational group activities.



August 2014

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Heartland, Basin receive approval to seek SPP membership

The board of directors for the [Heartland Consumers Power District](#) and the [Basin Electric Power Cooperative](#) have each approved their companies' membership into the Southwest Power Pool, pending necessary approvals. [Heartland said July 14](#) its board has approved a resolution authorizing execution of a membership agreement; [Basin said July 16](#) its board has authorized a similar membership.

Project Pinnacle: Update on six Integrated Marketplace Phase II projects

- SPP has suspended work on [Project Pinnacle's](#) Enhanced Combined Cycle (ECC) project, at the direction of SPP's Board of Directors. SPP staff will prepare a rough cost-benefit analysis and a more formal analysis study scoping document at October's board meeting. Project work to this point will be maintained for possible future use.
- The ECC project is only one of six Project Pinnacle initiatives. A second, Pseudo Tie-Out, went live June 12. Pseudo Tie-Out allows SPP to pay/charge generation and load that have pseudo-tied out of the SPP Balancing Authority for congestion and losses.
- A third project, Environment Build-Out (EBO), is on track to be completed Oct. 3. The EBO will result in four systems environments, all of which have been implemented and are undergoing functional validation. Connectivity testing is scheduled to be conducted Sept. 2-Oct. 3.
- Project Pinnacle's remaining three projects – Market-to-Market, Regulation Compensation, and Long-Term Congestion Rights – are all on schedule and budget. The three projects were all mandated by the Federal Energy Regulatory Commission, which set a March 1, 2015, implementation deadline.

July Meeting Summaries

[Board of Directors/Members Committee:](#) The Board of Directors approved SPP's updated Strategic Plan and reviewed SPP's financial forecast. The Board also voted to suspend work on the Enhanced Combined Cycle (ECC) project, asking SPP staff to provide a rough cost-benefit analysis and a more formal analysis study scoping document at October's board meeting.

[Change Working Group:](#) The CWG discussed [Project Pinnacle's](#) ECC initiative and preliminary approaches to change notification and process changes. The group reviewed SPP's project portfolio and first quarterly member-impacting change report, and was notified the sandbox will be decommissioned Aug. 15. The group was also updated on Project Pinnacle's other initiatives and their status.

[Cost Allocation Working Group:](#) The CAWG conducted follow-up reviews of the Benefits Metrics and SPP's wind accreditation. The group reviewed the SPP Strategic Plan, the New Aggregate Study Process, a draft of the Seams Projects policy paper, and working group reports.

[Economic Studies Working Group:](#) The ESWG finalized its metrics recommendation and worked on the Regional Cost Allocation Review resource plan and the 2015 Integrated Transmission Plan 10-Year Assessment (ITP10) Part 1.

[Finance Committee:](#) The committee met with SPP's retirement funds' investment managers and evaluated their investment results and compliance with SPP's investment directives. The committee reviewed the limits and structure of SPP's director and officer insurance program. Finally, the committee preliminarily reviewed the 2015 SPP administrative-fee forecast and provided input to management on keeping the fee below the current tariff rate cap.

[Generation Working Group:](#) The GWG revised Criteria Revision Request (CRR) 12-Renewable Resource Accreditation to allow members to use more stringent criteria. The group presented CRR 12 to various working groups and the Markets and Operations Policy Committee (MOPC), where it easily passed, and also to the SPP

Board and Regional State Committee. The GWG is developing its GWG Annual Report in support of SPP Criteria Section 12.1, based on feedback received during the CRR review process.

Market Working Group: SPP staff briefed the MWG on manual commitments, load and wind forecasting, quick-start units, over-collected losses, and other areas of the Integrated Marketplace's design and activity. The group was also updated on the July MOPC meeting, the Mitigated Offer Task Force, and the Outage Coordination Sub-Group. Several Marketplace Protocol Provision Requests (MPRRs) were discussed, with six being approved.

Markets and Operations Policy Committee: MOPC's regular quarterly meeting saw major discussions on metrics to be used in the ITP10 effort for 2015 and for recommendations to the [Regional Allocation Review Task Force](#) for use in the Regional Cost Allocation Review; approval of the ITP10 scope; approval of the criteria used to rate the capacity of renewables; approval of a misoperations white paper; impacts of pending Environmental Protection Agency [rules](#); tracking of transmission project costs; and investigation of capacity margin policy. A large consent agenda including tariff and market protocol changes.

Model Development Working Group: The MDWG approved a schedule for the 2015 Series MDWG Powerflow models and discussed ways to improve their timeliness.

Operating Reliability Working Group: The ORWG reviewed MPRRs 188, 190, and 192 for the MWG. The group also reviewed Business Practice Revision 052 for the BPWG.

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 Applicable Projects exceeded any established bandwidth thresholds during the quarter. The group reviewed and approved a staff-proposed process to formally closeout Notification to Construct projects through the Project Tracking process. Staff will draft changes to Business Practice 7060 to incorporate the process requirements. The PCWG was also updated on the Minimum Design Standard Task Force and the Value of Transmission initiative's progress.

Regional Entity Trustees: The Trustees accepted the draft Long-Term Reliability Assessment for submission to [NERC](#); the report found that the SPP reporting area shows modest load growth, sufficient resources, and adequate reserve margins for the 2015-2024 assessment period. The group also heard updates on the NERC Operating Committee, second-quarter system events, the State of Reliability Report, CIP, Enforcement, Compliance, and year-to-date financials.

Regional State Committee: The RSC held a 1 ½-day educational retreat before its quarterly meeting, listening to briefings from members and staff and conducting a Q&A of its choosing. The RSC discussed [FERC Order 1000](#), the [ITP planning process](#), the [Integrated System's](#) integration into SPP, and the [Integrated Marketplace](#).

Seams Steering Committee: The SSC reviewed the Seams Projects Task Force's white paper, which describes the proposed criteria and approval process for a seams project. The committee was also updated on the SPP-MISO Joint Stakeholder Joint Operating Agreement meeting and the ongoing SPP-MISO Coordinated System Plan study's status.

Transmission Working Group: The TWG discussed the 2015 ITP10's Mandated Reliability Benefit Metric and a Criteria Revision Request for Criteria 12.2. Neither item resulted in action.

Other Meetings

[Credit Practices Working Group](#)

[Regional Tariff Working Group](#)

[Strategic Planning Committee](#)

August Meetings

August 6 – Market Working Group

August 7 – Business Practices Working Group

August 7 – Economic Studies Working Group

August 8 – Generation Working Group

August 12 – Cost Allocation Working Group

August 12 – Project Cost Working Group

August 12-13 – Transmission Working Group

August 14 – Model Development Working Group

August 14 – Settlement User Group

August 19-20 – Market Working Group
August 20-21 – Change Working Group
August 21 – Credit Practices Working Group
August 21 – System Protection and Control Working Group
August 26 – Regional Compliance Working Group
August 28 – Regional Tariff Working Group
August 28 – Corporate Governance Committee

September Meetings

September 3 – Cost Allocation Working Group
September 4 – Business Practices Working Group
September 4 – Operating Reliability Working Group
September 8 – 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*.

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