
The Org Report

A monthly summary of organizational group activities.



May 2015

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SPP 2014 Annual Report now available on SPP.org

SPP's 2014 Annual Report is [now available online](#). Titled "Results," the report reflects on a year that included the Integrated Marketplace's successful on-time implementation, the approval of the Integrated System and its entities as new SPP members, and numerous initiatives that added value to our members. "Simply put, 2014 was a remarkable year of results for our organization in numerous ways," write SPP President and CEO Nick Brown and Jim Eckelberger, chairman of the Board of Directors. Read the [full report](#) and the [2014 financial statements](#).

April Meeting Summaries

[Board of Directors/Members Committee:](#) A special membership meeting was held to fill five new seats on the Members Committee and revise bylaws to allow the addition of up to three new external directors. The Board of Directors/Members Committee followed with its regular quarterly meeting, with various committee reports and some discussion on the administrative fee's rate structure. The Board approved Revision Request (RR) 69 (Mitigated Offer Variable Operations and Maintenance Cost Calculation); the 2017 Integrated Transmission Plan (ITP) 10-Year Assessment's futures; and staff's recommendation regarding the Walkemeyer transmission project's reevaluation. The Board rejected Aggregate Study waiver requests and RR 49 (Short-Term Reliability Unit Commitment). The Board also approved Membership Agreement amendments enabling Corn Belt Power Cooperative, East River Electric Cooperative and Northwest Iowa Power Cooperative to join SPP.

[Business Practices Working Group:](#) The BPWG reviewed and approved RR 54 (Business Practice Revision 59-Competitive Upgrade Request for Proposal Issuance), which is driven by [FERC Order 1000](#) and modifies Business Practice 7700. RR 54 was presented for approval to the Markets and Operations Policy Committee (MOPC). David Adamczyk (KCP&L) submitted his resignation; the BPWG is soliciting nominations to fill the position.

[Change Working Group:](#) The CWG discussed the timing of pending Markets and Settlements releases and reviewed MOPC-approved RRs with system impacts. The group was briefed on the Market-to-Market process, the Integrated System integration testing schedule and SPP Training's Marketplace Symposium, to be held later this year with member feedback influencing the content.

[Corporate Governance:](#) The committee unanimously approved amendments to the Membership Agreement that will allow three Basin Electric Power Cooperative entities to join SPP when Basin becomes a full member in October. The three cooperatives are embedded within and integrated into the [Integrated System \(IS\)](#), and their load has already been calculated as a part of Basin's membership.

[Cost Allocation Working Group:](#) The CAWG approved the 2017 ITP10's renewable survey; endorsed staff's recommendation to not approve Western Farmers Electric Cooperative Aggregate Study waiver request; and received an update on the Southeastern Regional Transmission Planning/SPP Order 1000 interregional filing. The group was also updated on the 2017 ITP10 futures, the history of the proposal process for new members' integration into SPP's [Open Access Transmission Tariff](#), SPP's regional compliance assessment of the Environmental Protection Agency's Clean Power Plan, and the [Capacity Margin Task Force](#).

[Finance Committee:](#) The committee asked staff to document a 2016 operating plan for presentation to the Board of Directors in October. The 2016 Operating Plan will detail SPP's operating activities for the 2016 fiscal year and highlight those activities and investments associated with achieving the Strategic Plan's objectives. The committee also discussed opportunities to create a more level and predictable administrative fee, beginning in 2016. Some SPP members have expressed a desire for a level and predictable rate; others have indicated a preference for rates that fluctuate from year to year as SPP's recoverable expenses fluctuate.

[Market Working Group:](#) The MWG approved five RRs, including two clarifications to regulation compensation, a clarification to the net benefits test, an update to the escalation index and an update to the credit policy. The group discussed interface pricing with other balancing authorities; a new method to record MWG action items; load weighting, and pricing. The MWG members reviewed quarterly reports as directed in the protocols.

Markets and Operations Policy Committee: The MOPC approved RR 69 (Mitigated Offer Variable Operations and Maintenance Cost Calculation) and RR 49 (Short-Term Reliability Unit Commitment). The committee approved 2017 ITP10 Futures 1 (Regional CPP Solution), 2 (State-Level CPP Solution) and 3 (No CPP Solution Incorporated) and recommending approval by the Board of Directors. MOPC also approved numerous other revision requests.

Operating Reliability Working Group: The ORWG reviewed multiple RRs concerning changes to Integrated Marketplace protocols and business practices, and transmission operator-outage metrics. The group discussed future revisions to criteria appendices 7 and 12. SPP staff gave the ORWG an educational overview of FERC Order 1000, and regulation performance metrics were reviewed and sent to individual market participants.

Operations Training Working Group: The OTWG met after the tremendously successful System Operations Conference (SOC) hosted by Lafayette Utilities System, and is preparing for May's SOC in Kansas City, Mo. The group's input was requested for the Marketplace Symposium training in the fall. The OTWG has one seat open for nominations through May 8.

Project Cost Working Group: The PCWG reviewed and approved its quarterly report to MOPC; the report included a review of the Renfrow-Medford Tap-Coyote-Chikaskia 138-kV project. The project has a cost estimate below the bandwidth threshold when compared to the established baseline estimate, triggering a project review by the group. The PCWG recommended the cost estimate deviation be accepted as reasonable. The report also included a post-mortem report for eight projects completed since the previous report; the analysis indicates their cost estimate is \$700 million. The PCWG also elected Tom Hestermann (Sunflower Electric Power Corp.) as vice-chairman.

Regional Compliance Working Group: The RCWG completed its annual charter review and will present revisions to MOPC for approval in July. The group has become a secondary reviewer and approver for specified sections of SPP's criteria and tariff in the now-active Revision Request Process; it allocated individual assignments for assigned sections to facilitate an efficient response. The RCWG has created the following task forces and subcommittees to assist in providing targeted expertise in short-term and ongoing working-group priorities: Generation Forecast Data Task Force, SPP Regional Compliance Outreach Program Subcommittee, Revision Requests Task Force, Standards Development Collaboration Subcommittee, and Strategic Plan Initiatives Task Force. The group leads were to meet in late April to discuss scope, process and next steps.

Regional Entity Trustees: The SPP RE Trustees reviewed the preliminary 2016 SPP RE Business Plan and Budget of \$10.3 million, a reduction of \$1.55 million from 2015 (see [Trustee materials item 6](#) for a high-level summary). Comments or concerns on the budget should be sent to [Debbie Currie](#) by May 30. The Trustees also discussed changes to the regional delegation agreement and heard updates on critical infrastructure protection CIP, recent system events, enforcement and compliance activities, the North American Electric Reliability Corporation Planning Committee, the Summer Reliability Assessment, and more.

Regional State Committee: The RSC's quarterly meeting saw the consideration of a request by Western Farmers Electric Cooperative to waive eligibility requirements of tariff's Section III.B.1 of Attachment J related to a request for a new designated wind resource, but voted to deny the request 5-1, with one abstention. The group unanimously approved a [Regional Allocation Review Task Force](#) recommendation to delay the Regional Cost Allocation Review (RCAR) II and use the most recent information in the 2017 ITP 10 models. The RCAR II will be completed by July 2016, a delay also approved by MOPC. The RSC was also updated on the ITP 10-Year Assessment's renewables survey and futures; [SPP's Clean Power Regional Compliance report](#); reevaluation of the Walkemeyer Project; seams matters; and the Integrated Marketplace. The RSC will next meet in a teleconference the week of June 15; its next in-person meeting will be July 27 in Kansas City, Mo.

Seams Steering Committee: The SSC reviewed its charter and then voted to recommend an increase of the group's size from nine members to 13. SPP staff delivered an overview of interregional Order 1000 compliance. SPP will have three upcoming compliance filings: 1. addressing the temporary interregional seam with MAPP; 2. addressing the seam with the Southeastern Interregional Transmission Planning region; and 3. addressing the MISO seam. SPP staff is also developing a Reliability Coordination agreement with [SaskPower](#), who will be SPP's northern neighbor after the IS' integration. The SSC also reviewed the Market-to-Market process with MISO, which went live March 1.

Strategic Planning Committee: The SPC discussed the 2017 ITP10 futures and voted to endorse the Economic Studies Working Group's recommendation to the MOPC and SPC for three futures. The SPC discussed concerns over more robust scenario planning, agreeing to defer to the [Transmission Planning Improvement Task Force](#) in addressing those concerns. The group discussed, but voted against amending the tariff to allow consulting firms to serve as expert panelists in the Order 1000 process. The SPC was also updated by Carl Monroe on new members, and briefed on staff studies related to the EPA's proposed Clean Power Plan.

Other Meetings

Credit Practices Working Group

[Generation Working Group](#)

[Regional Tariff Working Group](#)

May Meetings

May 6 – Project Cost Working Group

May 6-7 – System Protection and Control Working Group

May 7 – Operating Reliability Working Group

May 12 – Cost Allocation Working Group

May 12 – Settlement User Group

May 13 – Balancing Authority Operating Committee

May 13 – Seams Steering Committee

May 15 – Generation Working Group

May 18-21 – System Operations Conference

May 19-20 – Market Working Group

May 19-20 – Transmission Working Group

May 20-21 – Economic Studies Working Group

May 20-21 – Model Development Working Group

May 21 – Change Working Group

May 21 – Credit Practices Working Group

May 21 – Operations Training Working Group

May 27 – Business Practices Working Group

May 28 – Regional Tariff Working Group

June Meetings

June 1 – Regional Compliance Working Group

June 2 – Cost Allocation Working Group

June 3-4 – Operating Reliability Working Group

June 3-4 – Quarterly 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](#)

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