



THE ORG REPORT: APRIL 2016

A monthly summary of organizational group activities.

APRIL 26 BOARD OF DIRECTORS/MEMBERS COMMITTEE MEETING SUMMARY

At the April 26 meeting of [the Board of Directors and Members Committee](#) in Santa Fe:

- The board approved the reduction of SPP's planning reserve margin from 13.6 percent to 12 percent, lowering capacity requirements in SPP by about 900 MW. The reduction is expected to save the organization's load-serving members approximately \$90 million annually, or \$1.4 billion over the next 40 years.
- The board also accepted the recommendation of an industry expert panel (IEP) complying with the Federal Energy Regulatory Commission's (FERC) requirement to remove federal rights of first refusal for certain transmission projects. After scoring 11 competitive proposals, the IEP recommended that Mid-Kansas Electric Company be designated as the transmission owner responsible for construction of the "Walkemeyer" project: an estimated 22.6-mile, 115kV line from Walkemeyer to North Liberal in western Kansas. Oklahoma Gas and Electric was designated as an alternate if Mid-Kansas is unable to construct the project.
- The board approved 86 transmission upgrades representing \$363 million in new engineering and construction costs, pending further evaluation of seven of those projects to assess their ability to optimally meet the region's needs. The upgrades were proposed as part of SPP's 2016 Integrated Transmission Planning Near-Term Assessment to address 262 projected reliability needs on the RTO's transmission system.

[A press release on SPP.org](#) describes these items in greater detail, and full minutes from the meeting are available [on SPP.org in the BOD/MC Meeting Materials folder](#).

REGIONAL ENTITY (RE) TRUSTEES APRIL 25 MEETING SUMMARY

At their April 25 meeting in Santa Fe, the SPP RE Trustees endorsed the 2017 Preliminary SPP RE Business Plan and Budget for submittal to the North American Electric Reliability Corporation (NERC) and posting for comments through the end of May. They also discussed the search to add a



fourth trustee and replace former chairman of the SPP RE Trustees, John Meyer, who resigned in March.

The trustees endorsed the 2016 Summer Reliability Assessment for submittal to NERC. The report found that the SPP assessment area has adequate reserves for the upcoming summer.

The group received updates on the NERC Planning Committee; quarterly system events; and the SPP RE compliance, enforcement and Critical Infrastructure Protection (CIP) groups.

Full minutes from the meeting are available [on SPP.org in the RE Trustee Meeting Materials folder](#)

APRIL MEETING SUMMARIES

BALANCING AUTHORITY OPERATING COMMITTEE (BAOC): APRIL 6

The BAOC completed the review and update of the SPP Balancing Authority Operating Protocols. Updates to SPP's public appeals process are underway, and BAOC members were asked to provide current contact information to assist in the process.

BUSINESS PRACTICES WORKING GROUP (BPWG): APRIL 21

The BPWG met via teleconference to review RR 155 (Potential RCAR Remedies) and RR 88 (Release of Unscheduled Firm Timing Modification). Both will appear as approval items at the BPWG's May meeting.

The May net conference was rescheduled to May 23 to accommodate staff attending the SPP Leadership Conference on May 19.

CHANGE WORKING GROUP: APRIL 21

The CWG discussed the Z2 credit stacking project and upcoming markets, settlements and transmission congestion rights releases along with the new schedule data API and ratings submission tool and updates for RR 113.

The group also received an update on the 2016 Marketplace Symposium, which will be held in Little Rock on Oct. 5-6.

COST ALLOCATION WORKING GROUP (CAWG): APRIL 5

CAWG members unanimously approved the Capacity Margin Task Force's (CMTF) policy proposal as presented.

In preparation for the April 25 Regional State Committee meeting, the CAWG also reviewed the latest drafts of the New Member Cost Allocation Review Process document and the Aggregate Study Waiver Criteria presentation.

The group heard presentations on the Z2 crediting project, the SPP-MISO Interregional Planning Stakeholder Advisory Committee meeting, the SPP-MISO settlement and wind capacity accreditation.

The CAWG received verbal and written reports for a number of other working groups and task forces.

FINANCE COMMITTEE (FC): APRIL 5

The SPP finance committee approved 2016 cash contributions to the pension and post-retirement healthcare plans of \$5.6 million. These contribution levels exceed SPP's 2016 budget by nearly \$1.9 million. The increase in contributions over budget levels resulted from a change in valuation assumptions.

The committee also established a guideline for funding capital expenditures whereby SPP will budget to fund 20 percent of each year's capital expenditures with funds collected from the administrative fee.

GENERATION WORKING GROUP (GWG): APRIL 22

Jeff Rooker of the SPP RE provided the GWG with an update regarding generator testing and MOD-025-2 compliance.

Chris Haley summarized the Capacity Margin Task Force recommendations that were approved at the April Markets and Operations Policy Committee (MOPC) meeting and discussed the group's next steps.

Finally, the GWG briefly discussed FERC's notice of inquiry regarding primary frequency response capability requirements.

MARKET WORKING GROUP (MWG): APRIL 19

The MWG reviewed a presentation for RR 161 (Commitment Level Cost Recovery and MCR Settlement Design Enhancements) and discussed the settlement enhancements.

The group continued their discussion regarding RR 135 (Revision of Physical Withholding Rules).

The MWG approved RR 153 (Offer Database Roll Forward).

They directed staff to draft a revision request for electrically equivalent settlement locations (EESL) that would prevent market participants from submitting transmission congest rights bids at EESLs.

MARKETS AND OPERATIONS POLICY COMMITTEE (MOPC): APRIL 12-13

The MOPC held its quarterly meeting April 12-13 in Santa Fe with 123 in attendance. The group approved 13 revision requests, the 2016 ITPNT assessment and projects, the 2017 ITPNT scope, Z2 Level Payment Plan, the Capacity Margin Task Force's whitepaper package and the Wind Integration's phase I study and phase II scope.

The Transmission Planning Improvement Task Force (TPITF) held an educational session following the regular MOPC meeting to provide an overview of recommendations to improve SPP's transmission planning process.

OPERATING RELIABILITY WORKING GROUP (ORWG): APRIL 7

The ORWG approved a consent agenda including the March 2-3 meeting minutes, RR 148 (Update to Business Practice 2150), RR 149 (Update to Business Practice 6150) and RR 150 (Update to Business Practice 4300).

The ORWG approved RR159 (Alignment of Outage Coordination Methodology), the wind integration study phase two scope and the Synchrophasor Strike Team charter.

The group received reports from the capacity deficiency load shed test and Voltage Task Force and discussed:

- The impact assessment for unit commitments over ICCP instead of XML
- COM-002 (Operator Communications)
- Restoration plan project
- Regulation requirement reductions.

OPERATIONS TRAINING WORKING GROUP (OTWG): APRIL 21

The OTWG discussed reliability and marketplace training. The second System Operations Conference was held April 18-21 in Lafayette, La., with over 45 attendees. The conference was a success and will be offered again May 16-19 in Tulsa.

Preparations for the first partial system restoration drill are underway. The drill will take place June 7 and will be coordinated with the Tennessee Valley Authority (TVA).

Members received reminders regarding:

- Submitting feedback about topics for the Marketplace Symposium
- Submitting comments for proposed PER 006-1 standard
- Upcoming reliability training sessions
- Registering for upcoming marketplace training sessions.

The OTWG continues to seek nominations for a voting member from either the Transmission-owning (TO) or Transmission-using (TU) sector for its remaining open seat.

RELIABILITY COMPLIANCE WORKING GROUP (RCWG): APRIL 18

The RCWG approved 2_MPRR 116 (Settlement Area Tie-Line Meter Data Submittal), RR 159 (Alignment of Outage Coordination Methodology within SPP Operating Criteria) and RR 160 (Generation and Transmission Service in the ITP).

REGIONAL TARIFF WORKING GROUP (RTWG): APRIL 21

The RTWG reviewed and approved tariff revisions in RR 132 (Transmission Dispute Process Amendment).

SPP staff presented an update to the Z2 project, noting that a waiver for implementation of the Z2 project has been filed at FERC. Member onsite verification remains on schedule for late May or early June. It is the intent of the Z2 project team to post the direct assign upgrade costs for network upgrades by the end of April.

TRANSMISSION WORKING GROUP (TWG): APRIL 20

The TWG approved the Steady State TPL-001-4 Assessment Scope and a revised Annual Flowgate Assessment scope. The TWG also endorsed RR2 and the Synchronphasor Strike Team charter and discussed the outcome of the Wind Integration Study NTC acceleration request from the April MOPC meeting.



UPCOMING MEETINGS

To view the current schedule of meetings, [visit the SPP.org Calendar](#).

For more information about an SPP organizational group, [go to SPP.org's Org Groups page](#).

Please [contact Derek Wingfield](#) in the SPP Communications Department with questions or comments about *The Org Report*. Back issues of *The Org Report* are [available here](#).