

Southwest Power Pool
SUPPLY ADEQUACY WORKING GROUP MEETING
September 28-29, 2016
Kansas City Airport Marriott – Kansas City, MO

• Summary of Action Items •

1. Present aggregated Deliverability results to the SAWG
2. Review the format of the Deliverability results at the SAWG
3. Add a workbook to the RAW with questions around Distributed Generation

• Summary of Future Action Items •

4. Staff to bring back prioritized timelines
 - a. For the Charter and Attachment AA
5. Wind and Solar annual report
6. Investigate what other RTOS are doing for cold weather participation (Fuel Supply)
7. Research to find out how many Emergency events since the transmission build out? (Distributed Energy Resource Policy Discussion)

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• M I N U T E S •

The following were in attendance Day 1:

SAWG Members:

Aaron Castleberry	OGE
Adam Graff	Heartland Consumers Power District
Eric Alexander	GRDA
Ernesto Perez	ETEC/TEXLA/NTEC/GDS
Jodi Knutson	WAPA
John Varnell	Tenaska
Jon Iverson	Omaha PPD
Kenny Haley	City Utilities of Springfield, MO
Mitchell Williams	WFEC
Natasha Henderson	Golden Spread Electric Cooperative
Pat McCool	KCPL
Rob Janssen	Dogwood Energy
Scott Bents*	Iowa Utilities Board
Traci Bender	NPPD
Woody Lally	AEP (proxy for Jim Jacoby)
Tom Hestermann	Sunflower

Other meeting attendees:

Steve Ricard	Sunflower	Matt Harward	SPP
John Hare	OGE	Mike Grimes	EDPR
Alex Crawford	SPP	Randy Hughes	Independence Power and Light
Beth Nielsen	SWPA	Randy Root	GRDA
Brian Rounds	AESL	Robert Pick	NPPD
Bryan Taggart	Westar	Roy True	ACES
Chris Bridges	KCPL	Roy True	ACES
Darin Bloomquist	NEGT	Shannon Mickens	SPP
David Binkley	ITC Transco	Shawnee Claiborn-Pinto	Texas
Derek Hawkins	SPP	Steve Gaw	Wind Coalition
English Cook	SPP	Tim Hooker	GRDA
Jason Mazigian	BEPC	Tim Owens	NPPD
Jerry Tielk	MRES	Todd Tarter	Empire
Kevin Kingsley	MDU	Zac Hager	OGE
Lisa Stites	Westar	Marisa Choate	SPP

The following were in attendance Day 2:

SAWG Members:

Aaron Castleberry	OGE
Adam Graff	Heartland Consumers Power District
Eric Alexander	GRDA
Ernesto Perez	ETEC/TEXLA/NTEC/GDS
Jodi Knutson	WAPA
John Varnell	Tenaska
Jon Iverson	Omaha PPD
Kenny Haley	City Utilities of Springfield, MO
Mitchell Williams	WFEC
Natasha Henderson	Golden Spread Electric Cooperative
Pat McCool	KCPL
Rob Janssen	Dogwood Energy
Scott Bents*	Iowa Utilities Board
Jon Sunneberg	NPPD (proxy for Traci Bender)
Woody Lally	AEP (proxy for Jim Jacoby)
Tom Hestermann	Sunflower

Other meeting attendees:

Steve Ricard	Sunflower	Matt Harward	SPP
John Hare	OGE	Mike Grimes	EDPR
Alex Crawford	SPP	Randy Hughes	Independence Power and Light
Beth Nielsen	SWPA	Randy Root	GRDA
Brian Rounds	AESL	Robert Pick	NPPD
Bryan Taggart	Westar	Roy True	ACES
Chris Bridges	KCPL	Roy True	ACES
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Jason Mazigian	BEPC	Tim Owens	NPPD
Jerry Tielk	MRES	Todd Tarter	Empire
Kevin Kingsley	MDU	Zac Hager	OGE
Lisa Stites	Westar	Marisa Choate	SPP

Agenda Item 1 – Administrative Items

SPP Chair Brad Hans (MEAN) called the meeting to order at 8:30 a.m.

Agenda Item 2 – Charter Discussion

Members reviewed the current charter and discussed potential revisions to finalize over the next several months and present at the January 2017 MOPC/BOD cycle.

- (J. Iverson) Use of the word "methodology"--tightening up of the language
 - o Exploration of methodologies but what is the end result...requirements?
 - o Update the charter as the requirements are determined to "maintain requirements" and move away from the "methodology" language
- (J. Hare) Awareness of language and the need to keep it high-level so as not to limit the abilities of the SAWG

Agenda Item 3 – Prioritize the Work Plan

Clear delineation needed between necessities for the "practice year" vs. desires for the future

- Resource accreditation methodology including availability, fuel supply, or any other areas specific to resources
- #5 Application of coincident vs. non-coincident demand
- #5 Load forecasting methodology
- #2 Evaluation of Loss of Load Expectation (LOLE) studies and the planning reserve margin requirements
- #6 Maintaining the Planning Reserve Assurance Policy
- Maintaining the Deliverability Study
 - #4 Discussion regarding Deliverability Study results
- #1 Demand Side Management
- #1 Distributed Generation and emerging technologies
- #3 Explore other RTO/ISO accreditation forecasting (CP vs. NCP application, etc.); also other supply adequacy concepts

Agenda Item 4 – Generation Working Group Transition Items

5 action items to transition

**Supply Adequacy Working Group Materials
September 28-29, 2016****Agenda Item 5 – GECTF Natural Gas Fuel Supply Discussion**

- Issue of gas supply and transportation as it relates to capacity accreditation
- SAWG will take the helm for the firm gas fuel supply discussion
 - o Need is not immediate to take this up for discussion
- Transition by the end of the year

Agenda Item 6 – RR 187 Tariff Language Update

Marisa Choate (SPP) presented RR 187 (Planning Reserve Margin) which implements the four policy whitepapers that were developed by the Capacity Margin Task Force and approved by MOPC and the BOD. Members discussed the usability of the Deliverability Study for 2017 to procure capacity without filed Tariff language. RR 187 will be an approval item for the SAWG and SPP staff anticipates filing the Tariff changes with FERC in February 2017.

Agenda Item 7 – Reliability Standards

Shannon Mickens (SPP) gave an overview of Reliability Standards and their role in the NERC Standards process.

Agenda Item 8 – Distributed Generation Discussion

Brad Hans (MEAN) led a group discussion regarding distributed generation.

Four categories of distributed generation

- Demand Response
- Dispatchable Load Modifying Resource
- Non-Dispatchable Load Modifying Resource
- Behind-the-meter generation less than 10 MW

(W. Lally) What programs are necessary and useful to modify load to preserve reliability?

- Need to take our time and do our due diligence and properly draft practical, identifiable criteria, whether its 5 months or 5 years

(B. Hans) This discussion solidifies that this a gray area and there is a lot of work to be done

(C. Haley) SPP concerns:

- Is your BTM deliverable to all your load or just that one load point?
- Transmission has requirements that differ from the resource adequacy needs
 - Transmission alignment--Y/N?

(C. Haley) Internally, SPP is trying to coordinate better between models

(C. Haley) For the practice year, SPP will proceed business as usual, capture all the programs and how they are being accounted for

Agenda Item 9 – LOLE Software Review

Alex Crawford (SPP) gave a presentation on the current Loss of Load Expectation (LOLE) software, and potential options for new software.

- Do we shift from a nodal methodology to a zonal methodology?
 - Currently the only RTO/ISO using nodal methodology
- Pay for a parallel study to see what adopting a zonal methodology would look like
- (P. McCool) What happens if/when the parallel studies have drastically different results?
Which reserve margin do we use?
 - (C. Haley) Internally, after discussions with potential new software vendor, do not anticipate this situation
- (N. Henderson) Should you be making a software decision based on only one application?
Are there other options to consider that have multiple functionalities and can perform a variety of needed studies?
 - (A. Crawford) SPP is investigating all available options

- (W. Lally) AEP is very supportive of the parallel study effort
- (B. Hans) Closely evaluate the licensing options so that we remain flexible if new options come about

Agenda Item 10 – Open Discussion

Members reviewed action items and discussed future meetings.

Future Meetings

October 26, 2016 (8:30 a.m. – 3:30 p.m.)

Location: AEP Office

Room: 8th Floor

November 29, 2016 (12 p.m. – 5 p.m.)

November 30, 2016 (8 a.m. – 12 p.m.)

Location: AEP Office

Room: 8th Floor

Agenda Item 11 – Adjourn

Brad Hans (MEAN) thanked the group and adjourned the meeting at 12:01 p.m.

Respectfully Submitted,

Chris Haley
Secretary