



1000 Center St.

Little Rock, AR 72201

**Southwest Power Pool
REGIONAL STATE COMMITTEE
Teleconference**

August 16, 2006

• M I N U T E S •

Administrative Items:

Members in attendance or represented by proxy were:

Joyce Davidson, proxy for Denise Bode, Oklahoma Corporation Commission (OCC)
Brian Moline, Kansas Corporation Commission (KCC)
Julie Parsley, Public Utility Commission of Texas (PUCT)
Steve Gaw, Missouri Public Service Commission (MPSC)
Sandra Hochstetter, Arkansas Public Service Commission (APSC)

Others in attendance:

Adrienne Brandt, Public Utility Commission of Texas
Bridget Headrick, Public Utility Commission of Texas
Mike Proctor, Missouri Public Service Commission
Tom DeBaun, Kansas Corporation Commission
Matt Tomc, Kansas Corporation Commission
Tony Ingram, Federal Energy Regulatory Commission
Harry Skilton, SPP Director
Nick Brown, Southwest Power Pool, Inc.
Cheryl Robertson, Southwest Power Pool, Inc.
Lamona Lawrence, Southwest Power Pool, Inc.
Gerrud Wallaert, Southwest Power Pool, Inc.
Kelly Harrison, Westar
Tom Stuchlik, Westar
Steve Owens, Entergy
Rob Gramlich, American Wind Energy Association
Bill Wylie, OG+E
Tim Woolley, Xcel Energy

Vice President Parsley called the teleconference to order at 10:10 a.m. Participants identified themselves and a quorum was declared. Vice President Parsley stated that the purpose of this meeting was to discuss the SPP Fall Technical Conference, including setting a date and the agenda.

Business Meeting:

Commissioner Sandra Hochstetter provided background for the proposed SPP Fall Technical Conference. She stated that at a planning retreat held in Hot Springs, Arkansas in May 2005, a need was recognized to conduct a workshop facilitated by SPP regarding a regional integrated resource plan (IRP). This regional resource planning process would encompass the transmission

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needs and generation requirements over the SPP footprint to determine energy needs. A regional plan would be more effective than plans on an individual state basis and optimize investment costs as well as be a great source of knowledge. Commissioner Hochstetter asked that Nick Brown provide thoughts from SPP and inquired about SPP's modeling tools. Mr. Brown stated that SPP has the modeling capabilities, with some protected by the Tariff for confidentiality while some are not. Modeling tools not available from SPP can be obtained with rather inexpensive software. He also stated that it might be beneficial to compare with other regions' resource plans, noting benefits and impediments. Mr. Brown offered that the Electric Power Research Institute (EPRI) recently held a technical conference, which was executed extremely well and highlighted four areas: 1) Communications Infrastructure, 2) Smart End-Use Devices, 3) Innovative Markets and 4) Innovative regulation and rates. Mr. Brown suggested that it might be beneficial to couple with EPRI in planning and have them present the demand side management and SPP could address the generation/transmission alternatives. Mr. Brown also suggested moving the date from the suggested October 30 or November 3 to later in the year. With the SPP Market Implementation on November 1, it would be difficult to have enough staff available to plan a technical conference and do it justice. It was the consensus of the group to move the date to December 11, the day prior to the SPP Board of Directors meeting on December 12, in Dallas, Texas. Joyce Davidson (OCC) and Sam Loudenslager (APSC) were asked to revise the draft agenda concentrating on items three through six (Attachment). The agenda will be distributed to the committee for review prior to its October 23 meeting.

Dr. Mike Proctor asked the committee for direction as to the Cost Allocation Working Group's (CAWG) next step for economic upgrades. It was agreed that CAWG would develop options to present to the committee by the December SPP Technical Conference.

Scheduling of Next Regular Meeting, Special Meetings or Events:

Vice President Parsley noted that the next regularly scheduled RSC meeting is in Tulsa, Oklahoma on October 23, 2006.

With no further business, the meeting was adjourned.

Respectfully Submitted,

Les Dillahunty