



1000 Center St.

Little Rock, AR 72201

Southwest Power Pool Regional State Committee

**August 16, 2006
10:00 a.m. – 12:00 noon CST**

TELECONFERENCE MEETING

**NUMBER: 517-623-4830
PASSCODE: 64645**

AGENDA

- 1. CALL TO ORDER**
- 2. DECLARATION OF A QUORUM**
- 3. BUSINESS MEETING - ALL ITEMS SUBJECT TO DISCUSSION AND ACTION**
 - a. Report, discussion, and possible action with respect to the items to be discussed at the SPP Fall Technical Conference (see attached agenda)**
 - b. Other**
- 4. ADJOURN**

Notice of Meeting of the Southwest Power Pool Regional State Committee

The Southwest Power Pool (SPP) Regional State Committee (RSC) will hold a public meeting at 10:00 a.m. CST by teleconference on August 16, 2006. The business meeting will involve discussion and possible action as set forth in the attached Agenda. Members who are not able to attend in person should submit a proxy in accordance with the Bylaws.

Persons planning to attend the meeting should register online at least one day prior to the meeting at <http://www.spp.org>.

SPP Technical Conference

Draft

PROPOSED DATES

- October 30
- November 3

PROPOSED LOCATION

- DFW Hyatt: Dallas, TX

PROPOSED AGENDA

I. Regulatory Overview

- FERC/State make-up today vs. terms, vacancies
- SPP Footprint State Issues
- FERC Hot Buttons
 - ERO
 - National Corridors
 - Long Term FTRs
 - RTO
 - ISO
 - ICT
 - Where things might be headed?
- FERC's Market Monitoring Role
- FERC's Interest in RTO Cost Comparison
- Update on the status of the Reliability Entity (RE) approach being proposed for SPP
- Compare SPP with other regional organizations in terms of approach; breadth/scope of regions; seams management; types of investments (i.e., reliability vs. economic investments).
- SPP straw man that could address the conceptual transmission alternative cost and implications of sourcing from alternative DNRs.

Speakers

- Les Dillahunty (SPP)
- SPP FERC Counsel

II. Economist / Analyst

- What are energy prices today? Where might they go?
- Who controls the oil from the international perspective?
- Can we conserve? If so, at what price?
- Evaluation of nuclear and wind options in the SPP footprint
- Is technology or coal gasification going to dramatically change the landscape?
- Is electric utility deregulation static?

- What is the role of rate design? What is its impact on generation and transmission expansion?

Possible Speaker

CRA's Richard Tabors. He is an expert in energy markets both domestic and international, would provide an overview of the status of energy markets in the U.S. and the response of those markets to changing fuel conditions. Dr. Tabors, working with Ellen Wolfe and other CRA staff could also report on the unique characteristics of SPP that affect likely nuclear and wind siting.

III. Transmission Planning & Market Development

- How does SPP compare with other regional organizations in terms of approach? Participant funding?
- Are economic upgrades tested as reliability upgrades in other RTO's?
- Will the complexity of SPP's cost allocation cause us to re-think the approach and move to something that suggests we roll-in all new transmission as a means to address the simplification of the cost structure and the feeling of some that economics and reliability are inseparable and as such paid for in the same manner.
- Does SPP incorporate utility generation plans in their plans for assessing transmission needs? If so, how is this question approached? Do other regions? If so, how?
- What are the prerequisite elements that would need to be in place in order for the RTO to facilitate integrated regional planning (i.e., provide a consultative role to state regulators)?
- Where is SPP in Market Development?
- What are the issues facing those markets, implementation, and uplifts?
- Do we believe that Day 2 is a steady state for a while as these systems are tried, tested, and operated or are there indications of new initiatives?
- Ancillary Services Cost Benefit Study
- Business structures
 - RTO
 - ICT
 - ITC

Speaker

Mark Rossi (Gestalt)

IV. What Studies Don't Tell You

- What is the status of the current SPP Strategic Plan?
- What is the result of SPP's June 2006 Strategic Planning effort?
- What is the status transmission expansion?
- List of projects that are in service and near term projects
- Base Plan Projects Update
- Aggregate Study Results
- CAWG/RTWG/MOPC Tariff evolution
- Resource Adequacy
- Competitive Analysis

Panel

- Les Dillahunty (SPP)
- Jay Caspary (SPP)
- Mike Proctor (Missouri Public Service Commission)

V. Demand Side Management & Generation/Transmission Alternatives

- What does this mean for SPP?
- What is the potential market size for demand response in SPP, particularly what amount of industrial/commercial load could readily participate?
- How can rate design help conserve energy, shave peak load, provide for demand response?
- What does FERC require in demand response markets?

Possible Speaker

Randy Gunn (Summit Blue Consulting, LLC)

VI. Next Steps

- How does this fit together into the evolution of SPP and its members?

Possible Speaker

Gerrud Wallaert (SPP)