



**Southwest Power Pool, Inc.
OPERATING RELIABILITY WORKING GROUP
Net Conference**

Thursday March 1st 2018 8:30 AM – 12:00 PM (CST)

• Action Items and Voting Record •

Action Item: Discuss with the SPCWG staff secretary about a joint call regarding the LeBrock tripping scheme.

Consent Agenda Items: RR255 Revision of BP 7060

Jeff Wells (Grand River Dam Authority) moved to approve the consent agenda, and Todd Gosnell (Omaha Public Power District) seconded the motion. The motion carried without opposition or abstention.

February 01, 2018 ORWG Meeting Minutes

Jeff Wells (Grand River Dam Authority) moved to approve the February 01, 2018 ORWG Meeting Minutes, and Todd Gosnell (Omaha Public Power District) seconded the motion. The motion carried without opposition or abstention.

RR252 OOME Enhancement

Ron Gunderson (Nebraska Public Power District) moved to approve RR252 OOME Enhancement as presented, and Chris Shaffer (American Electric Power) seconded the motion. The motion carried without opposition or abstention.

RR272 NDVER to DVER Conversion

Jeff Wells (Grand River Dam Authority) moved to approve RR272 as presented, and Kyle McMenamin (Xcel Energy) seconded the motion. The motion carried with no abstentions and three oppositions.

Jay Patel (Kansas City Power & Light) Opposed

David Pham (Empire District Electric Company) Opposed

Ron Gunderson (Nebraska Public Power District) Opposed



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• M I N U T E S •

Agenda Item 1 – Call to Order

Chairman Allen Klassen (Westar Energy, Inc.) opened the meeting around 8:33 AM on 3/01/2018.

Agenda Item 2 – Attendance

Jason Tanner (Southwest Power Pool) called attendance and a meeting quorum was reached.

Agenda Item 3 – Agenda Review

Allen Klassen (Westar Energy, Inc.) reviewed the agenda, and Jason Tanner (Southwest Power Pool) requested to pull the February ORWG meeting minutes from the consent agenda.

Agenda Item 4 – Consent Agenda

Allen Klassen (Westar Energy, Inc.) discussed the consent agenda, which included RR255 Revision of BP 7060.

Jeff Wells (Grand River Dam Authority) moved to approve the consent agenda, and Todd Gosnell (Omaha Public Power District) seconded the motion. The motion carried without opposition or abstention.

Pulled from Consent: February 01, 2018 ORWG Meeting Minutes

Jason Tanner (Southwest Power Pool) explained the corrections in the February meeting minutes and stated that he added the vote for the IBIS topic. Jason also explained a grammatical correction.

Jeff Wells (Grand River Dam Authority) moved to approve the February 01, 2018 ORWG Meeting Minutes, and Todd Gosnell (Omaha Public Power District) seconded the motion. The motion carried without opposition or abstention.

Agenda Item 5 – RR252 OOME Enhancement

Raleigh Mohr (Southwest Power Pool) discussed RR252 and explained the changes to the Out-of-Merit Energy (OOME) logic. Raleigh explained the cap and floor language and stated that when an OOME contains a fixed OOME MW, the resource is instructed to generate equal to the specific fixed OOME MW. Raleigh explained the current method of assigning a fixed OOME MW, and stated that resources are not able to be dispatched economically by SCED. Raleigh explained when SPP needs a positively impacting resource to remain above a certain output, SPP currently must assign a fixed OOME MW value to keep the resource at a specific level. Raleigh stated this RR would allow SPP to manually set a floor for the dispatch and allow SCED to dispatch the resource up and/or down to this OOME floor. Terry Oxandale (Southwest Power Pool) ask if this RR was written for all resources, and Raleigh stated that it was. John Luallen (Southwest Power Pool) explained the settlements impacts and reviewed the definition for cap and floor.

Ron Gunderson (Nebraska Public Power District) moved to approve RR252 OOME Enhancement as presented, and Chris Shaffer (American Electric Power) seconded the motion. The motion carried without opposition or abstention.

Agenda Item 6 – RR272 NDVER to DVER Conversion

Erin Cathey (Southwest Power Pool) explained RR272 NDVER to DVER Conversion and stated that this revision request will require that, after a two year transition period, all Variable Energy Resources registered as Non-Dispatchable Variable Energy Resources be required to register as Dispatchable Variable Energy Resources. Erin stated that an exception does exist for Qualified Facility exercising their rights under the Public Utility Regulatory Policies Act of 1978 (PURPA). Erin explained that NDVERs in SPP’s market inefficiencies and reliability risks that other SPP resources must mitigated. Ron Gunderson (Nebraska Public Power District) asked what are the reliability risk, and Erin explained the potential reliability risk associated with price following. Erin explained the redline changes to the market protocols sections 6.1.8, 6.1.9, and the SPP Tariff.

Jeff Wells (Grand River Dam Authority) moved to approve RR272 as presented, and Kyle McMenamain (Xcel Energy) seconded the motion. The motion carried with no abstentions and three oppositions.

Jay Patel (Kansas City Power & Light) Opposed “KCP&L opposes RR272 for the reasons stated in its MWG opposition statement.”

David Pham (Empire District Electric Company) Opposed “I have no concern about reliability on this RR. But the contracts that members had that would impact the economic significantly; in addition, who is paying for all the systems and upgrades so that these grand-fathered farms can follow dispatch instructions. As far as operating the wind farms reliably today, RC can always curtail the wind farms to control them.”

Ron Gunderson (Nebraska Public Power District) Opposed “NPPD voted against RR272 because of its potential to harm market participants by exposing them to curtailment costs associated with economic curtailments that were not required when they entered into PPA contracts. I do not have a reliability based concern with RR272 unless current NDVERs register as a DVER as required by this RR and do not perform as expected due to physical limitations with the facility.

RR272 effectively abrogates all NDVER PPA contracts, except for qualifying facilities, by undermining the grandfathered non-dispatchable status over older wind farms upon which their supply contracts were based. RR272 throws NDVER owners/buyers “under the bus” by financially exposing them to “economic dispatch” of which neither contract accounted for nor for which the unit was operationally constructed. RR272 forces NDVER conversion costs upon the Asset Owners which did not anticipate the cost when they were integrated with SPP. SPP is effectively adding another interconnection requirement years after the fact, which does not seem just or reasonable.

Last and perhaps the most import factor not considered by RR272 is SPP’s market reputation. NDVERs were a condition of several MPs agreeing to transition from EIS to IM. If we go back on our word, will other MPs lose confidence in the stability of SPP tariff grandfathering and agreements made to prospective Balancing Authorities, Asset Owners, and Market Participants considering the benefits of join SPP as a stable settlement & market platform?”

Agenda Item 7 – LeBrock Tripping Scheme

Rick Gurley (American Electric Power) discussed the LeBrock tripping scheme and stated At SWEPco's LeBrock substation, any time both Pirkey - LeBrock 345 kV circuits 1 and 2 are open, a lock-out relay contact at LeBrock will initiate tripping of Harrison County Power Project (HCPP). This will remove the HCPP units at LeBrock from

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service. Rick explained that the scheme only looks at the status of the breakers, and does not look at voltage or current on the transmission system. Rick discussed the NERC definition of a remedial action scheme (RAS) and explained why the SPCWG believes the LeBrock tripping scheme is not a RAS. Allen Klassen (Westar Energy, Inc.) stated that the ORWG can only give an opinion of for determining if the LeBrock Tripping scheme is a RAS. Allen stated that ORWG cannot overrule NERC. Allen asked for a straw poll to determine the ORWG opinion regarding the LeBrock tripping scheme being a RAS. All ORWG members with the exception of one agree the tripping scheme is a RAS.

Action Item: Discuss with the SPCWG staff secretary about a joint call regarding the LeBrock tripping scheme.

Agenda Item 8 – Remedial Action Scheme Criteria

Jason Tanner (Southwest Power Pool) discussed the RAS survey results and stated that the questionnaire was sent to both ORWG and TWG members. Jason explained that he and Kirk Hall (Southwest Power Pool) ranked the results and that worked towards developing a criteria document that both TWG and ORWG could review. Jason discussed the RAS criteria document and asked ORWG to weigh in on each individual requirement. The ORWG made modifications to the document and plans to continue with additional modifications during the April face to face meeting. Jason explained that once both ORWG and TWG are comfortable with the requirements we would work towards submitting the criteria as an official RR.

Agenda Item 9 – RSG Operating Plan Changes

Neil Robertson (Southwest Power Pool) discussed the SPP Reserve Sharing Group Operating Process. Neil added language to sections 1.2 and discussed AECI comments. Neil added “SPP as the group administrator has the authority to make unilateral changes to this operating process to maintain compliance with applicable NERC reliability standards. Any unilateral changes made to this operating process by SPP shall be communicated to the participating balancing authorities. Unilateral changes implemented by SPP or changes SPP declines to implement that were proposed by a participating balancing authority will include the reasons for such decisions.” Neil work with ORWG to modify additional sections of the document and the ORWG decided to create a small review team that includes Ron Gunderson (Nebraska Public Power District), Kyle McMenammin (Xcel Energy), Mark Eastwood (City Utilities of Springfield), SPA, and AECI.

Agenda Item 10 – CR Calculations

This item was tabled until a future ORWG

Agenda Item 11 – Auto Activation of Constraints

Terry Oxandale (Southwest Power Pool) discussed the auto-activation logic and asked ORWG to discuss any know nuisance activations. Terry explained SPPs ability to use customized dead bands. Ron Gunderson (Nebraska Public Power District) stated that he has not heard of any concerns, and Chris Shaffer (American Electric Power) stated that he is not aware of any nuisance notifications of constraint activations.

Agenda Item 12 – Generation Retirement Process update

This item was tabled until a future ORWG

Agenda Item 13 – MWTG Update

Neil Robertson (Southwest Power Pool) provided a brief update on the MWTG activities. Neil stated that we will likely begin to start seeing MWTG related RR’s at either the April face to face or the May face to face.

Other Items:

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Agenda Item 14 – ORWG Member Topic List

The ORWG Member topic list was provided as part of the meeting materials, but was not discussed.

Agenda Item 15 – OCRTF RR Review

Allen Klassen (Westar Energy, Inc.) explained that OCRTF RR's 268, 269, and 270 were approved with some non-substantive modifications. Allen stated that per the RR process, as chair of the primary working group he could decide if ORWG review/approval of RTWG changes is needed. Allen ask ORWG members to send him an e-mail before 3/9/18 if they had any objections to the RTWG changes. Allen stated that since the changes were non-substantive he would send the RR onto MOPC as planned if he doesn't receive any objections.

Action Item Review:

Agenda Item 16 – Review of Open and Closure Pending Actions

The action item list was provide in the meeting material packet, but was not reviewed due to time constraints.

Agenda Item 17 – New Action Items

Jason Tanner (Southwest Power Pool) reviewed the new action item with the ORWG.

Agenda Item 18 – General Q&A/Open Forum

Agenda Item 19 – Meeting Schedule

- a. 4/4 – 4/5/2018 Face-to-Face (Tulsa, Oklahoma) (GRDA) – CONFIRMED
- b. 5/3/2018 WebEx (Thurs) 0830-1200
- c. 5/30 – 5/31/2018 Face-to-Face (Little Rock)(SPP) - CONFIRMED
- d. 6/27 – 6/28/2018 Face-to-Face (Denver, CO) (Tri State) – CONFIRMED
- e. 8/1 - 8/2/2018 Face-to-Face (Denver, CO) (Tri State) - CONFIRMED
- f. 9/6/2018 WebEx (Thurs) 0830-1200
- g. 10/3 – 10/4/2018 Face-to-Face (Little Rock, AR) (SPP) – CONFIRMED
- h. 11/1/2018 WebEx (Thurs) 0830-1200
- i. 12/6/2018 WebEx (Thurs) 0830-1200

Agenda Item 23 – Adjournment

Chairman Allen Klassen (Westar Energy, Inc.) adjourned the ORWG at 12:04 PM (EDT) on 3/01/2018.

Respectfully Submitted,
Jason Tanner, Secretary



**Operating Reliability Working Group
Meeting Attendance: 3/1/2018
M=Member, G=Guest, S=SPP Staff, P= Proxy**



Day 1		Name	Status	Company
x	1	Allen Klassen, Chairman	M	Westar Energy
x	2	Ron Gunderson, Vice Chairman	M	Nebraska Public Power District
x	3	Jim Useldinger	M	South Central MCN
x	4	Gary Plummer	M	City of Independence, MO
x	5	Kyle McMenamin	M	Xcel Energy
x	6	Laurie Gregg	M	Lincoln Electric System
x	7	Allan George	M	Sunflower Electric Power Corporation
x	8	Jeff Wells	M	Grand River Dam Authority
x	9	Todd Gosnell	M	Omaha Public Power District
x	10	Bryn Wilson	M	Oklahoma Gas and Electric Co.
x	11	Chris Shaffer	M	American Electric Power
x	12	David Pham	M	Empire District Electric Company
x	13	Matthew Stoltz	M	Basin Electric Power Cooperative
x	14	Chance Myers	M	Western Farmers Electric Cooperative
x	15	Craig Speidel	M	Western Area Power Administration
x	16	Abu Elteriefi	M	ITC Holdings
x	17	Jay Patel	M	Kansas City Power & Light
x	18	Mark Eastwood	M	City Utilities of Springfield
P	19	Keith Carman	M	Tri-State G&T
x	23	Dan Thielen Proxy for Keith Carman	P	Tri-State G&T
x	20	John Stephens	G	City Utilities of Springfield
x	21	Jonathan Marmillo	G	Genscape
x	22	Rick Gurley	G	American Electric Power
x	23	Carrie Dixon	G	Xcel Energy
x	24	Todd Tolbert	G	Electric Cooperatives of Arkansas
x	25	Baryaley Sharwani	G	Western Area Power Administration
x	26	Ben Hammer	G	Western Area Power Administration
x	27	Tanner New	G	Sunflower Electric Power Corporation
x	28	Kevin Ma	G	Oklahoma Gas and Electric Co.
x	29	Neal Faltys	G	Omaha Public Power District
x	30	Calvin Daniels	G	Western Farmers Electric Cooperative
x	31	John M Hare	G	Oklahoma Gas and Electric Co.
x	32	Jason Mazigian	G	Basin Electric Power Cooperative
x	33	Keeth Works	G	Southwestern Power Administration
x	34	Steve Gaw	G	The Wind Coalition
x	35	Chris Lyons	G	Customized Energy Solutions
x	36	Tom Mayhan	G	Omaha Public Power District
x	37	Ryan Kirk	G	American Electric Power
x	38	Jason Tanner	S	Southwest Power Pool
x	39	Lane Hume	S	Southwest Power Pool
x	40	Neil Robertson	S	Southwest Power Pool
x	41	Raleigh Mohr	S	Southwest Power Pool
x	42	Kirk Hall	S	Southwest Power Pool
x	43	Melissa Rinehart	S	Southwest Power Pool
x	44	Garrett Crowson	S	Southwest Power Pool
x	45	Terry Oxandale	S	Southwest Power Pool
x	46	John O'Dell	S	Southwest Power Pool
x	47	Derek Hawkins	S	Southwest Power Pool
x	48	Margaret Q. Adams	S	Southwest Power Pool
x	49	Brad Johnston	S	Southwest Power Pool
x	50	Jerry Stone	S	Southwest Power Pool

x	51	Jon Langford	S	Southwest Power Pool
x	52	Cody Parker	S	Southwest Power Pool
x	53	Hagen Boehmer	S	Southwest Power Pool