

**Supply Adequacy Working Group
Hilton Garden Inn Downtown Dallas
Trinity Ballroom
Dallas, Texas 75201
March 27, 2019
8:00 a.m. – 3:00 p.m.**

• M I N U T E S •

Agenda Item 1 – Welcome, Proxies, and Agenda Discussion

SAWG Chair Brad Hans (MEAN) called the meeting to order at 8:00 a.m. The following members attended:

Aaron Castleberry	Oklahoma Gas & Electric
Aaron Ramsdell	Basin Electric Power Coop.
Adam Graff	Heartland
Bennie Weeks	SPS (Xcel Energy Services)
Brad Hans	Municipal Energy Agency of Nebraska
Brian Berkstresser	Empire
Douglas Jasa	KCPL and Westar, Evergy Companies
Eric Alexander	Grand River Dam Authority
Ernesto Perez	GDS Associates, Inc.
Jim Jacoby	American Electric Power
Jodi Knutson	Western Area Power Administration
Jon Iverson	Omaha Public Power District
John Varnell	Tenaska
Kenny Hale	City Utilities of Springfield, MO
Natasha Henderson	Golden Spread Electric Cooperative
Phillip Schaeffer	Western Farmer Electric Cooperative
Rob Janssen	Dogwood
Tom Hestermann	Sunflower Electric Power Corporation
Thomas Saitta	Kansas Municipal Energy Agency
Traci Bender	Nebraska Public Power District
Walt Cecil*	Missouri PSC

** Liaison member*

Administrative Items

No proxies were recorded, roll call was taken and introductions.

Brad Hans addressed attendance concerns and stated that as Chair he would like the policy to be that you attended at least six of the annual meeting in person.

Rob Janssen and Jim Jacoby gave an update on the policy discussions that are ongoing at the Holistic Integrated Tariff Team. Most of the discussion focused on item 1A, which directly affects the efforts for

Resource Adequacy. It was stated, that most felt the requirements should be products that are mandated by the Market and an essential reliability services analysis. These products are more centered on short-term capacity products, which could also be studied and assessed in the Resource Adequacy studies in particular that Loss of Load Expectation (LOLE) study.

There was also discussion around the transmission planning zones vs the schedule 11 zones that may be proposed by the HITT. There is discussion considering as deliverability model for transmission similar that process that is currently used in Resource Adequacy. The HITT is also discussing the GI process mostly pertaining to NRIS and ERIS.

Agenda Item 2– Meeting Minutes (Approval Item)

The meeting minutes from the February 27 meeting unanimously approved.

Agenda Item 3 – 2019 Action Items

Chris Haley discussed the 2019 action item list with the SAWG. Some members of the group would like staff to create a three-year strategic work plan. Staff is looking into this and what the current processes look like for the working groups that are already constructing short-term work plans.

Action Item: It was determined that this effort would be put on hold until the HITT recommendations are assigned. There will be a separate meeting scheduled to discuss this plan, once all the information is known.

During this discussion, Chris Haley also updated the group on the status of RR355.

Action Item: Chris to provide an historical overview of the Deliverability Study process for further discussion on this subject.

Agenda Item 4– MOPC and RSC Material Discussion (DER and ELCC)

Chris Haley gave the group an overview of the materials that will be going to MOPC and the RSC in April.

Agenda Item 5– ELCC Wind Report (Approval Item)

Chris Haley gave an overview of the comments that were submitted since the February meeting. There was a lot of discussion around the message of the report and there were minor edits made to the report.

Motion: Approve the ELCC Wind Report as amended in the March 27 SAWG meeting and allow administrative edits by staff. The motion made by John Varnell and seconded by Brian Berkstresser.

This motion was approved unanimously.

Agenda Item 6– ELCC Implementation Recommendation (Approval Item)

Chris Haley presented the group with an historical overview of the ELCC discussion that has taken place at the SAWG. The group was presented with a staff recommendation that the SAWG approve the implementation of the ELCC methodology. The motion to implement ELCC was phase one of the process and was intended to provide advanced notice to members of the efforts and timeline to implementing ELCC. It would give everyone a heads up of the changes to come in the future. Phase 2 would be

approving an allocation methodology. Next steps in the study process are to analyze solar and storage resources.

The staff recommendation was revised and voted on the by the SAWG.

Motion: Staff recommends that the SAWG approve the use of Effective Load Carrying Capability as the guiding principle for the accreditation of solar, wind and storage resources in the SPP Balancing Authority, replacing the current accreditation methodology found in section 7.1.5.3 (7) of the SPP Planning Criteria once new criteria language is approved. The motion made by Rob Janssen and seconded by Bennie Weeks.

The motion passed with twelve yes and seven no votes cast.

Action Item: Members that voted no have until April 17 to provide comments.

Member comments received:

Evergy Comments regarding vote on ELCC Implementation Recommendation:

The Companies believe that this vote was premature and unneeded, at the present time. While the use of ELCC may be an acceptable and justifiable method to determine accredited capacity, there are still significant issues surrounding the application and implementation details, along with transition details, as they are still being developed. The details of such a change should be further developed and vetted before committing to replacing the current accreditation policy.

The proposal as voted upon by SAWG did contain a qualifier making the implementation essentially contingent upon resolving these issues. This would indicate that this vote does little more than signal that SPP may move to ELCC in the future.

Reason for OPPD no vote on the motion:

OPPD did not entirely agree with the necessity of having the statements in the motion be approved by the SAWG at this time as the transition to the ELCC is continuing anyway. Also, a more comprehensive motion would identify the need for a period of transition from the current criteria allowing facilities on-line by a certain date to maintain use of the current criteria for an appropriately deemed number of years.

Reason for GRDA no vote on the motion:

The main reason for my no vote was not excluding pump storage from the storage resources that will be included in the ELCC process for capacity accreditation.

Agenda Item 7– ELCC Allocation Methodology

Chris Haley presented the SAWG with the study options for the allocation methodology. The focus of the discussion was centered on wind farms with firm service that are considered Designated Resources and if they should get priority. The group suggested two buckets with the first being all DR's and the second being all additional wind.

The following straw polls were taken:

Straw Poll: Should firm Designated Resources get prioritization?

The motion passed with nineteen yes and one no vote cast.

Straw Poll: Bucket 1 would be all DR's and Bucket 2 would be all additional wind?

The motion passed with fourteen yes and four no vote cast.

Agenda Item 8– 2019 LOLE Study Scope

Alex Crawford gave a very brief presentation on the zonal methodology that staff is recommended. This topic will have further discussion at the April meeting.

Natasha Henderson (GSEC) adjourned the meeting at 3:00 p.m.

Respectfully Submitted,

Chris Haley

Secretary

(Attachment 1 –March 27, 2019 Attendance) LINK Excel.Sheet.8

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MARCH 27, 2019 SAWG MEETING

HUTTON GARDEN INN DOWNTOWN ATLAS

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TOM NESTERMANN	LinFlowen
Walt Cecil	OWPSC
John Varvasek	TRINADICA
Larry Holloway	KPP
Ernesto Perez	ETEC/NTEC (en)
Brian Berkstresser	Liberty Utilities
Eri. Heppner	SPDA
Charles Hendrix	SPP
Phillip Schaeffer	WFEC
Aaron Costberry	OGTE
Jim Jacobs	AEP
Bennie Weeks	Xcel/SPS
AARON Ramsdell	Basin Electric
Traci L. Benson	NPPD
Alex Crawford	SPP
Brad Hays	MEAN
Woody Lalley	AEP
	AWEA
Tom Saitta	KMEA
Doug Jasa	KePL/Western, Energy
Holly Canias	Nextera
Simon Mahan	AWEA