



Southwest Power Pool, Inc.  
CORPORATE GOVERNANCE COMMITTEE MEETING

June 17, 2019

Net Conference

• A G E N D A •

1:00 – 3:00 p.m.

- 1. Call to Order and Administrative Items.....Nick Brown
- 2. Vacancy
  - a. Strategic Planning Committee
    - i. Transmission Owning Member
- 3. American Wind Energy Association Complaint & FERC Order Discussion.....Paul Suskie
  - a. Staff-Recommended 206 Compliance Language
  - b. Staff-Recommended 205 Language
  - c. Annual Membership Fee
- 4. Future Meetings
  - a. August 22, 2019 – Kansas City, MO
  - b. November 14, 2019 – Kansas City, MO

Open meeting will adjourn and go into executive session

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.

# Strategic Planning Committee Transmission Owning Member Nomination Form

<b>Nominee Name &amp; Title:</b>	Tom Christensen Senior Vice President of Transmission, Engineering, and Construction
<b>Company:</b>	Basin Electric Power Cooperative (TO)
<b>Type of Experience &amp; Responsibilities with Company:</b>	Tom is senior vice president of transmission, engineering, and construction at Basin Electric Power Cooperative. Tom received a Bachelors' degree in electrical engineering from North Dakota State University and a Master's degree in business administration from the University of North Dakota. He is a senior member and past chairman of the Missouri Slope Section of IEEE. Tom has over 36 years of electric utility experience in generation and transmission aspects, including planning, marketing, operations, construction, and regulatory. In his current position as senior vice president at Basin Electric, he is responsible for transmission planning, regulatory, engineering, and construction.
<b>Nominee's Phone Number &amp; Email Address:</b>	(701) 557 5393 (w) (701) 226 9496 (cell) tomc@bepc.com
<b>Nominated by:</b>	Paul Sukut CEO & General Manager, Basin Electric Power Cooperative
<b>Affiliate(s):</b>	Although a number of Basin Electric Member cooperatives are also SPP Members, they are not Affiliates.

# Strategic Planning Committee Transmission Owning Member Nomination Form

<b>Nominee Name &amp; Title:</b>	Lloyd A. Linke Vice President of Operations for UGP
<b>Company:</b>	Western Area Power Administration
<b>Type of Experience &amp; Responsibilities with Company:</b>	<p>In Lloyd's current position, as Western Area Power Administration's Vice President of Operations for UGP, he and his peers identify strategic initiatives to meet Western's strategic targets. Upon approval of the strategic initiatives by Western Senior Managers, They implement and manage the initiatives. While with the Alaska Power Administration he worked with the Administrator and his other direct reports to develop the Alaska Power Administration strategic plan, including its mission, core values, goals, and action plans. While Lloyd was the Alaska Power Administration Administrator he approved the annual updates to the Strategic Plan. As a director on the Midwest Reliability Organization's Board of Directors, he was responsible for providing strategic guidance to the organization. Lloyd is on the North American Electric Reliability Corporation's Member Representative Committee, which elects the NERC independent trustees, approve amendments to the NERC Bylaws and provides advice and recommendations directly to the NERC Board. Lloyd has also served on the North American Electric Reliability Corporation's Reliability Issues Steering Committee which provides high-level leadership and input to the NERC Board of Trustees and the ERO community on issues of strategic importance to the bulk power system reliability. He has been attending the SPC meetings for the past couple of years.</p> <p>Lloyd served as the Administrator of the Alaska Power Administration prior to returning to Western. In this position he served as CEO and was responsible for all functions and business lines of the Alaska Power Administration. Lloyd has worked in several areas within the electrical power industry including maintenance, construction, power billing, marketing, and operations of high voltage transmission systems and hydroelectric generation facilities.</p> <p>Lloyd has over thirty six years of experience in the electrical power industry. Lloyd currently is a Director on the Midwest Reliability Organization's Board of Directors, Chair of the NERC Operating Committee, and member of the SPP MOPC. He has served as a Board member of the Pacific Northwest Security Coordinator, Chair of the MAPP Reliability Committee and</p>

	Regional Reliability Committee, Chair of the North West Power Pool Reserve Sharing Group, member of the NWPP Operating Committee, member of MRO Bylaws Committee, MRO/MAPP transition team, and the development of the NWPP West Frequency Response Sharing Group.
<b>Nominee's Phone Number &amp; Email Address:</b>	605-882-7500 <a href="mailto:lloyd@wapa.gov">lloyd@wapa.gov</a>
<b>Nominated by:</b>	Jody S. Sundsted Senior VP and UGP Regional Manager
<b>Affiliate(s):</b>	None

# Strategic Planning Committee Transmission Owning Member Nomination Form

<b>Nominee Name &amp; Title:</b>	Robert J. Tallman, P.E.
<b>Company:</b>	Oklahoma Gas & Electric
<b>Type of Experience &amp; Responsibilities with Company:</b>	Robert has been with OG&E since 2017 when he was hired as Sr. Manager RTO Policy. In this role, he is responsible for developing and coordinating OGE's RTO policy. Prior to joining OG&E, Robert worked at LG&E and KU Energy for 17 years in various management roles including Market Policy, Market Analysis and Federal Regulation and Policy.
<b>Nominee's Phone Number &amp; Email Address:</b>	Office Phone: 405-553-3407 Email: <a href="mailto:tallmarj@oge.com">tallmarj@oge.com</a>
<b>Nominated by:</b>	Greg McAuley
<b>Affiliate(s):</b>	OGE Transmission, LLC

# Strategic Planning Committee Transmission Owning Member Nomination Form

<b>Nominee Name &amp; Title:</b>	Al Tamimi, PhD, PE VP, Transmission Planning, Policy & Compliance
<b>Company:</b>	Sunflower Electric Power Corporation
<b>Type of Experience &amp; Responsibilities with Company:</b>	<p>I joined Sunflower in 2001 as a transmission &amp; distribution planning engineer and was promoted to Vice President of Transmission Planning, Policy &amp; compliance in 2015. My current responsibilities include overseeing transmission &amp; distribution planning, transmission policy and transmission engineering. In my current job, I focus on transmission and market policy issues and strategies that impact our system. I have developed our company strategy on transmission planning &amp; policy. I have also led our company to wind the first FERC Order 1000 project in SPP. Other responsibility I have with Sunflower is managing and developing strategies for our company to meet NERC and CIP compliance requirements.</p> <p>I have served on several Southwest Power Pool (“SPP”) working groups, task forces and committees since 2007, including the Economic Studies Working Group (“ESWG”), Markets and Operations Policy Committee (“MOPC”), Synchrophasor Task Force, Chair for the Generation Interconnection Improvement Task Force (“GIITF”), Chair for the High Priority Incremental Load Study (“HPILs”), System Operating Limit task force and the stability criteria task force under TWG and I am currently a member of the Holistic Integrated Tariff Team “HITT”.</p> <p>My education is in the power system engineering area and attending the MBA program at Baker University focusing on strategy development and execution for corporates. I hold a master’s degree in electrical engineering from Wichita State University and a Doctor of Philosophy (Ph.D.)</p>

	<p>degree in electrical engineering from Kansas State University.</p> <p>I am widely published in industry publications including the world's largest technical professional society, The Institute of Electrical and Electronics Engineers ("<i>IEEE</i>"). Most of my publications were focused on optimization of transmission investments as they relate to high penetration of wind in rural communities. I have also earned a senior member status in the <i>IEEE</i> society. I became a licensed professional engineer in Kansas in 2005.</p>
<p><b>Nominee's Phone Number &amp; Email Address:</b></p>	<p>785-656-0435  atamimi@sunflower.net</p>
<p><b>Nominated by:</b></p>	<p>Self</p>
<p><b>Affiliate(s):</b></p>	<p>None</p>



**Southwest Power Pool, Inc.**  
**STAFF**  
**Recommendation to the Corporate Governance Committee**  
**June 17, 2019**  
**Exit Fee Compliance Revisions**

**Background**

On April 18, 2019, the Federal Energy Regulatory Commission (“Commission”) issued an order partially granting the American Wind Energy Association and Advanced Power Alliance (formerly known as the Wind Coalition) complaint in Docket No. EL19-11-000 alleging that SPP’s exit fee provisions are unlawful, unjust, unreasonable, and unduly discriminatory or preferential as applied to entities that are not transmission owners or load-serving entities (“April 18 Order”). In the April 18 Order, the Commission found SPP’s exit fee to be unjust and unreasonable as applied to non-transmission owners and directed that SPP submit a compliance filing within 60 days of the order removing the exit fee requirement for non-transmission owners and non-transmission owning load-serving entities from SPP’s Bylaws and Membership Agreement and otherwise revising the exit fee formula “to ensure that the continued application of the exit fee to transmission owners ensures SPP’s debt is fully secured.” April 18 Order at P 63. The Commission declined to require modification of SPP’s notice and withdrawal deposit requirements. See April 18 Order at P 67. SPP received an extension to August 1, 2019 to submit the requisite compliance filing.

SPP has moved for stay and expedited action and requested rehearing and clarification of the April 18 Order. The “SPP Load Serving Entities” have also requested rehearing. At the time of writing, Commission action on the motion for stay and the rehearing and clarification requests is pending.

**Analysis**

In compliance with the Commission’s April 18 Order, SPP has prepared Bylaws and Membership Agreement revisions to remove the exit fee for all Members except Transmission Owners. The proposed compliance revisions are set forth in Bylaws sections 8.7.1 – Existing Obligations and 8.7.2 – Computation of a Member’s Existing Obligations and Membership Agreement section 4.3.2 – Obligation to Pay Current and Existing Obligations.

Pursuant to section 10.0 of the SPP Bylaws and section 8.12 of the SPP Membership Agreement, the Board of Directors may adopt revisions to the Bylaws, except for certain sections not implicated herein, and the Membership Agreement following a 30-day written notice to the Membership of the proposed revisions. An affirmative vote of a majority plus one of directors is required to approve amendments to the Bylaws, and an affirmative vote of at least five directors is required to approve amendments to the Membership Agreement.

Staff is separately recommending alternate – and preferred – Bylaws and Membership Agreement exit fee revisions for submission to the Commission concurrent with the compliance filing.

**Recommendation**

Approval of the compliance revisions as discussed herein and reflected in the attached redlines of Bylaws sections 8.7.1 and 8.7.2 and Membership Agreement section 4.3.2

**Action Requested:**     Approve Recommendation



Southwest Power Pool, Inc. as of 4/23/2019  
Electric TCS and MBR  
Governing Documents Tariff  
Effective Date: 08/05/2010  
FERC Docket: ER10-02145-000 29  
FERC Order: Delegated  
10/13/2010  
Bylaws, Bylaws, First Revised Volume No. 4, 0.0.0 A

Status: Effective

Order Date:

# **SOUTHWEST POWER POOL, INC.**

## **BYLAWS**

**First Revised Volume No. 4  
Superseding  
Original Volume No. 4**

## 8.7 Financial Obligation of Withdrawing Members

### 8.7.1 Existing Obligations

To the extent that Section 4.3.2 of the Membership Agreement is applicable to a Member's termination, "Existing Obligations" are the following:

- a. the Member's unpaid annual membership fee.
- b. the Member's unpaid dues, assessments, and other amounts charged under Section 3.8 of the Membership Agreement, section 8.4 of the Bylaws, or otherwise under the Bylaws, plus the Member's share of costs SPP customarily includes in such dues, assessments or other charges, but which as of the Termination Date SPP had not included in such dues, assessments or other charges.
- c. the Member's share (computed in accordance with the Bylaws) of the entire principal amounts of all SPP Financial Obligations outstanding as of the Termination Date. "Financial Obligations" are all long-term (in excess of six (6) months) financial obligations of SPP, including but not limited to the following:
  - i. debts under all mortgages, loans, loan agreements, borrowings, promissory notes, bonds, and credit lines, under which SPP is obligated, including principal and interest;
  - ii. all payment obligations under equipment leases, financing leases, capital leases, real estate and office space leases, consulting contracts, and contracts for outsourced services;

- iii. any unfunded liabilities of any SPP employee pension funds, whether or not liquidated or demanded; and
- iv. the general and administrative overhead of SPP for a period of three (3) months.
- d. Any costs, expenses or liabilities incurred by SPP directly due to the Termination, regardless of when incurred or payable, and including without limitation prepayment premiums or penalties arising under SPP Financial Obligations.
- e. the Member's share (computed in accordance with the Bylaws) of all interest that will become due for payment with respect to all interest bearing Financial Obligations after the Termination Date and until the maturity of all Financial Obligations in accordance with their respective terms ("Future Interest"). In the event that a Financial Obligation carries a variable interest rate, the interest rate in effect at the Termination Date shall be used to calculate the applicable Future Interest. In determining the Member's share of Future Interest, SPP shall take into account any reduction of Financial Obligations due to mitigation under this Section.

### **8.7.2 Computation of a Member's Existing Obligations**

For purposes of computing the Existing Obligations of any withdrawing or terminated Member in accordance with Section 4.3.2 of the Membership Agreement, such "Member's share" is a percentage calculated as follows:

$$A = 100 [0.25(1/N) + 0.75(B/C)]$$

Where: A = Member's share (expressed as a percentage)

N = Total number of Members that are subject to Section 4.3.2 of the Membership Agreement

B = The Member's previous year Net Energy for

Load

C = Total of factor B for all Members that are subject to Section 4.3.2 of the Membership Agreement

The Finance Committee shall have the discretion to reduce the Existing Obligations of any withdrawing or Terminated Member, to reflect any SPP costs or expenses that may be mitigated in connection with such Member's withdrawal or termination. In the event of consolidation of affiliate memberships or the transfer of membership from one corporate entity to another, whereby one entity remains a member of SPP, the withdrawal obligation for the departing company(ies) may be waived at SPP's sole discretion.

### **8.7.3 Financial Obligations for Transmission Facilities**

To the extent that Section 4.3.3A of the Membership Agreement is applicable, a Terminated Member shall remain financially responsible for all financial obligations incurred and costs allocated to its load for transmission facilities approved prior to the Termination Date.

### **8.7.4 Penalty Costs**

A Terminated Member shall remain liable for its share of costs associated with penalties assessed against SPP by FERC, the FERC-approved Electric Reliability Organization, any Electric Reliability Organization-approved Regional Entity, or any other governmental or regulatory authority with jurisdiction over SPP that SPP incurs as a result of events that occurred prior to Member's Termination Date but that SPP is unable to recover under the SPP OATT.

### **8.7.5 Limitation on Financial and Penalty Obligations**

(a) Notwithstanding the delineation of Members' financial obligations in Section 8.7, a Federal Power Marketing Agency shall not be subject to the financial obligations listed in this Section 8.7 in the event FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments as that term is defined in Section 1.0 of these Bylaws or if SPP files and FERC approves material changes to the Federal Power Marketing Agency

Amendments.

(b) Provided further, notwithstanding any language to the contrary in these Bylaws, a Federal Power Marketing Agency has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has it accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of these Bylaws. SPP, in accepting Western-UGP as a member, does not thereby concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. SPP will identify the amount of any penalty or fine that SPP allocates to Western-UGP or that SPP determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by SPP. Enforcement Authority in these Bylaws means the Federal Energy Regulatory Commission (FERC), Electric Reliability Organization (ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards.

Southwest Power Pool, Inc. as of 4/23/2019

Electric TCS and MBR

Governing Documents Tariff

Effective Date: 08/05/2010

Status:

Effective

FERC Docket: ER10-02145-000 29

FERC Order: Delegated

Order Date:

10/13/2010

Membership Agreement, Membership Agreement, First Revised Volume No. 3, 0.0.0 A

# **SOUTHWEST POWER POOL, INC.**

## **MEMBERSHIP AGREEMENT**

**First Revised Volume No. 3**

**Superseding**

**Original Volume No. 3**

## 4.3 Obligations Upon Termination

### 4.3.1 Obligation to Hold Users Harmless

Transmission Customers taking service which involves facilities being withdrawn by a Transmission Owner from the functional control of SPP and where such service is under transmission contracts executed before the Termination Date shall continue to receive the same service for the remaining term of each such contract at the same rates, terms, and conditions that would have been applicable if the Termination or Partial Termination had not occurred. Transmission Owner agrees to continue providing service to such Transmission Customers in accordance with the preceding sentence, and shall receive revenues calculated in accordance with the OATT but no more in revenues for that service that if there had been no Termination or Partial Termination.

### 4.3.2 Obligation of Member Transmission Owner to Pay Current and Existing Obligations

- (a) In the event of a Termination or Partial Termination of a Member that is a Transmission Owner, the Member shall pay all obligations incurred under this Agreement at any time prior to the Termination Date. In addition, in order for SPP to recover a portion of certain debts and cost payable by SPP after the Termination Date as further specified in this Agreement, the Member shall pay all Existing Obligations (as defined herein) calculated as of the Termination Date. SPP shall make reasonable efforts to mitigate the Member's Existing Obligations by commercially reasonable actions (such as prepayment of allocable debt, or investment of part or all of the Member's payment in an interest-bearing instrument) and, in its discretion, may further discount the Member's Existing Obligations

to reflect any additional mitigation SPP determines it will achieve.  
A Member that is not a Transmission Owner is not subject to the obligations set forth in this Section 4.3.2.

- (b) “Existing Obligations” are all of the following and other obligations as may be set forth in the Bylaws from time to time;
- i. the Member’s unpaid annual membership fee,
  - ii. the Member’s unpaid dues, assessments, and other amounts charged under Section 3.8 of this Agreement, Section 8.4 of the Bylaws, or otherwise under the Bylaws, plus the Member’s share of costs SPP customarily includes in such dues, assessments or other charges, but which as of the Termination Date SPP had not included in such dues assessments or other charges.
  - iii. the Member’s share (computed in accordance with the Bylaws) of the entire principal amounts of all SPP Financial Obligations outstanding as of the Termination Date. “Financial Obligations” are all long-term (in excess of six (6) months) financial obligations of SPP, including but not limited to the following:
    - a. debts under all mortgages, loans, loan agreements, borrowings, promissory notes, bonds, and credit lines under which SPP is obligated, including principal and interest;
    - b. all payment obligations under equipment leases, financing leases, capital leases, real estate and office space leases, consulting contracts, and contracts for outsourced services;
    - c. any unfunded liabilities of any SPP employee pension funds, whether or not liquidated or demanded; and
    - d. the general and administrative overhead of SPP for a



period of three (3) months.

- iv. Any costs, expenses or liabilities incurred by SPP directly due to the Termination, regardless of when incurred or payable, and including without limitation prepayment premiums or penalties arising under SPP Financial Obligations.
  - v. the Member's share (computed in accordance with the Bylaws) of all interest that will become due for payment with respect to all interest bearing Financial Obligations after the Termination Date and until the maturity of all Financial Obligations in accordance with their respective terms ("Future Interest"). In the event that a Financial Obligation carries a variable interest rate, the interest rate in effect at the Termination Date shall be used to calculate the applicable Future Interest. In determining the Member's share of Future Interest, SPP shall take into account any reduction of Financial Obligations due to mitigation under this Section.
- (c) In the event of a Partial Termination, Existing Obligations shall first be calculated as though a Termination occurred, and the Member shall pay a percentage thereof as Existing Obligations due to the Partial Termination. Such percentage shall be the percentage reduction of the Net Energy for Load Ratio applicable to the Member resulting from the Partial Termination.
- (d) In the event of a Termination or Partial Termination by a Member, the Member shall pay to SPP all costs SPP incurs to remove the Member's facilities and/or load from SPP markets and operations. Such costs will be determined by SPP and shall include but not be limited to costs associated with modifying systems and databases, staff time, legal costs, and all costs of completing other tasks necessary to process the Member's Termination. SPP will apply the Member's withdrawal deposit, as specified in Section 4.2.1(b), to

such costs, and any costs exceeding the withdrawal deposit shall be included in the invoice to the Member as discussed in Section 4.3.2(e) of this Agreement.

- (e) SPP shall invoice Member for Existing Obligations within one month after the Termination Date, except that delay by SPP in issuing the invoice shall not diminish Member's obligation to make timely payment. The invoice shall be due and payable no later than five (5) business days after issuance. Any amounts owed by SPP to the Member shall, solely at SPP's election and in its discretion, be offset against the Member's Existing Obligations or paid to the Member concurrently with issuance of the invoice.
- (f) The Member acknowledges and agrees that Existing Obligations include amounts that SPP expects to accrue and that will become payable by SPP between the date of Member's Notice of Termination and the Member's Termination Date, and that no part of a payment of Existing Obligations shall be refundable to the Member under any circumstances, including (except as provided in this Section with respect to mitigation or the execution of a new Agreement by the Member after the Member's Termination) any reduction of the Financial Obligations. Any disagreement as to the calculation of Existing Obligations shall be resolved in accordance with the dispute resolution procedures in the Bylaws. If, after Termination, the Member elects to re-join SPP and execute the Agreement then in effect, SPP, in its sole discretion, may elect to credit a portion or all of the Member's Existing Obligations paid to SPP upon the Member's earlier Termination against any future payments owed by the Member to SPP.

#### **4.3.3 Construction of Transmission Facilities**

Any obligations relating to the construction of new facilities pursuant to an approved plan of SPP shall be negotiated between SPP and the Transmission Owner prior to the Termination Date so as to continue the

Transmission Owner's construction obligation for facilities for which SPP has issued a notification to construct to the Transmission Owner prior to the Termination Date. If such obligations cannot be resolved through negotiations, they shall be resolved in accordance with the dispute resolution procedures in the Bylaws and Agreement.

#### **4.3.3A Financial Obligations for Transmission Facilities**

This Section 4.3.3A applies to any Terminated Member that was a Transmission Owner at the time it submitted its notice of intent to withdraw. Such Terminated Member shall remain financially responsible for all financial obligations incurred and costs allocated to its load for transmission facilities approved prior to the Termination Date. Payments in fulfillment of any such obligations and allocated costs shall commence on the date that the costs of such transmission facilities are reflected in SPP's generally applicable rates, unless SPP and the Terminated Member agree to an alternate date. Rights, obligations, and payments applicable to time periods prior to the Termination Date shall be honored by SPP and the Terminated Member. Fulfillment and performance of such rights and obligations, and rights and obligations regarding the use of such transmission facilities, shall be negotiated between SPP and the Terminated Member, and any disputes involving such rights and obligations shall be resolved in accordance with the dispute resolution procedures in the Bylaws and Agreement.

#### **4.3.4 Regulatory and Other Approvals or Procedures**

Any Termination with respect to a Transmission Owner shall be subject to applicable Federal and state law and regulatory approvals or procedures.

**Southwest Power Pool, Inc.**  
**STAFF**  
**Recommendation to the Corporate Governance Committee**  
**June 17, 2019**  
**Alternate Exit Fee Revisions**

**Background**

On April 18, 2019, the Federal Energy Regulatory Commission (“Commission”) issued an order partially granting the American Wind Energy Association and Advanced Power Alliance (formerly known as the Wind Coalition) complaint in Docket No. EL19-11-000 alleging that SPP’s exit fee provisions are unlawful, unjust, unreasonable, and unduly discriminatory or preferential as applied to entities that are not transmission owners or load-serving entities (“April 18 Order”). In the April 18 Order, the Commission found SPP’s exit fee to be unjust and unreasonable as applied to non-transmission owners and directed that SPP submit a compliance filing within 60 days of the order removing the exit fee requirement for non-transmission owners and non-transmission owning load-serving entities from SPP’s Bylaws and Membership Agreement and otherwise revising the exit fee formula “to ensure that the continued application of the exit fee to transmission owners ensures SPP’s debt is fully secured.” April 18 Order at P 63. The Commission declined to require modification of SPP’s notice and withdrawal deposit requirements. See April 18 Order at P 67. SPP received an extension to August 1, 2019 to submit the requisite compliance filing.

SPP has moved for stay and expedited action and requested rehearing and clarification of the April 18 Order. The “SPP Load Serving Entities” have also requested rehearing. At the time of writing, Commission action on the motion for stay and the rehearing and clarification requests is pending.

**Analysis**

In the April 18 Order, the Commission found that, “even the lowest SPP estimate [in the record of Docket No. EL19-11-000] of approximately \$621,851 could place a significant burden on smaller entities or new market entrants that are not transmission owners. . . .” April 18 Order at P 53. It also found that there is “**insufficient evidence** of a financial need for an exit fee for non-transmission owners,” and that “the exit fee is **higher than necessary** to serve as a mechanism for ensuring stability in SPP membership.” April 18 Order at P 59 (emphasis added). The Commission went on to state that, “. . . **while there may be some benefit to an exit fee being high enough to ensure the seriousness of prospective members and to provide stability in membership, the exit fee must not be so high as to create a barrier to membership,**” further observing that, “**some level of exit fee that does not act as a barrier to membership and is not excessive could be appropriate in SPP . . .**” April 18 Order at P 62 (emphasis added). However, the Commission declined to consider whether a smaller exit fee for non-transmission owners would also be just and reasonable due to its finding that no exit fee for non-transmission owners will result in just and reasonable rates. *Id.*

In line with prior orders, the Commission affirmed that an exit fee’s purpose is to ensure that (i) the Regional Transmission Organization/Independent System Operator (“RTO/ISO”) is able to recover its costs and service its debt, (ii) withdrawing members do not impose increased responsibility for the RTO/ISO’s financial obligations on remaining members, and (iii) “prospective members are serious and have enough of an interest in the RTO” and “help provide stability and avoid volatility in the membership.” April 18 Order at P 59.

The Commission last ruled on, *and upheld*, SPP’s exit fee formula in 2006. SPP has calculated the 2006 exit fee for a Member that was not a Transmission Owner or Load Serving Entity as approximately **\$327,191** (as of December 31, 2006 in today’s dollars). As of March 31, 2019, this fee estimate stands at **\$631,915**, just under twice the 2006 fee amount.

As an alternative to the compliance revisions prepared in response to the Commission's April 18 Order, which remove the exit fee for all Members except Transmission Owners, SPP staff proposes to:

1. Update SPP's exit fee formula to require all SPP Members to be subject to a \$100,000 exit fee, with load-serving Members subject to an additional amount based upon their Net Energy for Load percentage share of SPP's Financial Obligations<sup>1</sup> and Future Interest;<sup>2</sup>
2. Add the Member's share of any penalty costs assessed under section 8.7.4 of the Bylaws as part of the Member's Existing Obligations (this obligation is not presently specified in the Membership Agreement);
3. Define "Load Serving Entity" in the Membership Agreement (the term, though employed in section 4.2.1(b) of the Membership Agreement with regard to the withdrawal deposit, is not presently defined in the Membership Agreement); and
4. Incorporate certain other ministerial, non-substantive Bylaws and Membership Agreement revisions.

The proposed revisions are set forth in Bylaws sections 8.7.1 – Existing Obligations and 8.7.2 – Computation of a Member's Existing Obligations and Membership Agreement sections 1.0 – Definitions, 4.2.1 – Notice of Voluntary Withdrawal, and 4.3.2 – Obligation to Pay Current and Existing Obligations.

Pursuant to section 10.0 of the SPP Bylaws and section 8.12 of the SPP Membership Agreement, the Board of Directors may adopt revisions to the Bylaws, except for certain sections not implicated herein, and the Membership Agreement following a 30-day written notice to the Membership of the proposed revisions. An affirmative vote of a majority plus one of directors is required to approve amendments to the Bylaws, and an affirmative vote of at least five directors is required to approve amendments to the Membership Agreement.

### **Recommendation**

Approval of the alternate exit fee revisions discussed herein and reflected in the attached redlines of Bylaws sections 8.7.1 and 8.7.2 and Membership Agreement sections 1.0, 4.2.1, and 4.3.2, for filing concurrent with the compliance filing

**Action Requested:** Approve Recommendation

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<sup>1</sup> "Financial Obligations" is defined in section 8.7.1(c) of the Bylaws (see also section 4.3.2(b)(iii) of the Membership Agreement) as:

all long-term (in excess of six (6) months) financial obligations of SPP, including but not limited to the following:

- i. debts under all mortgages, loans, loan agreements, borrowings, promissory notes, bonds, and credit lines, under which SPP is obligated, including principal and interest;
- ii. all payment obligations under equipment leases, financing leases, capital leases, real estate and office space leases, consulting contracts, and contracts for outsourced services;
- iii. any unfunded liabilities of any SPP employee pension funds, whether or not liquidated or demanded; and
- iv. the general and administrative overhead of SPP for a period of three (3) months.

<sup>2</sup> "Future Interest" is defined in section 8.7.1(e) of the Bylaws and section 4.3.2(b)(v) of the Membership Agreement as "all interest that will become due for payment with respect to all interest bearing Financial Obligations after the Termination Date and until the maturity of all Financial Obligations in accordance with their respective terms."

Southwest Power Pool, Inc. as of 4/23/2019  
Electric TCS and MBR  
Governing Documents Tariff  
Effective Date: 08/05/2010  
FERC Docket: ER10-02145-000 29  
FERC Order: Delegated  
10/13/2010  
Bylaws, Bylaws, First Revised Volume No. 4, 0.0.0 A

Status: Effective

Order Date:

# **SOUTHWEST POWER POOL, INC.**

## **BYLAWS**

**First Revised Volume No. 4  
Superseding  
Original Volume No. 4**

## 8.7 Financial Obligation of Withdrawing Members

### 8.7.1 Existing Obligations

“Existing Obligations” are the following:

- a. the Member’s unpaid annual membership fee.
- b. the Member’s unpaid dues, assessments, and other amounts charged under Section 3.8 of the Membership Agreement, section 8.4 of the Bylaws, or otherwise under the Bylaws, plus the Member’s share of costs SPP customarily includes in such dues, assessments or other charges, but which as of the Termination Date SPP had not included in such dues, assessments or other charges.
- c. the Member’s share (computed in accordance with the Bylaws) ~~of the entire principal amounts~~ of all SPP Financial Obligations outstanding as of the Termination Date. “Financial Obligations” are all long-term (in excess of six (6) months) financial obligations of SPP, including but not limited to the following:
  - i. debts under all mortgages, loans, loan agreements, borrowings, promissory notes, bonds, and credit lines, under which SPP is obligated, including principal and interest;
  - ii. all payment obligations under equipment leases, financing leases, capital leases, real estate and office space leases, consulting contracts, and contracts for outsourced services;
  - iii. any unfunded liabilities of any SPP employee

- pension funds, whether or not liquidated or demanded; and
- iv. the general and administrative overhead of SPP for a period of three (3) months.
  - d. Any costs, expenses or liabilities incurred by SPP directly due to the Termination, regardless of when incurred or payable, and including without limitation prepayment premiums or penalties arising under SPP Financial Obligations.
  - e. the Member's share (computed in accordance with the Bylaws) of all interest that will become due for payment with respect to all interest bearing Financial Obligations after the Termination Date and until the maturity of all Financial Obligations in accordance with their respective terms ("Future Interest"). In the event that a Financial Obligation carries a variable interest rate, the interest rate in effect at the Termination Date shall be used to calculate the applicable Future Interest. In determining the Member's share of Future Interest, SPP shall take into account any reduction of Financial Obligations due to mitigation under this Section.

### 8.7.2 Computation of a Member's Existing Obligations

For purposes of computing the Existing Obligations of any withdrawing or terminated Member in accordance with the Membership Agreement, such "Member's share" of SPP's Financial Obligations and Future Interest is ~~a percentage~~ calculated as follows:

$$A = \frac{\$100,000 + 100 \cdot [0.25(1/N) + 0.75(D - (\$100,000 * E)) * (B/C)]}{N}$$

Where: A = Member's share ~~(expressed as a percentage)~~

N = ~~Total number of Members~~

B = The Member's previous year Net Energy for Load



C = ~~Total of factor B~~ previous year Net Energy for Load for all Members

D = SPP's total Financial Obligations and Future Interest as of the Termination Date

E = Total number of Members

The Finance Committee shall have the discretion to reduce the Existing Obligations of any withdrawing or Terminated Member, to reflect any SPP costs or expenses that may be mitigated in connection with such Member's withdrawal or termination. In the event of consolidation of affiliate memberships or the transfer of membership from one corporate entity to another, whereby one entity remains a member of SPP, the withdrawal obligation for the departing company(ies) may be waived at SPP's sole discretion.

### **8.7.3 Financial Obligations for Transmission Facilities**

To the extent that Section 4.3.3A of the Membership Agreement is applicable, a Terminated Member shall remain financially responsible for all financial obligations incurred and costs allocated to its load for transmission facilities approved prior to the Termination Date.

### **8.7.4 Penalty Costs**

A Terminated Member shall remain liable for its share of costs associated with penalties assessed against SPP by FERC, the FERC-approved Electric Reliability Organization, any Electric Reliability Organization-approved Regional Entity, or any other governmental or regulatory authority with jurisdiction over SPP that SPP incurs as a result of events that occurred prior to Member's Termination Date but that SPP is unable to recover under the SPP OATT.

### **8.7.5 Limitation on Financial and Penalty Obligations**

(a) Notwithstanding the delineation of Members' financial obligations in Section 8.7, a Federal Power Marketing Agency shall not be subject to the financial obligations listed in this Section 8.7 in the event FERC finds that SPP has not adhered to all of the Federal Power Marketing Agency Amendments as that term is

defined in Section 1.0 of these Bylaws or if SPP files and FERC approves material changes to the Federal Power Marketing Agency Amendments.

(b) Provided further, notwithstanding any language to the contrary in these Bylaws, a Federal Power Marketing Agency has not waived or conceded any defense it may have, including sovereign immunity, intergovernmental immunity, or lack of subject matter jurisdiction in any action against it by an Enforcement Authority, nor has it accepted any liability, responsibility, or obligation to pay any civil monetary penalties or fines imposed by an Enforcement Authority to which it would not have been subject in the absence of these Bylaws. SPP, in accepting Western-UGP as a member, does not thereby concede or accept responsibility for any portion of a penalty or fine attributable to the actions or omissions of Western-UGP. SPP will identify the amount of any penalty or fine that SPP allocates to Western-UGP or that SPP determines is attributable to Western-UGP and will identify that amount to FERC as uncollectable and not otherwise owed by SPP. Enforcement Authority in these Bylaws means the Federal Energy Regulatory Commission (FERC), Electric Reliability Organization (ERO), or Regional Entities with enforcement authority pursuant to a delegation from an ERO or FERC for the purpose of proposing and enforcing reliability standards.

Southwest Power Pool, Inc. as of 4/23/2019

Electric TCS and MBR

Governing Documents Tariff

Effective Date: 08/05/2010

Status:

Effective

FERC Docket: ER10-02145-000 29

FERC Order: Delegated

Order Date:

10/13/2010

Membership Agreement, Membership Agreement, First Revised Volume No. 3, 0.0.0 A

# **SOUTHWEST POWER POOL, INC.**

## **MEMBERSHIP AGREEMENT**

**First Revised Volume No. 3**

**Superseding**

**Original Volume No. 3**

Southwest Power Pool, Inc. as of 4/23/2019  
Electric TCS and MBR  
Governing Documents Tariff

Effective Date: 11/10/2014 Status: Effective  
FERC Docket: ER14-02851-000 860  
FERC Order: 149 FERC ¶ 61,113 Order Date:  
11/10/2014  
Section 4.2, MA 4.2 Termination Procedures and Effective Dates, 2.0.0 A

## 4.2 Termination Procedures and Effective Dates

### 4.2.1 Notice of Voluntary Withdrawal

(a) **Notice.** Subject to Section 4.3, a Member may withdraw voluntarily from this Agreement, provided that it has given written notice to the President of its intent to withdraw. Notice of intent to withdraw must state a proposed date for the withdrawal and be delivered to the President no less than twenty-four (24) months prior to such date. The President will advise the Members and the Board of Directors of any withdrawal notices received. In order to assure that there is no more than one proposed termination date with respect to a Member, a withdrawal notice shall be deemed to supersede any prior withdrawal notice given by the Member, except that a Member may not submit a withdrawal notice less than twenty-four (24) months prior to the termination date proposed in the Member's previous notice of intent to withdraw. Voluntary withdrawal is a Termination and creates the same obligations as a Termination for any other reason. Upon receiving a notice of intent to withdraw, SPP shall account for such notice of intent to withdraw in the SPP planning process, unless the Member plans to continue to take transmission service from SPP after the termination date.

(b) **Withdrawal Deposit.** A Member submitting a written notice of its intent to withdraw from this Agreement must simultaneously submit a cash withdrawal deposit to SPP, as set forth in the table below. SPP will not accept a notice of intent to withdraw without a withdrawal deposit. SPP will treat the withdrawal deposit as a pre-payment of a portion of the costs SPP incurs to process the Member's withdrawal from SPP, as set forth in Section 4.3.2(d) of this Agreement, or the costs associated with reintegrating the Member into SPP if the Member subsequently rescinds its notice of intent to withdraw and SPP incurs costs to reintegrate the Member. Withdrawal deposits are as follows:

Member Category	Withdrawal Deposit
Load Serving Entity	\$ 150,000

Non-Load Serving Entity	\$ 50,000
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If the cost of processing Member's withdrawal as calculated by SPP pursuant to Section 4.3.2(d) of this Agreement exceeds the withdrawal deposit, the additional amount shall be included in the invoice SPP provides to the Member under Section 4.3.2(e) of this Agreement. If the Member rescinds its notice of intent to withdraw and the cost of processing the Member's withdrawal and subsequent reintegration into SPP exceeds the withdrawal deposit, SPP shall invoice the Member for the amount of the cost that exceeds the deposit, and the Member shall provide payment to SPP within thirty (30) days of receipt of the invoice. If the withdrawal deposit exceeds the costs of processing the Member's withdrawal and/or reintegration, SPP shall refund the difference to the Member. Notwithstanding the foregoing, a Federal Power Marketing Agency shall not be required to make a withdrawal deposit and shall only be responsible for paying SPP costs after they are incurred and appropriately invoiced pursuant to 4.3.2(e).

## 4.3 Obligations Upon Termination

### 4.3.1 Obligation to Hold Users Harmless

Transmission Customers taking service which involves facilities being withdrawn by a Transmission Owner from the functional control of SPP and where such service is under transmission contracts executed before the Termination Date shall continue to receive the same service for the remaining term of each such contract at the same rates, terms, and conditions that would have been applicable if the Termination or Partial Termination had not occurred. Transmission Owner agrees to continue providing service to such Transmission Customers in accordance with the preceding sentence, and shall receive revenues calculated in accordance with the OATT but no more in revenues for that service that if there had been no Termination or Partial Termination.

### 4.3.2 Obligation to Pay Current and Existing Obligations

(a) In the event of a Termination or Partial Termination, the Member shall pay all obligations incurred under this Agreement at any time prior to the Termination Date. In addition, in order for SPP to recover a portion of certain debts and cost payable by SPP after the Termination Date as further specified in this Agreement, the Member shall pay all Existing Obligations (as defined herein) calculated as of the Termination Date. SPP shall make reasonable efforts to mitigate the Member's Existing Obligations by commercially reasonable actions (such as prepayment of allocable debt, or investment of part or all of the Member's payment in an interest-bearing instrument) and, in its discretion, may further discount the Member's Existing Obligations to reflect any additional mitigation SPP determines it will achieve.

- (b) “Existing Obligations” are all of the following and other obligations as may be set forth in the Bylaws from time to time;
- i. the Member’s unpaid annual membership fee,
  - ii. the Member’s unpaid dues, assessments, and other amounts charged under Section 3.8 of this Agreement, Section 8.4 of the Bylaws, or otherwise under the Bylaws, plus the Member’s share of costs SPP customarily includes in such dues, assessments or other charges, but which as of the Termination Date SPP had not included in such dues assessments or other charges.
  - iii. the Member’s share (computed in accordance with the Bylaws) ~~of the entire principal amounts~~ of all SPP Financial Obligations outstanding as of the Termination Date. “Financial Obligations” are all long-term (in excess of six (6) months) financial obligations of SPP, including but not limited to the following:
    - a. debts under all mortgages, loans, loan agreements, borrowings, promissory notes, bonds, and credit lines under which SPP is obligated, including principal and interest;
    - b. all payment obligations under equipment leases, financing leases, capital leases, real estate and office space leases, consulting contracts, and contracts for outsourced services;
    - c. any unfunded liabilities of any SPP employee pension funds, whether or not liquidated or demanded; and
    - d. the general and administrative overhead of SPP for a period of three (3) months.
  - iv. Any costs, expenses or liabilities incurred by SPP directly due to the Termination, regardless of when incurred or

payable, and including without limitation prepayment premiums or penalties arising under SPP Financial Obligations.

v. the Member's share (computed in accordance with the Bylaws) of all interest that will become due for payment with respect to all interest bearing Financial Obligations after the Termination Date and until the maturity of all Financial Obligations in accordance with their respective terms ("Future Interest"). In the event that a Financial Obligation carries a variable interest rate, the interest rate in effect at the Termination Date shall be used to calculate the applicable Future Interest. In determining the Member's share of Future Interest, SPP shall take into account any reduction of Financial Obligations due to mitigation under this Section.

iv. the Member's share of any penalty costs assessed under Section 8.7.4 of the Bylaws whether assessable at the time of the Termination or thereafter.

(c) In the event of a Partial Termination, Existing Obligations shall first be calculated as though a Termination occurred, and the Member shall pay a percentage thereof as Existing Obligations due to the Partial Termination. Such percentage shall be the percentage reduction of the Net Energy for Load Ratio applicable to the Member resulting from the Partial Termination.

(d) In the event of a Termination or Partial Termination by a Member, the Member shall pay to SPP all costs SPP incurs to remove the Member's facilities and/or load from SPP markets and operations. Such costs will be determined by SPP and shall include but not be limited to costs associated with modifying systems and databases, staff time, legal costs, and all costs of completing other tasks necessary to process the Member's Termination. SPP will apply the Member's withdrawal deposit, as specified in Section 4.2.1(b), to



such costs, and any costs exceeding the withdrawal deposit shall be included in the invoice to the Member as discussed in Section 4.3.2(e) of this Agreement.

- (e) SPP shall invoice Member for Existing Obligations within one month after the Termination Date, except that delay by SPP in issuing the invoice shall not diminish Member's obligation to make timely payment. The invoice shall be due and payable no later than five (5) business days after issuance. Any amounts owed by SPP to the Member shall, solely at SPP's election and in its discretion, be offset against the Member's Existing Obligations or paid to the Member concurrently with issuance of the invoice.
- (f) The Member acknowledges and agrees that Existing Obligations include amounts that SPP expects to accrue and that will become payable by SPP between the date of Member's Notice of Termination and the Member's Termination Date, and that no part of a payment of Existing Obligations shall be refundable to the Member under any circumstances, including (except as provided in this Section with respect to mitigation or the execution of a new Agreement by the Member after the Member's Termination) any reduction of the Financial Obligations. Any disagreement as to the calculation of Existing Obligations shall be resolved in accordance with the dispute resolution procedures in the Bylaws. If, after Termination, the Member elects to re-join SPP and execute the Agreement then in effect, SPP, in its sole discretion, may elect to credit a portion or all of the Member's Existing Obligations paid to SPP upon the Member's earlier Termination against any future payments owed by the Member to SPP.

#### **4.3.3 Construction of Transmission Facilities**

Any obligations relating to the construction of new facilities pursuant to an approved plan of SPP shall be negotiated between SPP and the Transmission Owner prior to the Termination Date so as to continue the

Transmission Owner's construction obligation for facilities for which SPP has issued a notification to construct to the Transmission Owner prior to the Termination Date. If such obligations cannot be resolved through negotiations, they shall be resolved in accordance with the dispute resolution procedures in the Bylaws and Agreement.

#### **4.3.3A Financial Obligations for Transmission Facilities**

This Section 4.3.3A applies to any Terminated Member that was a Transmission Owner at the time it submitted its notice of intent to withdraw. Such Terminated Member shall remain financially responsible for all financial obligations incurred and costs allocated to its load for transmission facilities approved prior to the Termination Date. Payments in fulfillment of any such obligations and allocated costs shall commence on the date that the costs of such transmission facilities are reflected in SPP's generally applicable rates, unless SPP and the Terminated Member agree to an alternate date. Rights, obligations, and payments applicable to time periods prior to the Termination Date shall be honored by SPP and the Terminated Member. Fulfillment and performance of such rights and obligations, and rights and obligations regarding the use of such transmission facilities, shall be negotiated between SPP and the Terminated Member, and any disputes involving such rights and obligations shall be resolved in accordance with the dispute resolution procedures in the Bylaws and Agreement.

#### **4.3.4 Regulatory and Other Approvals or Procedures**

Any Termination with respect to a Transmission Owner shall be subject to applicable Federal and state law and regulatory approvals or procedures.

**Southwest Power Pool, Inc.**

**STAFF**

**Recommendation to the Corporate Governance Committee**

**June 17, 2019**

**Annual Membership Fee Increase**

**Background**

Per the SPP Bylaws, the Board of Directors is responsible for establishing the annual membership fee, with such fee to be determined for the upcoming year in advance of the last meeting of Members in a calendar year. Public interest groups may seek waiver of the annual membership fee in accordance with the Bylaws.

**Analysis**

Since 2007, all SPP Members have been subject to a \$6,000 annual membership fee.<sup>1</sup> Prior to that, non-load serving Members were subject to an annual membership fee of \$6,000, and load-serving Members were subject to a fee based on their annual Net Energy for Load within SPP for the preceding year. Upon evaluation of the current annual membership fee, the Corporate Governance Committee proposes that the fee be increased from \$6,000 to \$20,000 for all Members effective January 1, 2020 to more closely align with SPP's cost of service for membership. In support, Staff has attached an overview of the costs SPP incurred in 2016 – 2018 to administer its stakeholder process. The cost per Member is calculated as approaching or exceeding \$35,000/year.

**Recommendation**

Establishment of an annual membership fee in the amount of \$20,000 as discussed herein

**Action Requested:** Approve Recommendation

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<sup>1</sup> Notably, the Transmission Owner Designation Process set forth in Attachment Y of SPP's Open Access Transmission Tariff ("Tariff") requires payment of an application fee and annual certification fee equal to the amount of the SPP annual membership fee. (SPP Members current in payment of their annual membership fee are exempt from these fee requirements.) The Tariff requires that the application fee amount be posted on SPP's website as part of the Qualified RFP Participant application form. (The next application window will open April 1, 2020.) If the annual membership fee is increased, the aforementioned fees will need to be adjusted to conform to the amount of the updated annual membership fee.

<b>Southwest Power Pool</b>			
<b>Stakeholder Process Costs</b>			
	<u>2016</u>	<u>2017</u>	<u>2018</u>
Meeting Exp - Board of Directors	92,937	104,084	222,298
Meeting Exp - Corp Governance Committee	17,544	2,945	15,710
Meeting Exp - Finance Committee	19,244	4,818	6,406
Meeting Exp - Human Resources Committee	4,351	10,572	3,513
Meeting Exp - Oversight Committee	6,677	13,377	7,670
Meeting Exp - Strategic Planning Committee	54,077	92,273	36,780
Meeting Exp - Markets and Operations Policy Committee	118,888	120,933	117,600
Meeting Exp - Business Practices WG	0	305	346
Meeting Exp - Change WG	692	563	136
Meeting Exp - Market WG	13,048	14,979	13,169
Meeting Exp - Model Development WG	2,453	5,733	6,261
Meeting Exp - Operating Reliability WG	12,857	21,570	6,989
Meeting Exp - Seams Steering Committee	5,554	2,391	4,226
Meeting Exp - Operations Training WG	1,332	1,634	1,508
Meeting Exp - Regional Tariff WG	26,237	14,784	6,447
Meeting Exp - Systems Protection and Control WG	9,304	7,732	4,785
Meeting Exp - Transmission WG	20,685	26,429	22,826
Meeting Exp - Economic Studies WG	20,936	28,136	11,591
Meeting Exp - IRC	15,424	62,065	23,343
Meeting Exp - Project Cost WG	3,175	4,377	1,774
Meeting Exp - Regional Compliance WG	8,765	14,851	1,591
Meeting Exp - AEP Meeting Space Rental	20,000	20,000	20,000
Meeting Exp - Regional Allocation Review Task Force	2,157	1,031	1,824
Meeting Exp - Supply Adequacy WG	5,757	17,433	7,573
Board Compensation	1,048,026	1,323,835	1,350,631
Regional State Committee	220,023	202,305	178,191
Meeting Exp - Cost Allocation WG	4,194	3,036	4,429
Staff - Meeting Planner	81,000	81,000	81,000
Staff Travel	1,438,885	1,517,527	1,421,338
<b>Total Stakeholder Process Costs</b>	<b>3,274,224</b>	<b>3,720,718</b>	<b>3,579,956</b>
<i>(a) assumed 75% of SPP staff travel is related to the stakeholder process.</i>			