



1000 Center St.

Little Rock, AR 72201

**Southwest Power Pool
REGIONAL STATE COMMITTEE
April 5, 2007
Teleconference**

• M I N U T E S •

Administrative Items:

Members in attendance or represented by proxy were:

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

Others in attendance:

- Tom DeBaun, Kansas Corporation Commission
- Larry Holloway, Kansas Corporation Commission
- Don Low, Kansas Corporation Commission
- Matthew Tomc, Kansas Corporation Commission
- Joyce Davidson, Oklahoma Corporation Commission
- A.J. Ferate, Oklahoma Corporation Commission
- Mike Proctor, Missouri Public Service Commission
- Greg Meyer, Missouri Public Service Commission
- Harry Skilton, SPP Director
- David Fliescher, Secretary of Energy (Oklahoma)
- Bobby Wegener, State of Oklahoma
- David Kays, OG&E
- Jake Langthorn, OG&E
- Rob Janssen, Redbud Energy
- Dennis Reed, Westar Energy
- John Olsen, Westar Energy
- Robin Morecroft, Oklahoma Municipal Power Authority
- Richard Spring, Kansas City Power and Light
- Alan Myers, ITC Great Plains
- Walter Wolf, Stone, Pigman, Walther, Wittman, LLC
- Les Dillahunty, Southwest Power Pool, Inc.
- John Mills, Southwest Power Pool
- Nick Brown, Southwest Power Pool.
- Carl Monroe, Southwest Power Pool
- Cheryl Robertson, Southwest Power Pool

President Julie Parsley called the meeting to order at 10:05 p.m. Introductions were made and a quorum was declared.

Business Meeting:

Dr. Mike Proctor provided a report from the Cost Allocation Working Group (CAWG) meeting on March 28,

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2007 (CAWG Report – Attachment 1). Topics included were:

- Unintended Consequences: SPP Staff found no unintended consequences in the 2006 Transmission Expansion Plan and presented 4 methods for treating losses in the MW-mile calculation.
- Transmission Expansion Portfolio: SPP presented a hypothetical portfolio using 6 projects within the SPP footprint and compared four allocation methods based on peak hour flows. A discussion was held regarding the relationship of a portfolio of transmission projects to the EHV plan. The CAWG asked that future analysis include a broader base than the peak hour.
- Benefit to Cost Ratio of Inclusion of Upgrades for Cost Allocation: Dr. Proctor presented a strawman proposal to require estimated benefits to exceed estimated costs by a factor of 1.67. It was decided that Dr. Proctor would circulate questions and topics for discussion by stakeholders on the benefit cost ratio at the April 23 RSC meeting.
- Waiver Requests from AECC and OMPA: Two Turk Plant participants have requested waivers: AECC and OMPA. Due to open dockets in several states regarding the construction of this plant, it was decided that a generic discussion on processes for waiver requests should be included in the April agenda. Commissioners can excuse themselves if necessary when specific cases are discussed. Les Dillahunty will prepare a strawman from SPP Staff in order to have a dialog with commissioners and stakeholders at the April RSC meeting regarding waiver requests.
- ITC Great Plains presentation: ITC presented hurdles for investment in new transmission within the SPP region.

Steve Gaw inquired on how growth of wind generation is impacting capacity, operating reserves, and ancillary services. Les Dillahunty will research this and include information in SPP's April report to the RSC.

Scheduling of Next Regular Meeting, Special Meetings or Events:

The next regularly scheduled RSC meeting is in Oklahoma City, Oklahoma on April 23, 2007.

With no further business, the meeting was adjourned.

Respectfully Submitted,

Les Dillahunty