



WIUFMP
Administrator Procedure

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REVISION HISTORY

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SECTION 1: PURPOSE

The Qualified Controllable Device owners and Transmission Operators of Qualified Paths selected Southwest Power Pool, Inc. (“SPP”) to administer, beginning in 2018, the Federal Energy Regulatory Commission-accepted Western Interconnection Unscheduled Flow Mitigation Plan (the “WIUFMP”),¹ as it may be amended, supplemented, or restated from time to time. As Administrator, SPP will work in conjunction with the Unscheduled Flow Committee (“UFC”) for its technical advisory support and the Qualified Owners and Operators (“QOO”) for its governance of the WIUFMP.

This procedure reflects the administrative practices for oversight, review, and implementation of the WIUFMP in accordance with the terms and conditions of the *WIUFMP Administration Services Agreement* (the “Agreement”) and *Mutual Confidentiality Agreement between SPP and the QOO in Furtherance of SPP’s Selection as Administrator and Subsequent Administration of the WIUFMP*, entered into between SPP and the QOO. A list of acronyms used in this procedure is set forth in Appendix C.

Please direct all inquiries related to SPP’s administration of the WIUFMP as indicated below:

General Inquiries: WIUFMPAdministrator@spp.org.
Accounts Payable Inquiries: WIUFMPBilling@spp.org.

PUBLIC INFORMATION

SPP has established a public page on its corporate website to disseminate non-confidential information relevant to the WIUFMP. Governing documents, meeting materials, and reference documents will be posted to the respective QOO and UFC pages at <https://www.spp.org/organizational-groups/qualified-owners-and-operators/>.

SECTION 2: OVERSIGHT AND REVIEW

DEVICE AND PATH QUALIFICATIONS

SPP, in conjunction with the UFC, will review all requests to add or to remove a Qualified Controllable Device (“QCD”) or Qualified Path (“QP”) to/from the WIUFMP. Any entity seeking to add or remove an element for coordinated operation or to add or remove a path for mitigation under the WIUFMP shall demonstrate to SPP that (i) it meets the applicable criteria specified below and (ii) procedures are in place to ensure that adequate communication and coordination will occur

¹ See *PacifiCorp*, Letter Order, Docket No. ER18-2512-000, et al. (Nov. 9, 2018) (accepting the revised WIUFMP effective August 1, 2018).

between the operator of the element and all appropriate reliability entities. All requests to add or remove qualified elements must be emailed to SPP at WIUFMPAdministrator@spp.org. SPP will review each request with the UFC prior to taking final action on add/remove requests. All actions taken by SPP as the Administrator of the program will be documented and presented to the QOO at its next regular meeting.

Evaluation and determination will include the following criteria:

QUALIFICATION OF CONTROLLABLE DEVICES

1. Operation of the element must reduce unscheduled flows by an average of 1.0% over all current QPs.
2. Operation of the element must reduce unscheduled flows by at least 1.0% on each of at least half of the current QPs.²

The entity making the request (the sponsoring entity) shall also provide SPP:

1. A brief written element description including appropriate diagram(s) or outlines, information on typical operating modes, the expected operation date for the new element, and a proposed date of availability for operation in the WIUFMP.
2. Documentation for the element's capital cost, ownership, and any fixed charges.³

The sponsoring entity shall present the merits of the element qualification request to the UFC for its consideration and recommendation to SPP. The UFC will consider each element inclusion request and will vote to recommend that SPP include or exclude the element in the WIUFMP. If a qualification is approved by SPP following its review and analysis of the inclusion request, SPP will add the element to the WIUFMP's list of QCDs.⁴ If the element is approved during the calendar year, compensation for the new QCD will be prorated accordingly.⁵ SPP will inform the QOO of all controllable device qualifications.

DISQUALIFICATION OF CONTROLLABLE DEVICES

SPP will evaluate QCD effectiveness and may indicate to the UFC its intent to disqualify QCDs under the WIUFMP when they no longer meet the criteria for inclusion under the WIUFMP. The UFC will consider each intended disqualification and will vote whether to recommend that SPP remove such element from the WIUFMP. If a disqualification is approved by SPP, SPP will remove the QCD from the WIUFMP's list of QCDs.⁶ SPP will inform the QOO of all controllable device disqualifications.

² WIUFMP at 1.

³ *Id.* at 2.

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

QUALIFICATION OF PATHS

1. The path must be metered and usable as a transmission segment in a Schedule.
2. The path must have a Facility Rating in megawatts (“MW”).
3. The path must have a documented record of at least 100 hours in the most recent 36 months where actual flows across the path have exceeded 97% of the applicable Facility Rating and curtailments (schedules or other elements) have been made to mitigate exceedances.
4. A power flow analysis must show that unscheduled flows can reasonably equal or exceed 5% of the applicable path Facility Rating.⁷

In addition, an entity seeking to qualify a path for mitigation under the WIUFMP (the sponsoring entity) shall provide SPP the following documentation:

1. A description of series-connected controllable devices in the path that can be used to reduce unscheduled flows.
2. A description of any unique operating procedures or agreements that might affect the WIUFMP if the path is qualified.
3. A description of any known simultaneous operating conditions that may limit QCD coordinated operation.⁸

As paths are normally qualified in a specific direction, an entity seeking qualification in both directions shall provide SPP supporting data for each direction.⁹

The sponsoring entity shall present the merits of the path qualification request to the UFC for its consideration and recommendation to SPP. The UFC will consider each path inclusion request and will vote to recommend that SPP include or exclude the path in the WIUFMP. If a qualification is approved by SPP following its review and analysis of the inclusion request, SPP will add the path to the WIUFMP’s list of QPs. SPP will inform the QOO of all path qualifications.

DISQUALIFICATION OF PATHS

SPP will evaluate each path under the WIUFMP and may indicate to the UFC its intent to disqualify paths under the WIUFMP when they no longer meet the criteria for inclusion under the WIUFMP. The UFC will consider each intended disqualification and will vote whether to recommend that SPP remove such path from the WIUFMP. If a disqualification is approved by SPP, SPP will remove the path from the WIUFMP’s list of QPs.¹⁰ SPP will inform the QOO of all path disqualifications.

⁷ *Id.*

⁸ *Id.* at 2-3.

⁹ *Id.* at 3.

¹⁰ *See id.*

PERFORMANCE

As Administrator, SPP will track performance of the WIUFMP.¹¹ This includes review and analysis of program data from the Enhanced Curtailment Calculator (ECC) (i.e., Coordinated Operation of Phase Shifters (“COPS”) hours and schedule curtailments). All performance analysis will be provided to the UFC as requested.

Note: For Plan Year (“PY”) 23, former WIUFMP Administrator Western Electricity Coordinating Council (“WECC”) will provide COPS hours for the allocation.

PST EFFECTIVENESS FACTORS

As Administrator, SPP will evaluate and determine Phase Shifting Transformer (“PST”) effectiveness factors for each PY in coordination with the UFC. A QCD’s effectiveness factor on each of the Qualified Transfer Paths is determined from yearly incremental power flow studies using base cases representing the appropriate system topology and time period.¹² The desired outcome of these studies is to determine what effect, in terms of MW flow, the operation of specific PSTs, or groups of PSTs, have on designated paths within the Western Interconnection.

1. This effectiveness is multiplied by the QCD's control range and divided by the Qualified Transfer Path's nominal rating to determine the percentage effectiveness of each controllable device on each Qualified Transfer Path.
2. The average percentage control for each QCD is equal to the simple average of the percentage effectiveness on all of the Qualified Transfer Paths.¹³

As new controllable devices or paths are qualified, re-qualified, or disqualified from the WIUFMP, the effectiveness factors and associated compensation levels will be established by the methodology described above.¹⁴

SPP will present the PST effectiveness factors to the UFC annually for approval.

SECTION 3: SETTLEMENTS AND TIMING

SETTLEMENTS AND TIMING

As Administrator, SPP will submit data requests to entities who generate power, serve load, buy, sell, or transport energy within the Bulk Electric System of the Western Interconnection (the

¹¹ See *id.* at 1.

¹² *Id.* at 6.

¹³ *Id.*

¹⁴ *Id.*

“Applicable Entities”) for energy data, as well as requests to each QCD owner for actual Operations and Maintenance (“O&M”) costs.¹⁵

For PY 23, data requests were delayed; the full timeline for PY 23 is listed in [Appendix A](#). Timelines for PY 24 and beyond are listed in [Appendix B](#).

Late Data Submittals

Response to data submittals is imperative for the WIUFMP to function as intended. If an entity does not respond with the required data by the due date, SPP will add 3% to that entity’s previous PY reported data. This percentage will be compounded yearly, if necessary, for up to two years. After two years, 25% will be added to the previous year’s estimated value.

Partial Data Submittals

If an entity submits incomplete data for PY 23, SPP will use the most recent data available that the entity previously submitted to WECC. In PY 24+, rather than default to any data previously submitted to WECC, SPP will use the 3% and 25% data estimation adders referenced above.

In the event of data discrepancies between or among PYs, data submitted to SPP will have precedence over any data previously submitted to WECC. In addition, SPP may exercise engineering judgment to derive unclear data or to allow for power balance.

ADMINISTRATIVE FEES

SPP will perform Administrator services on a fixed fee basis as approved by a majority of the QCD owners and a majority of the Transmission Operators of QPs and established pursuant to the Agreement.

Actual administrative costs related to the WIUFMP will be added to the final yearly costs allocated to Applicable Entities.¹⁶ The WIUFMP administrative costs for Administrator years 1 (PY 23) and 2 (PY 24) will be invoiced in 2018 as part of SPP’s initial invoicing of WIUFMP Costs (described below). WIUFMP administrative costs for PYs beyond Administrator year 1 (PY 23) will be invoiced a year in advance as part of the WIUFMP costs.

INVOICING

SPP will issue invoices to Applicable Entities for their share of costs under the WIUFMP in accordance with the invoicing guidelines that follow.

Applicable Entities will be given a minimum of ninety (90) days from the date of invoice to pay their allocated costs. The end of the ninety-day period constitutes the period after which payments will be considered late.¹⁷

¹⁵ See *id.* at 5.

¹⁶ *Id.* at 6.

¹⁷ *Id.* at 8.

LATE PAYMENT PENALTIES AND UNPAID BALANCES

Applicable Entities that do not pay their allocated costs by the appointed deadlines, as determined by SPP, may be assessed a 10% penalty for each six-month period they are late as described below and in the event of ultimate non-payment shall be included on the list of non-paying entities included in the yearly WIUFMP Administrator report.¹⁸

SPP will assess a 10% penalty if after six months from the due date of the allocated costs SPP determines that an Applicable Entity has not paid its allocated costs, has not responded to communications from SPP to rectify the nonpayment, or otherwise has no intention of paying.¹⁹

Circumstances may arise that in the judgment of SPP justify a waiver of this penalty.²⁰ If SPP determines, at its discretion, that the non-paying Applicable Entity intends to pay its allocated costs and is making reasonable efforts to do so, SPP may at its discretion waive assessment of the penalty.²¹

Funds collected from penalty payments will be used to: (i) fully compensate QCD owners in the event of an ultimate inability to collect all allocated costs, (ii) offset any approved Administrator costs associated with the WIUFMP, or (iii) offset the costs of the WIUFMP in subsequent years.²²

SPP will report to the QOO the status of unpaid balances and penalty fees.

SPP will continue to assess late penalties for unpaid balances and report the status of unpaid balances and penalty fees to the QOO. Unpaid balances that are 36 months past due will be presented to the QOO for consideration of next steps including seeking collections services, writing off the unpaid balance or continuing to carry the balance per QOO discretion.

DISBURSEMENTS OF FUNDS

QCD owners are compensated for the availability of their devices and the time their devices are utilized to mitigate flows on QPs as part of the WIUFMP. The method for determining those costs and the methodology for allocating those costs to Applicable Entities is set forth in the filed WIUFMP.

Costs in administering the WIUFMP will be satisfied prior to distributing collected funds to the QCD owners in accordance with the Agreement.

Any payments received after December 15 will be credited towards the following PY distribution unless those payments received are in excess of \$300,000. If late receipts are in excess of \$300,000

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

and are received prior to August 1 of the following year SPP will facilitate a special one-time distribution.

ADMINISTRATOR REPORT

An administrative report for each PY will be publicly posted and provided to Applicable Entities within three months of the completion of the calculation, collection, and disbursement of all funds related to the PY.²³ For all PYs, the reports shall be posted around December 30. The WIUFMP Administrator report shall include, but not be limited to:

- Number of COPS hours
- Total QCD costs allocated to Applicable Entities
- Total amount collected from Applicable Entities
- WIUFMP administrative costs
- Total number of entities who were allocated costs and the allocated amount
- List of non-paying entities with respective invoice amounts
- Record of all QCD and QP changes during the year
- Statement regarding any WIUFMP and/or Administrator changes²⁴

SECTION 4: DISPUTE RESOLUTION

Disputes with respect to the WIUFMP will be resolved in accordance with the WIUFMP.²⁵

²³ *Id.*

²⁴ *Id.*

²⁵ *See id.*

APPENDIX A – PY 23 TIMELINE

The following dates are estimates and subject to change.

April 13, 2018	Initial Data Request
April 24, 2018	Initial O&M Costs Request
May 18, 2018	Data Requests Due from Entities
June 24, 2018	O&M Costs Due from QCD Owners
June – July, 2018	Allocations Calculated for Applicable Entities
Aug. 20, 2018	Invoices Submitted
Nov. 20, 2018	Payments Due
Nov. 21 – 28, 2018	Calculate Initial Distribution
Nov. 29, 2018	Initial Distribution
Nov. 21 – Dec. 10, 2018	Collect Late Payments
Dec. 10 – 14, 2018	Calculate Subsequent Distributions
Dec. 15, 2018	2 nd and “Final” Distribution for PY 23
Dec. 30, 2018	Issue WIUFMP Administrator Report
May 20, 2019	Penalties Assessed and Collected in the Subsequent PY

APPENDIX B – PY 24+ TIMELINE

The following dates are estimates and subject to change.

Jan. 2	Initial Data Request, Initial O&M Costs Request
Feb. 2	Data Requests Due
March 2	O&M Costs Due
March - April	Allocations Calculated for Applicable Entities (Including Penalties from PY 23)
May 1	Invoices Submitted
Aug. 1	Payments Due
Aug. 2 – 14	Calculate Initial Distribution
Aug. 15	Initial Distribution
Aug. 2– Nov. 30	Collect Late Payments
Dec. 1 – 14	Calculate Subsequent Distributions
Dec. 15	2 nd and “Final” Distribution for PY 24+
Dec. 30	Issue WIUFMP Administrator Report
Feb. 1	Penalties assessed and Collected in the Subsequent PY

APPENDIX C – ACRONYM LIST

COPS	Coordinated Operation of Phase Shifters
ECC	Enhanced Curtailment Calculator
O&M	Operations and Maintenance
MW	Megawatts
PST	Phase Shifting Transformer
PY	Plan Year
QCD	Qualified Controllable Device
QOO	Qualified Owners and Operators
QP	Qualified Path
SPP	Southwest Power Pool, Inc.
UFC	Unscheduled Flow Committee
WECC	Western Electricity Coordinating Council
WIUFMP	Western Interconnection Unscheduled Flow Mitigation Plan