

Q1 Where should the information being requested for actual cost verifications be submitted?

A1 Requested information and documentation should be uploaded to the Mitigated Offer Methodology of the Market Monitoring Portal. The content and format of the submission can be found in an excel template, AO Sample Cost Template 20210319, posted on the Market Monitoring page on SPP.org under the Market Monitoring Documents and Reports folder.

<https://www.spp.org/spp-documents-filings/?id=18510>

Q2 What is the deadline for submitting actual cost information related to offers over \$1,000/MWh?

A2 Section 3.2, paragraph (J), in Attachment AF of the SPP tariff requires submission of evidence of actual costs incurred to the Market Monitor within thirty-five (35) days of the operating day. On March 11, 2021, Southwest Power Pool (SPP) and the Southwest Power Pool Market Monitoring Unit (MMU) filed a joint request (waiver) with the Federal Energy Regulatory Commission (FERC) to extend the deadline to seventy-five (75) days from the operating day for operating days February 11, 2021 through February 20, 2021. The waiver has been approved and can be found under docket number ER21-1331-000. The MMU will make a good faith effort to verify all actual cost information submitted within the original thirty-five (35) day window prior to the cutoff for the S53 settlement statement. Any information that is not verified prior to the cutoff for the S53 settlement process, and all other submissions, will be verified and available for the S120 settlement statement. Please see Q28 for a table providing deadlines per operating day.

Q3 Can I submit the actual cost information early?

A3 The MMU highly encourages participants to submit their cost information on the Market Monitoring Portal as soon as it is available and compiled. This will allow the MMU to start validating what it expects to be more than 50,000 offers that cover 10 operating days.

Q4 Are there other ways to support costs if actual invoices are not available?

A4 In the unusual circumstance an invoice or statement cannot be provided, the MMU will consider other supporting documentation on a case-by-case basis.

Please refer to the answer for Q2 for additional information regarding request for extended deadlines.

Q5 If any part of a generator's submission is deficient, will the generator have an opportunity to cure the deficiency? If the deficiency is not cured, will the MMU approve the costs that are supported, or would that deficiency be grounds for rejecting the entire submission?

A5 The MMU will approve offers based on actual costs that can be substantiated. If there are errors, omissions, or deficiencies, the MMU will work with the Market Participant to resolve any issues, as allowed, by the Tariff.

Please refer to the answer for Q2 for additional information regarding request for extended deadlines.

Q6 What if the information provided is only partially complete or can only be partially validated?

A6 Market participants are obligated to provide the information and data requested to the market monitor. If you are unable to obtain cost information, you may contact the market monitor to discuss.

Q7 For natural gas in storage, how should the cost of storage be accounted for?

A7 The cost of storage can be computed as a \$/unit and submitted as part of the cost when using that fuel to produce energy. For the hours when that stored fuel is being used, the actual cost would be the original price paid and the cost of storage. Both must be cross-referenced with line items on statements or invoices. The MMU will evaluate all evidence provided and contact the participant with any questions.

Q8 Can we include natural gas pipeline penalties and rebates in our costs as part of the verification process? If so, what would be the process if those penalties were not received until after the 35-day period?

A8 The cost of pipeline penalties can be computed as a \$/Unit and submitted as part of the cost when using that fuel to produce energy. For the hours when that fuel is being used, the actual cost would be the original price paid and the cost of the penalty. Both must be cross-referenced with line items on statements or invoices. The MMU will evaluate all evidence provided and contact the participant with any questions.

Please refer to the answer for Q2 for additional information regarding request for extended deadlines.

Q9 What if my gas did not get burned because it was impounded?

A9 Consistent with FERC Order 831, the MMU is validating actual verifiable costs incurred for the energy produced (paragraph 9). Questions regarding gas that was purchased but not burned should be directed to the RTO.

Q10 Can the MMU sign an NDA?

A10 Per Attachment AF, Section 3.2(K), cost data submitted for the development of mitigated offers, including opportunity cost data, shall be subject to the confidentiality provisions set forth in Section 11 of Attachment AE of this Tariff. Additionally, per Section 8.1 of Attachment AG, SPP and Market Participants may designate Data and Information as Confidential Information consistent with the terms of SPP's Membership Agreement and Section 11 of Attachment AE. Any Confidentiality requirements contained in a contract between a market participant and third party (e.g., fuel supplier) that are inconsistent with the SPP Tariff Confidentiality requirements are the responsibility of the market participant.

Q11 Was my MMU approved offer used to set price?

A11 Given the large volume of offers coming in near the close of the markets, the MMU was reviewing and approving offers as quickly as possible. We know that many offers were approved before the close of the markets and we also know that some offers were not approved before the close of the market. This is difficult to assess at this time. Questions related to use of an offer in price formation should be directed to SPP. Whether an offer over \$1,000 was used in price formation, the MMU is requiring information related to actual cost and updated start-up, no-load, and incremental energy offers.

Q12 Should we include all resource offers in the verification process or just the actual cost information for every resource we offered into the market and cleared by the market?

A12 The MMU is requesting all resources with incremental energy offers over \$1,000/MWh to submit actual cost information, irrespective of whether the resource cleared in the market.

Q13 Will the actual costs being provided be used in repricing of the day-ahead or real-time markets or will this information only be used for make-whole payments?

A13 The information will be used to calculate make-whole payments.

Q14 Will these make-whole payments be allocated to the day-ahead make-whole payments or the real-time make-whole payments?

A14 The MMU is verifying actual costs incurred against the day-ahead and real-time energy offer curves for each hour. Verified offers will be passed to settlements. An indicator that no costs were verified will be passed to settlements for any offer over \$1,000/MWh for which actual costs are not verified by the MMU. SPP will determine how these costs are reimbursed.

Q15 What is the required format for submitting the actual cost information for verification by the MMU?

A15 The MMU is requesting all relevant data (updated offers, document of actual cost incurred, and data connecting the two) for each resource be compiled into a separate spreadsheet, such as in Excel. Multiple spreadsheets can be combined into a single zip file and uploaded to the Mitigated Offer Methodology section of the Market Monitoring Portal. This process is outlined in the MMU memo, 20210401 SPP MMU Order 831 Actual Offer Verification Process, and a template defining the data and format being requested in, AO Sample Cost Template 20210319. Both are posted on the Market Monitoring page on SPP.org under the Market Monitoring Documents and Reports folder.

<https://www.spp.org/spp-documents-filings/?id=18510>

Q16 When submitting resource actual costs for verification, does each individual hour ending (HE) need to be listed for a resource or can I list prices for HE1-9 and then prices for HE10-24 for each day?

A16 The information should be submitted by individual hour. The information being requested by the MMU is outlined in, AO Sample Cost Template 20210319, posted on the Market Monitoring page on SPP.org under the Market Monitoring Documents and Reports folder. <https://www.spp.org/spp-documents-filings/?id=18510>

Q17 Do I need to send in day-ahead and real-time offers?

A17 Yes, the MMU requires both day-ahead and real-time offers.

Q18 When submitting resource actual costs for verification, do the day-ahead energy offers, no-load, and startup costs need to be submitted for each resource?

A18 Yes, actual cost information should include cost-based offers for day-ahead incremental energy, no-load, and startup.

Q19 When submitting resource actual costs for verification, do the real-time energy offers, no-load, and startup costs need to be submitted for each resource?

A19 Yes, actual cost information should include cost-based offers for real-time incremental energy, no-load, and startup.

Q20 When submitting resource actual costs for verification, do the mitigated energy offers, no-load, and startup costs need to be submitted for each resource?

A20 No, the MMU will be using the day-ahead and real-time offers in the cost verification

process so mitigated offer information is not required.

- Q21 Does the information being requested for actual cost verification need to be submitted if the day-ahead offer was above \$1,000/MWh before fuel was purchased, but after fuel was purchased, resulted in the real-time offer being less than \$1,000/MWh?**
- A21 Yes, actual cost information should be submitted for each resource with a day-ahead incremental energy offer over \$1,000/MWh.
- Q22 When submitting resource actual costs for verification, does each resource need to designate that it is slope pricing or block pricing for the energy offers?**
- A22 No, this information is not required for the verification process.
- Q23 Is there any information required for verification of interchange transaction offers over \$1,000/MWh?**
- A23 No, per FERC Order 831, there is no verification requirement for interchange transactions over \$1,000/MWh.
- Q24 Is there any additional information required for virtual transactions \$1,000/MWh?**
- A24 No, per FERC Order 831, there is no verification requirement for virtual transactions over \$1,000/MWh.
- Q25 Will market participants be allowed to true-up offers over \$1,000, and under \$2,000, with actual costs even if they were already approved by the MMU on those operating dates?**
- A25 No. Per Order 831, and Attachment AF of the SPP tariff, incremental energy offers above \$1,000/MWh and less than or equal to \$2,000/MWh that are verified by the MMU prior to market clearing and used in price formation, will be used in the settlement process. Incremental energy offers above \$2,000/MWh that are verified by the MMU prior to market clearing establish a cap for after-the-fact verification of actual costs and reimbursement. Offers above \$1,000/MWh that are not verified by the MMU prior to market clearing or are not used in price formation may be eligible for reimbursement at actual costs incurred.
- Q26 Does the data submitted to the MMU flow through to the settlements, or is there another process to submit the data to the RTO for settlements?**
- A26 The MMU will pass the appropriate information on to the RTO settlements process. No additional submissions will be required to the RTO.

Q27 Will there be an opportunity to dispute any issues with the S120 settlement statement?

A27 Section 10.3, paragraph (2), in Attachment AE of the SPP tariff stipulates all disputes related to the S120 settlement statement must be material (more than \$2,000 at issue) and must relate to an incremental difference between the S53 settlement statement and the S120 settlement statement. On March 11, 2021, Southwest Power Pool (SPP) and the Southwest Power Pool Market Monitoring Unit (MMU) filed a joint request (waiver) with the Federal Energy Regulatory Commission (FERC) to waive the tariff requirements for materiality and incremental difference, allowing thirty (30) days after the S120 settlement statement to submit disputes for the operating days February 11, 2021 through February 20, 2021. The waiver has been approved and can be found under docket number ER21-1331-000.

Q28 If the waiver is granted, what will be the new schedule for submitting actual cost information for offers over \$1,000/MWh and receiving reimbursement?

A28 The table below shows the tariff defined deadlines for submission of evidence of actual costs, verification of actual costs, and settlement of operating dates from February 11, 2021 through February 20, 2021. Additionally, the table shows the extended deadlines requested from the Federal Energy Regulatory Commission (FERC) on March 11, 2021 by Southwest Power Pool (SPP) and the Southwest Power Pool Market Monitoring Unit (MMU). For evidence that is submitted by the tariff-defined deadline, the MMU will make a good faith effort to verify it prior to the S53 settlement process. All other information will be verified per the table below and included in the S120 settlement statement. The waiver has been approved and can be found under docket number ER21-1331-000

Operating Day	Tariff deadline for submission OD+35 days	Tariff deadline for verification OD+45 days	S53 settlement statement	Extended deadline for submission OD+75 days	Extended deadline for verification OD+105 days	S120 settlement statement
2/11/2021	3/18/2021	3/28/2021	4/5/2021	4/27/2021	5/27/2021	6/11/2021
2/12/2021	3/19/2021	3/29/2021	4/6/2021	4/28/2021	5/28/2021	6/12/2021
2/13/2021	3/20/2021	3/30/2021	4/7/2021	4/29/2021	5/29/2021	6/13/2021
2/14/2021	3/21/2021	3/31/2021	4/8/2021	4/30/2021	5/30/2021	6/14/2021
2/15/2021	3/22/2021	4/1/2021	4/9/2021	5/1/2021	5/31/2021	6/15/2021
2/16/2021	3/23/2021	4/2/2021	4/10/2021	5/2/2021	6/1/2021	6/16/2021
2/17/2021	3/24/2021	4/3/2021	4/11/2021	5/3/2021	6/2/2021	6/17/2021
2/18/2021	3/25/2021	4/4/2021	4/12/2021	5/4/2021	6/3/2021	6/18/2021
2/19/2021	3/26/2021	4/5/2021	4/13/2021	5/5/2021	6/4/2021	6/19/2021
2/20/2021	3/27/2021	4/6/2021	4/14/2021	5/6/2021	6/5/2021	6/20/2021