

MARKETS

GOVERNANCE DESIGN TEAM

March 14, 2022



*Working together to responsibly and economically
keep the lights on today and in the future.*



SouthwestPowerPool



SPPorg



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Southwest Power Pool
**WESTERN
ENERGY
SERVICES**

WELCOME AND OVERVIEW

KARA FORNSTROM, SPP

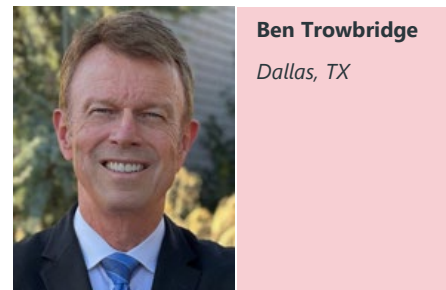
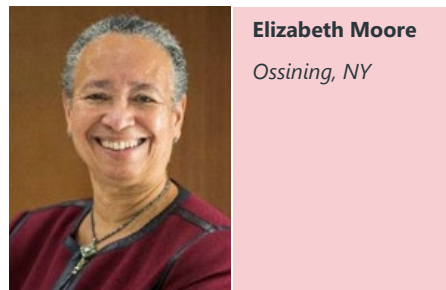
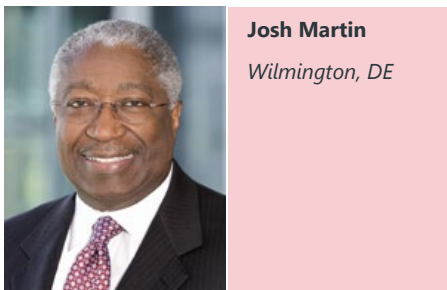
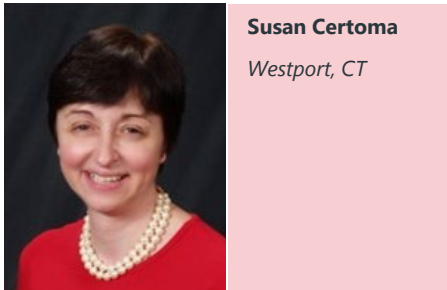
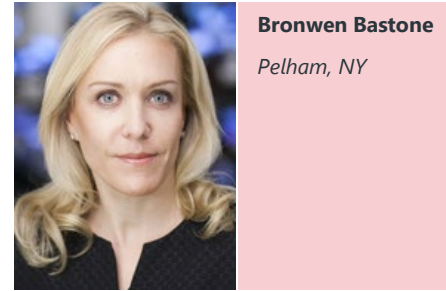
AGENDA

Welcome and Overview	Kara Fornstrom, SPP
Review of February 28 GDT Meeting <ul style="list-style-type: none">• SPP Board of Directors• SPP Corporate Governance Committee• SPP Western Contract Services Governance Frameworks	Kara Fornstrom, SPP
Governance Options: #1, #2A, #2B and #3 <ul style="list-style-type: none">• Considerations for Each Option• Feedback and Questions	Lea Fisher, PGP David Rubin, NV Energy
March 29-30 In-Person Meeting <ul style="list-style-type: none">• Develop Options Matrices• Written Comment Opportunity	Joe Fina, Snohomish
Discussion	Stakeholder Leads
Next Steps and Future Meetings	Kara Fornstrom, SPP

REVIEW OF FEBRUARY 28 GDT MEETING

KARA FORNSTROM, SPP

SPP'S BOARD OF DIRECTORS



CORPORATE GOVERNANCE COMMITTEE REPRESENTATION

Member Type	Member
SPP president – chair	Barbara Sugg, SPP
SPP chair of the board	Larry Altenbaumer
(1) Investor-owned utility	Denise Buffington, Evergy
(1) Cooperative	Mike Wise, Golden Spread
(1) Municipal	Jason Fortik, LES
(1) IPP/Marketer	Betsy Beck, Enel
(1) State power agency	John McClure, NPPD
(1) Alternative power/public Interest	Steve Gaw, APA
(1) Independent transmission	Brett Leopold, ITC
(1) Large/Small retail	Holly Rachel Smith, Walmart
(1) Federal power marketing agency	Lloyd Linke, WAPA
Ex officio member	Josh Martin

SPP'S RELIABILITY COORDINATION STAKEHOLDER GROUPS

Western Reliability Executive Committee (WREC)

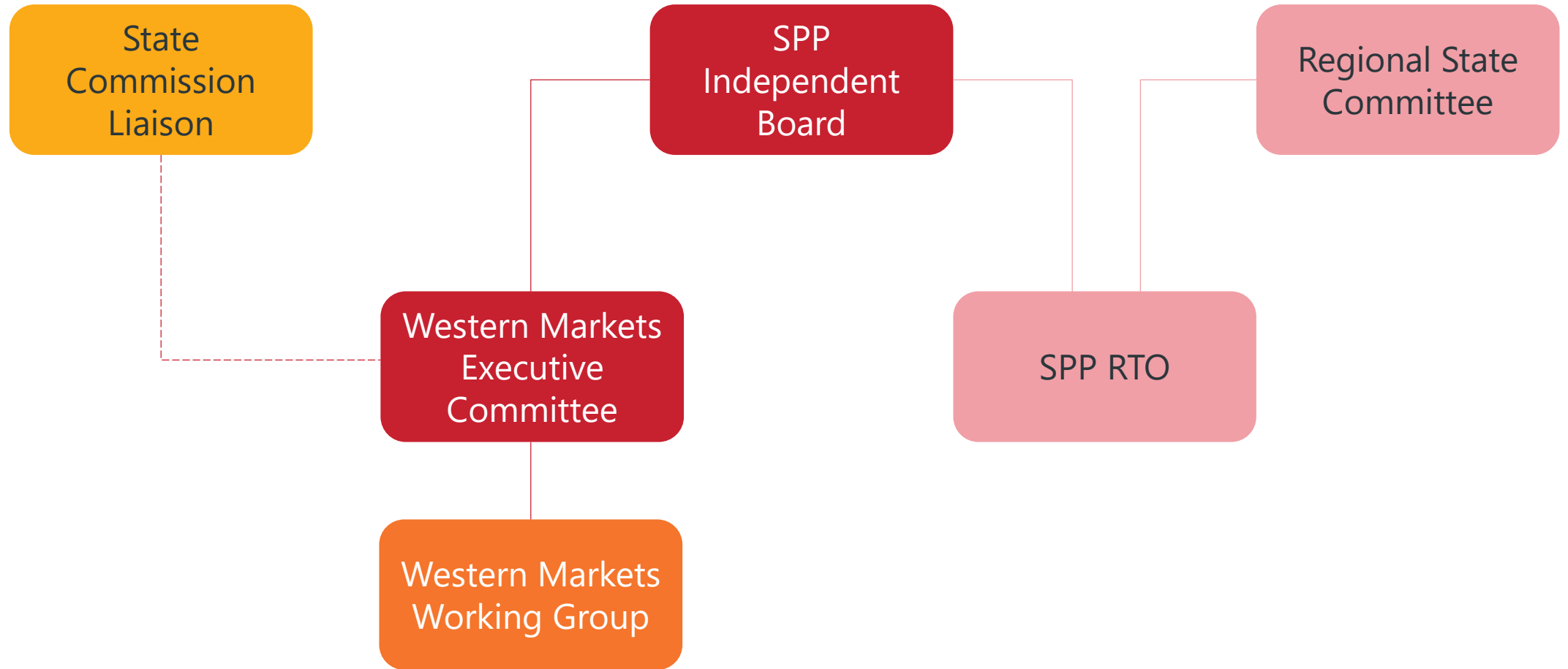
Western Reliability Working Group (WRWG)

West Modeling Task
Force

RC Readiness Task Force

Congestion
Management and Seams
Task Force

WEIS GOVERNANCE



MARKETS+ GOVERNANCE OPTIONS

LEA FISHER

DAVID RUBIN

OPTION #1: MODIFY EXISTING SPP RTO GOVERNANCE STRUCTURE

- Features:
 - Markets+ Participants become SPP Members
 - Markets+ Sector Representation on Standing RTO Committees
 - Minimal Autonomous governance framework for Markets+ exclusive issues
 - Market Oversight Committee
 - Market Work Group
 - State Authorities
- Considerations:
 - Which Standing RTO Committees seek Markets+ Sector Seat?
 - How to identify primary and joint authority?
 - Autonomous governance structure for markets+ exclusive issues
 - Should primary market oversight committee be members based?
 - Should the market work group be stakeholder sector-based (not only participants)?
 - What is the role of state authorities in Markets+ and what is the relation to SPP's Regional State Committee and WRAP Committee of States?
 - Can/should any committee structures within WRAP be leveraged or shared for Markets+?
 - Exit Provisions
 - RTO Membership
 - Markets+
 - RTO Transition

OPTION #2A: ROBUST AUTONOMOUS MARKETS+ GOVERNANCE FRAMEWORK (“GOVERNING BODY MODEL”)

- Features:
 - Markets+ Oversight by a “governing body”
 - Certain authorities
 - Sector based nominating committee
 - SPP board review
 - Additional committee structures
 - Market oversight committee
 - Working groups
 - Committee for states
 - Other
- Considerations:
 - How to identify primary and joint authority?
 - Market optimization
 - Autonomous governance structure
 - Should primary market oversight committee be members based?
 - Should the market work group be stakeholder sector-based (not only participants)?
 - What is the role of state authorities in Markets+ and what is the relation to SPP’s Regional State Committee and WRAP Committee of States?
 - Can/should any committee structures within WRAP be leveraged or shared for Markets+?
 - Exit Provisions
 - Markets+
 - RTO Transition

OPTION #2B: ROBUST AUTONOMOUS MARKETS+ GOVERNANCE FRAMEWORK (“WEIS” MODEL)

- Features:
 - Markets+ Oversight by a “participants committee”
 - Require execution of a Markets+ participation agreement
 - Authority to:
 - Approve or reject proposed amendments to Markets+ tariff
 - Establish detailed Markets+ protocols to support the filed tariff
 - Recommend proposed amendments to Market+ participation agreement
 - SPP board review
 - Additional committee structures
 - Working groups
 - Committee for States
 - Other
- Considerations:
 - Who is eligible to execute a Markets+ participation agreement and what are the terms?
 - How to identify primary and joint authority?
 - Market optimization
 - Can/should any committee structures within WRAP be leveraged or shared for Markets+?
 - Exit Provisions
 - Markets+
 - RTO Transition

OPTION #4: COMBINATION

- Features:
 - Markets+ Oversight by a “Governing Body” OR “WEIS” Model
 - Certain authorities
 - Sector based nominating committee
 - SPP board review
 - Additional committee structures
 - Market oversight committee
 - Working groups
 - Committee for States
 - Other
 - Modify SPP Bylaws
 - Add a member to the SPP Board of Directors?
 - Amend SPP Bylaws to add “Western experience” to qualifications for Board members?
 - Seek advisory role for Markets+ participant at CGC for Board nomination process?
- Considerations:
 - How to identify primary and joint authority?
 - Market optimization
 - Autonomous governance structure for markets+ exclusive issues
 - Should primary market oversight committee by members based?
 - Should the market work group be stakeholder sector-based (not only participants)?
 - What is the role of state authorities in Markets+ and what is the relation to SPP’s Regional State Committee and WRAP Committee of States?
 - Can/should any committee structures within WRAP be leveraged or shared for Markets+?
 - Exit Provisions
 - Markets+
 - RTO Transition

IN-PERSON MEETING MARCH 29-30 PHOENIX

- JOE FINA

PHOENIX MEETING – TENTATIVE AGENDA

Tuesday, March 29		
	7:30-8:00	Continental Breakfast
	8:00-9:45	General Session - Development Update
	9:45-10:00	Break - Transition
	10:00-12:00	Governance DT Breakout Session – Option #1
		Transmission Availability DT Breakout Session
		Market Products/Price Formation DT Breakout Session
	12:00-1:00	Lunch
	1:00-3:00	Governance DT Breakout Session – Option #2a and #2b
		JOINT: Transmission Availability and Market Products/Price Formation DTs Breakout Session
	3:00-3:15	Break
	3:15-5:00	Governance DT Breakout Session – Option #3
		JOINT: Transmission Availability and Market Products/Price Formation DTs Breakout Session
Wednesday, March 30		
	7:30-8:00	Continental Breakfast
	8:00-9:30	Governance DT Breakout Session – Prepare for Readout and Discuss Written Comment Opportunity
		Transmission Availability and Market Products/Price Formation DTs Breakout Session
	9:30-9:45	Break - Transition
	9:45-12:00	General Session - Design Team Readouts

QUESTIONS/DISCUSSION

NEXT STEPS AND FUTURE MEETINGS

KARA FORNSTROM, SPP

Step 1

Step 2

Step 3

Step 4

Step 5

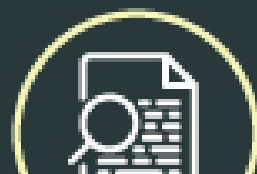
Seek interested parties
Information gathering

Distribute gathered feedback
Develop timeline and next steps
Develop detailed service offering

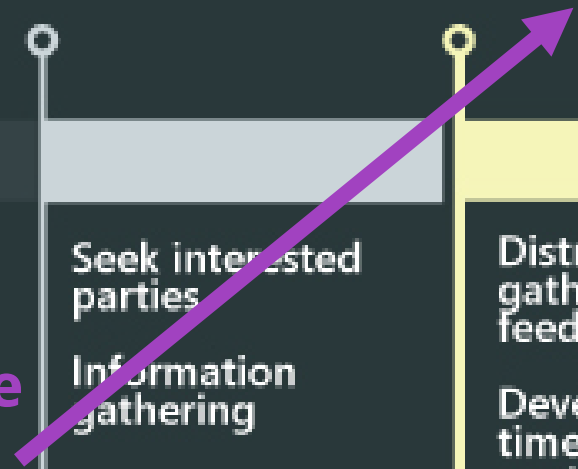
Conduct inclusive stakeholder process with committed parties

Obtain Board approval
Seek FERC approval

Launch



We are here



FUTURE MEETINGS

- March 16: Joint Meeting of the Market Products/Price Formation and the Transmission Availability Design Teams
- March 29-30: In-Person in Phoenix
 - General Sessions and Design Team Breakouts
 - Comment opportunity following meeting

Questions or comments?

Contact us at:

marketsplus@spp.org

kfornstrom@spp.org



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