

**SOUTHWEST POWER POOL
REGIONAL STATE COMMITTEE**

July 24, 2023
St. Paul, MN

SUMMARY OF MOTIONS AND ACTION ITEMS

MOTION: Move to elect RSC Secretary/Treasurer Will McAdams as RSC Vice President and elect John Tuma as RSC Secretary/Treasurer. (Commissioner Justin Tate (ARPSC)/Commissioner Chuck Hutchison (NPRB) seconded) *Passed Unanimously*

MOTION: Move to confirm President French's nominations for the RSC Nominating Committee, which include: Kristie Fiegen (SD PUC) – Chair; Justin Tate (AR PSC); Todd Hiatt (OCC). (Secretary Will McAdams (PUCT) motioned/Commissioner Hutchison (NPRB) seconded) *Passed Unanimously*

MOTION: Move to approve the 2024 RSC (3 in person RSC Mtgs.) budget as proposed. (Secretary Will McAdams (PUCT) motioned/Commissioner John Tuma (MNPSC) seconded) *Passed Unanimously*

MOTION: Move to approve the 2022 RSC Audit report as presented and authorize President French to sign the related documents. (Secretary Will McAdams (PUCT) motioned/Commissioner Patrick O'Connell (NMPRC) seconded) *Passed Unanimously*

MOTION: Move to Approve RR 549 the Resource and Energy Adequacy Leadership ("REAL") Team's modification to RR 549, which contains the following language: "The Transmission Provider will outline in detail the methodology used to conduct the LOLE studies as well as the methodology used to determine the final PRM value based on those LOLE study results. (Secretary Will McAdams (PUCT) motioned/Commissioner Patrick O'Connell (NMPRC) seconded) In Favor – 9; Opposed – 3 (MN, ND, SD). *Motion Passed*

MOTION: Move to approve Staff's recommendations for Holistic Integrated Tariff Team ("HITT") initiative M1, items 2,3,4,6,7,8,9 with modifying #5 with phased in approach (50%/50% year 1 and 100% going forward) using the Nomination cap minus awards method while continuing to work on item #1. (Secretary Will McAdams (PUCT) motioned/Commissioner Hutchison (NPRB) seconded) *Passed Unanimously*

ACTION ITEM 23-03: Direct the CAWG to review the FERC Order on Revisions to Add Waiver of Base Plan Allocation Methodology (Docket #ER22-1846) with SPP staff and provide a recommendation in light of HITT Recommendation C2 - Evaluate a byway facility cost allocation review process and the Cost Allocation in Wind-Rich Areas Report.

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REGIONAL STATE COMMITTEE**

July 24, 2023
St. Paul, MN

MINUTES

ADMINISTRATIVE ITEMS

The following members participated:

Andrew French, Kansas Corporation Commission (KCC)
Will McAdams, Texas Public Utility Commission (PUCT)
Chuck Hutchison, Nebraska Power Review Board (NPRB)
John Tuma, Minnesota Public Utility Commission (MNPUC)
Justin Tate, Arkansas Public Service Commission (APSC)
Kristie Fiegen, South Dakota Public Utilities Commission (SDPUC)
Sarah Martz, Iowa Utilities Board (IUB)
Dana Shelton proxy Mike Francis, Louisiana Public Service Commission (LPSC)
Pat O'Connell, New Mexico Public Regulation Commission (NMPRC)
Randy Christmann, North Dakota Public Service Commission (NDPSC)
Scott Rupp, Missouri Public Service Commission (MOPSC)
Todd Hiatt, Oklahoma Corporation Commission (OCC)

AGENDA ITEM 1 – CALL TO ORDER

President French called the meeting to order at 1:00 PM.

AGENDA ITEM 2 – PRELIMINARY MATTERS

- A. Commissioners' Roll Call and Declaration of a Quorum - Roll call and quorum were established.
- B. Resolution and Acknowledgement: Geri Huser – President French read the resolution and acknowledgement of Board Chair Geri Huser.
- C. Adoption of Minutes from April 24, 2023
MOTION: Move to approve the April 24, 2023 minutes. (Commissioner Will McAdams (PUCT) motioned/Commissioner Randy Christmann (NDPSC) seconded) *Passed Unanimously*
- D. Review of Ongoing action items – Ms. Kim O'Guinn (SPP) reviewed the open action items. Ms. O'Guinn reported action item 23-01 HITT M1 Congestion Hedging is on this agenda to be discussed.

AGENDA ITEM 3 – UPDATE

- A. Southwest Power Pool (SPP) Report – Ms. Barbara Sugg (SPP) welcomed Commissioner Sarah Martz to the RSC and thanked Utah Chair Thad LaVar and Wyoming Chair Mary Throne for attending the RSC and Board Meetings. Ms. Barbara Sugg recognized the Resource and Energy Adequacy Leadership Team (REAL) and thanked the CAWG for the work on HITT M1.
- B. RSC First Quarter 2023 Financial Report – Mr. Paul Suskie (SPP) reported on the Second Quarter 2023 expenses.

AGENDA ITEM 4 – RSC BUSINESS ITEMS

- A. Discussion of Office Vacancy – President French discussed the Vice President vacancy as Geri Huser is no longer with the Iowa Utilities Board.
MOTION: Move to confirm President French’s nominations for the RSC Nominating Committee, which include: Kristie Fiegen (SD PUC) – Chair; Justin Tate (AR PSC); Todd Hiett (OCC). (Secretary Will McAdams (PUCT) motioned/Commissioner Hutchison (NPRB) seconded) *Passed Unanimously*
- B. Nomination Committee – President French proposed the slate of Commissioners to participate on the RSC Nomination Committee. Per RSC bylaws, the RSC Nomination Committee proposes a slate of officers for election at the October RSC meeting.
MOTION: Move to confirm President French’s nominations for the RSC Nominating Committee which include: Kristie Fiegen (SD PUC) – Chair; Justin Tate (AR PSC); Todd Hiett (OCC). (Secretary Will McAdams (PUCT) motioned/Commissioner Hutchison (NPRB) seconded) *Passed Unanimously*
- C. RSC Budget – Mr. Paul Suskie reviewed the proposed 2024 RSC budget, which includes 3 in person meetings.
MOTION: Move to approve the 2024 RSC (3 in person RSC Mtgs.) budget as proposed. (Secretary Will McAdams (PUCT) motioned/Commissioner John Tuma (MNPSC) seconded) *Passed Unanimously*
- D. Audit Results – Mr. Paul Suskie reported there were no audit findings.
MOTION: Move to approve the 2022 RSC Audit report as presented and authorize President French to sign the related documents. (Secretary Will McAdams (PUCT) motioned/Commissioner Patrick O’Connell (NMPRC) seconded) *Passed Unanimously*

AGENDA ITEM 5 – COST ALLOCATION GROUP (CAWG) REPORT AND VOTING ITEMS

CAWG Report – Ms. Shari Albrecht (KCC) reviewed topics discussed at the CAWG meeting over the past quarter which include: rejection of ER23-636 (RR515-Deficiency Payment Exemption); rejection of EL23-40 (PRM Complaint); Project Tracking Update; HITT C2 - Sunflower Waiver and Safe Harbor. RR549 Winter Season Resource Adequacy Requirement and HITT M1 Congestion Hedging are on the RSC agenda as voting items.

- A. RR549 Winter Season Resource Adequacy Requirement – Ms. Shari Albrecht introduced RR549 which applies the same level of validation, study and assessment requirements to the Winter Season that currently applies to the Summer Season. Additionally, both the Summer and Winter Seasons would now include a Deficiency Payment for any capacity shortfall. Mr. Keith Collins (SPP-MMU) discussed the MMU’s support of needing a meaningful Winter Resource Adequacy Requirement with appropriate incentives. Collins stated that RR549 has notable gaps as there is no language requiring a reasonable expectation of availability for resources used toward RAR; and Deficiency calculation does not send the appropriate signal to improve accredited capacity availability. MOPC Chair Alan Meyer reviewed the additional proposed language approved at MOPC which states in Section 4.0 of Attachment AA of the SPP Tariff, “The Transmission Provider will outline in detail the methodology used to conduct the LOLE studies as well as the methodology used determine the final PRM value based on those LOLE study results. Upon request, Transmission Provider will make available to stakeholders study assumptions and data required to conduct the LOLE studies with sufficient detail to replicate the Transmission Providers results.” Commissioner Will McAdams reviewed the REAL teams motion which only includes the first sentence of the version that MOPC approved, which states, “The Transmission Provider will outline in detail the methodology used to conduct the LOLE studies as well as the methodology used determine the final PRM value based on those LOLE study results.”

MOTION: Move to Approve RR 549 with the Resource and Energy Adequacy Leadership (“REAL”) Team’s modification to RR 549, which contains the following language: The Transmission Provider will outline in detail the methodology used to conduct the LOLE studies as well as the methodology used to determine the final PRM value based on those LOLE study results. (Secretary Will McAdams (PUCT) motioned/Commissioner Patrick O’Connell (NMPRC) seconded) In Favor – 9; Opposed – 3 (MN, ND, SD). *Motion Passed.*

Commissioner Tuma (**MNPSC**) – Wanted to incorporate some of the MMU’s concerns prior to approving.

Commissioner Fiegen (**SDPUC**), Commissioner Christmann (**NDPSC**) – Concerned with winter peaking generators ability to take outages.

B. HITT M1 Congestion Hedging – Ms. Shari Albrecht reviewed the RSC Action Item 23-02 where the RSC instructed the CAWG to develop and consider modifications to SPP Staff’s proposals on congestion hedging reforms to determine whether any alternative proposals can achieve broader support. CAWG should provide a recommendation to the RSC for consideration at the July RSC. Ms. Shari Albrecht reviewed the previously approved unanimous recommendations. The unanimous approvals were as follows: modify the Long-Term Congestion Rights (LTCR) Round 2 nomination capacity from 100% to an incremental percentage up to 100% to more equitably award LTCRs in the Annual process; modify the nomination capacity calculation for Round 1 of the Annual ARR process for a more equitable allocation of ARRs; modify the ARR Round 1 nomination capacity from 50% to an incremental percentage up to 50% to more equitably award ARRs in the Annual Process; update load modeling to better align with transmission service studied; coordinate with Planning to review Firm Transmission assumptions used in the transmission planning process; and coordinate with Planning to review Firm Transmission assumptions used in the transmission planning process. Ms. Albrecht reported the CAWG on an 8-4 vote approved a phased in approach (50%/50% year 1 and 100% going forward) using the Nomination Cap minus Awards for the excess auction revenues distribution. Additionally that the CAWG needs more time work on a recommendation for ILTCRs. Mr. Keith Collins reported the MMU supports the SPP HITT M1 package of recommendations as proposed by the RTO. Which for the excess of auction revenues also known as the Valuation of Transmission Service Rights which considers the value of congestion on firm transmission rights not hedged through allocation process and supports Round 3 ARR nominations.

MOTION: Move to approve Staff’s recommendations for Holistic Integrated Tariff Team (“HITT”) initiative M1, items 2,3,4,6,7,8,9 with modifying #5 with phased in approach (50%/50% year 1 and 100% going forward) using the Nomination cap minus awards method while continuing to work on item #1. (Secretary Will McAdams (PUCT) motioned/Commissioner Hutchison (NPRB) seconded) Passed Unanimously

AGENDA ITEM 6 – OTHER RSC MATTERS

FERC Update (Highway/Byway Waiver) – Mr. Paul Suskie reviewed the history of HITT C2 reviewing the RSC’s actions and votes leading up to the tariff filing of Attachment J. October 2022, FERC approved SPP’s second C2 filing by a 3-2 vote. On July 2023, FERC reversed its prior approval on rehearing finding that “SPP has not met its burden under section 205 of the FPA to show that the process SPP proposed for allocating 100% of the costs of a Byway facility to the SPP region on a postage-stamp basis will result in outcomes that are just and reasonable and not unduly discriminatory or preferential”.

ACTION ITEM 23-03: Direct the CAWG to review the FERC Order on Revisions to Add Waiver of Base Plan Allocation Methodology (Docket #ER22-1846) with SPP staff and

provide a recommendation in light of HITT Recommendation C2 - Evaluate a byway facility cost allocation review process and the Cost Allocation in Wind-Rich Areas Report.

AGENDA ITEM 7 – NEW ACTION ITEMS

Ms. Kim O’Guinn reported opening action item 23-03 concerning the FERC rejection of Highway/Byway.

AGENDA ITEM 8 – SCHEDULE OF NEXT RSC BUSINESS MEETINGS

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|------------------|-----------------|
| October 30, 2023 | Little Rock, AR |
| February 5, 2024 | Virtual |
| May 6, 2024 | Denver, CO |
| August 5, 2024 | Santa Fe, NM |
| November 4, 2024 | Little Rock, AR |

AGENDA ITEM 9 – ADJOURNMENT OF BUSINESS MEETING

President French adjourned the meeting.

ATTENDEES

Aaron Doll (Liberty Utilities)
Aaron Rome (MW Energy)
Aaron Shipley (SPP)
Adam McKinnie (MOPSC)
Adam Schieffer (OPPD)
Adrian Rodriguez (Xcel)
Adriane Barnes (SPP)
Al Tamimi (Sunflower)
Alex Crawford (SPP)
Amber Joyce (MDU)
Amy Newton (CUS)
Andrew French (KCC)
Andrew Lachowsky (AECC)
Andy Barton (SPP)
Angie Anderson (Sunflower)
Antoine Lucas (SPP)
Arash Ghodsian (Invergy)
Barbara Sugg (SPP)
Ben Bright (SPP)
Ben Trowbridge (SPP Board Members)
Bernard Liu (Xcel)
Betsy Beck (Google)
Bill Dowling (MC Energy)
Brad Cochran (OG&E)
Brad Payne (SPP)
Brenda Prokop (ITC GP)
Brian Pederson (NextEra)
Brian Rounds (AESL)
Britney Lloyd (SPP)
Bronwen Bastone (SPP Board Members)
Bruce Rew (SPP)
Calvin Daniels (WFEC)
Carl Huslig (Grid Reliability)
Carolyn Wetterlin (Xcel)
Carrie Dixon (Nextera)
Casey Cathey (SPP)
Charles Hendrix (SPP)
Charles Locke (SPP)
Chris Hanson (NDPSC)
Chris Lyons (CES)
Christine Aarnes (Sunflower)
Christy Walsh (NRDC)
John McClure (NPPD)
John O'Dell (SPP)
John Stephens (CUS)
John Tuma (MNPUC)
John Wachtler (MN Dept. Commerce)
Jordan Schmick (Xcel)
Joseph Lang (OPPD)
Josh Martin (SPP Board Member)
Josh Norton (SPP)
Joshua Philips (SPP)
JP Maddock (BEPC)
Jude Lindholm (AECC)
Justin Hinton (SPP)
Justin Tate (ARPSC)
Kaye McCarty (SPP)
Keith Collins (SPP-MMU)
Kevin Bryant (Evergy)
Kim David (OCC)
Kim O'Guinn (SPP)
Kristina Luke-Fry (KCC)
Kylah McNabb (Vesta)
Lanny Nickell (SPP)
Larry Altenbaumer (SPP Board Members)
Larry Holloway (KPP)
Lauren Bethke (MN PUC)
Lee Anderson (LES)
Lee Elliott (SPP)
Lee Younts (GE Digital)
Len Tao (SPP)
Lise Trudeau (MN PUC)
Lloyd Linke (WAPA)
Lori Frisk (WAPA)
Marc A. Tupler (NMPRC)
Margaret Kristan (NG Renewables)
Maria Gingras (SPP)
Marisa Choate (SPP)
Mark Ahlstrom (Nextera)
Mary Throne (WY PSC)
Matt Alvarado (IUB)
Matt Caves (WFEC)
Micha Bailey (SPP)
Michael Daly (SPP)

Chuck Hutchison (NPRB)
Cindy Ireland (AR PSC)
Clint Savoy (SPP)
Colin Hansen (Kansas Power)
Collin Sniff (OPPD)
Creighton McMurray (PUCT)
Cristian Navarrete (SPP)
Dana Shelton (LAPSC)
Dara Solomon (SPP)
David Kelley (SPP)
David Mindham (EDP)
David Osburn (OMPA)
David Sonntag (WFEC)
Deborah Sterzing (SPP)
Deni Golden (SPP)
Denise Buffington (Evergy)
Dennis Constien (SPA)
Dennis Floram (LES)
Dennis Reed (MW Reg Consult)
Derek Wingfield (SPP)
Don Frerking (SPP)
Dustin Smith (SPP)
Dusty Terry (ITC)
Dwayne Fulk (CUS)
Elizabeth Moore (SPP Board Members)
Emily Pennel (SPP)
Emily Shuart (OGE)
Eric Johnson (SPP)
Erica O'Neal (OCC)
Ethan Tedder (SPP)
Eugene Mauk (NPRB)
Gayle Freier (SPP)
Greg Rislov (SDPUC)
Heather Starnes (MJMEUC)
Hwikwon Ham (MN PUC)
James Okenfuss (Savion)
James Peters (MMU)
Jarred Cooley (Xcel)
Jason Chaplin (OCC)
Jason Davis (SPP)
Jason Fortik (LES)
Jason Mazigian (BEPC)
Javier Fernandez (OPPD)
Michael Desselle (SPP)
Michael Spencer (NPPD)
Michael Wise (Golden Spread)
Michelle Harris (SPP)
Mike Kraft (BEPC)
Mike Showalter (Fresh Energy)
Natalie Jackson (GSEC)
Natasha Henderson (SPP)
Nate Morris (Liberty)
Neeya Toleman (NPPD)
Nicole King (OCC)
Nicole Wagner (SPP)
Nikki Roberts (SPP)
Olivia Hough (CUS)
Patrick O'Connell (NMPRC)
Patrick Woods (ITC)
Paul Suskie (SPP)
Raleigh Mohr (SPP)
Randy Christmann (NDPSC)
Ray Bergmeier (Sunflower)
Ray Hepper (SPP Board)
Richard Ross (AEP)
Robert Janssen (Dogwood)
Robert Pick (NPPD)
Robert Safuto (Customized Energy Solutions)
Rodney Massman (MOPSC)
Russell Carey (SPP)
Russell Quattlebaum (SPP)
Ryan Benton (OG&E)
Ryan S Kirk (AEP)
Sarah Martz (IUB)
Scott Maple (SPP)
Scott Rupp (MOPSC)
Serhat Guney (SPP-MMU)
Shawn Geil (KEPCO)
Shawnee Claiborn-Pinto (PUCT)
Steve Sanders (WAPA)
Steve Wright (SPP Board)
Susan Certoma (SPP Board Member)
Tara Smith (SPP)
Temujin Roach (EDF Renewables)
Tennille Tims (SPP)
Terri Pemberton (KMEA)

Jean Schater (Basin)
Jeff Kline (OCC)
Jeremy Severson (BEPC)
Jeremy Voll (BEPC)
Jerry Bradshaw (CUS)
Jessica Kasparek (LES)
Jessica Meyer (LEC)
Jill Ponder (SPP)
Jill Rummel (BEPC)
Jim Flucke (Evergy)
Jim Hotovy (NPPD)
Jim Jacoby (AEP)
Jim Krajecki (CES)
John Cupparo (SPP Board Member)
John Krajewski (NPRB)
John Luallen (SPP)

Tessie Kentner (SPP)
Thad LaVar (Utah PSC)
Tim Owens (NPPD)
Todd Hiatt (OCC)
Tom Hestermann (Sunflower)
Tom Kleckner (RTO Insider)
Tom Michelotti (NWE)
Trent Campbell (OCC)
Tricia DeBleeckere (MISO)
Walt Cecil (MOPSC)
Walt Shumate (Shumate & Assoc)
Will Houser (Continental Resources)
Will McAdams (PUCT)
William Vestal (SPP)
Zac Perkins (TCEC)