Economic Studies Working Group Formed

The Economic Studies Working Group will support SPP’s new Integrated Transmission Planning (ITP) process, which is being developed at the recommendation of the Synergistic Planning Project Team (SPPT) and will restructure SPP’s regional planning processes. The SPPT met in May and heard reports from sub-teams on their progress toward implementing recommendations in the SPPT report.

The Economic Studies Working Group will develop and implement additional economic benefit metrics to be used in ITP and its Priority Projects process. It is also developing a list of scenarios to be used in conjunction with the Priority Project development process. Lastly, the group is filling out its membership; as a newly formed group, there are seven open positions to be filled by stakeholders.

The Month In Review

Business Practices Working Group: On May 14 the BPWG discussed revisions to Business Practice 2.14, which removed references to a whitepaper and added references to schedule feasibility and scheduled impacts to more closely align the business practice with reliability processes. The new Business Practice regarding Third Party Impacts was considered, along with recommendations and concerns from the Regional Tariff Working Group after the proposed business practice was presented. The group was updated on the recent Congestion Hedging Task Force (CHTF) meeting activity, and everyone was encouraged to join future CHTF discussions. Two new agenda items were added and discussed: redispatch without provisions required for acceptance of transmission service requests, and the possible benefits of proposing Tariff language allowing SPP to facilitate redispatch agreements. The next meeting will be a June 24 teleconference.

Change Working Group: The CWG called a special meeting on May 1 to discuss challenges to the Transmission Settlements Replacement project timeline. The CWG member representatives are actively involved in recruiting a project liaison for those customers who have yet to identify ownership. At their regular May 21 meeting, the status of current projects was communicated: all are currently on schedule. Also, revisions to the SPP Bylaws impacting organizational groups were reviewed and discussed. The CWG’s newest assignment is to act on direction from the Markets and Operations Policy Committee (MOPC) to provide input for system requirements and selection to support future markets.

Consolidated Balancing Authority Steering Committee: The committee continued to discuss decision points related to future market information sessions. Topics of discussion included resource adequacy, load forecasts, and settlements. For each topic the group determined Balancing Authority issues and is coordinating with the Market Working Group (MWG) and Operations and Reliability Working Group (ORWG) regarding decisions for operations and system requirements. The group also reviewed changes to the Area Control Error Diversity Interchange Agreement recommended by the SPP Legal Department, made some changes, and sent the agreement back to Legal for final review.

Cost Allocation Working Group: On May 27 the CAWG began its investigation of the Highway/Byway cost allocation process outlined in the SPPT report. Three strawman proposals were presented. Mike Proctor of the Missouri Public Service Commission presented details on a user determination methodology which could be implemented at various levels of a highway/byway structure. Dennis Reed of Westar presented a proposal with Westar and OGE endorsement as a preliminary strawman foundation from the transmission owners. This proposal supported a 345 kV brightline. Pat Bourne, SPP Director of Regulatory Policy, represented the SPP staff proposal, which was a 345 kV brightline approach. Key concerns from the meeting were the brightline vs. functional test, how to handle existing facilities, and implementation of the byway component. The CAWG strongly supports an October completion date, but requires staff to continue analysis on impacts to existing rates. They will continue discussion June 25-26 in Dallas.

Market Working Group: The MWG held its monthly meeting May 18-20. High points were discussions about future market design, the CHTF, and the Operations Training Working Group (OTWG). Future market design has many facets, including energy and operating reserve markets, congestion hedging, Consolidated Balancing Authority, settlements, budgeting, applications, environments, and timeline matters. The expected
The commencement timeline for the future market is around the fall of 2012. The CHTF was created under the MWG to determine the best hedging mechanism to serve SPP and its members. The group has met monthly via face-to-face meetings and conference calls to carefully recommend a hedging mechanism suitable for the market. The recommendation is to be presented to the MWG during its June face-to-face meeting. Currently the OTWG reports to the MWG. After consideration, it has been determined that the OTWG should report directly to MOPC, since it holds working group status.

**Operating Reliability Working Group:** The ORWG met to discuss the proposed Westar special protection scheme for the Flat Ridge Wind Farm. It also heard an update on the progress of future markets and developed an action plan to review reliability decisions needed for future market development.

**Regional Tariff Working Group:** During May, the RTWG began developing proposed modifications to the SPP Tariff to provide for SPP’s issuance of Interim Generation Interconnection Agreements under certain specific circumstances, in response to FERC’s May 18, 2009 order in Docket ER09-262. Additionally, it began its review of the Transmission Working Group’s Notice to Construct Whitepaper for conformity with the SPP OATT, and continued its work on proposed Tariff changes designed to streamline procedures for the addition of new delivery points by load serving entities.

**Transmission Working Group:** In May the TWG: discussed the newly proposed ITP; approved changes to the 2009 SPP Transmission Expansion Plan; approved Criteria 12.3 revisions to meet NERC Standard FAC-010; approved Transmission Operating Directive “Planning Standards” that will be incorporated into SPP governing documents; and approved changing the short-term response thresholds for PTDF flowgates from 3% to 5%. The TWG also performed the Flowgate and Transfer Reliability Margin reviews and ATC process review. The TWG will be very involved in the creation of the ITP, which is on track to be completed for October. An ITP meeting will take place June 17.

**Other Meetings**

- **System Protection and Control Working Group**
- **Model Development Working Group**

**June Meetings**

- June 1 – Operations Training Working Group Teleconference
- June 1 - Future Market Info Sessions
- June 4 – Economic Studies Working Group Teleconference
- June 5 - SPP Consolidated Balancing Authority Teleconference
- June 5 – Cost Allocation Working Group Balanced Portfolio Net Conference
- June 5 - Regional Tariff Working Group Net / Teleconference
- June 5 - Transmission Working Group Teleconference
- June 8/9 - Board of Directors Educational Meeting
- June 8 - Future Market Info Sessions
- June 8 - Oversight Committee
- June 9 - Market Operations Users Social
- June 9 - Integrated Transmission Plan Net Conference
- June 10 - Transmission Settlements Outreach Teleconference
- June 10/11 - Market Operations Users Conference
- June 11 - SPP Consolidated Balancing Authority Teleconference
- June 11 - Quarterly Compliance Forum
- June 11/12 - Regional Tariff Working Group Net / Teleconference
- June 12 - Markets and Operations Policy Committee Teleconference
- June 15 - Economic Studies Working Group Teleconference
- June 15/17 - Market Working Group Meeting
- June 17 - Economic Studies/Transmission WG/ITP Special Called Meeting
- June 17/18 - Operating Reliability Working Group Meeting
- June 22 - Future Market Info Sessions
June 23 - Change Working Group Teleconference
June 24 - Regional Entity Trustee Meeting
June 25 - System Protection and Control Working Group Net Conference
June 25 - Board of Directors and SPPT Teleconference
June 25/26 - Cost Allocation Working Group
June 25 - Regional Tariff Working Group
June 29 - Future Market Info Sessions
June 30 - Transmission Settlements Outreach Teleconference
June 30 - Critical Infrastructure Protection Working Group Meeting
June 30 - Wind Integration Task Force

This is a summary of recent SPP organizational group meetings. For more information about a group, please visit SPP.org and select that committee on the Org Groups page. Documents are located in the left column.

Please contact Emily Pennel in the Communications Department with questions or comments about The Org Report.

SPP Calendar
The Org Report Back Issues
SPP Governing Documents