Basin Electric board approves joining Southwest Power Pool

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Basin Electric Power Cooperative - July 16, 2014

Today, Basin Electric's board of directors authorized the cooperative to join a regional transmission organization (RTO) – the Southwest Power Pool (SPP), subject to FERC approval of necessary documents. The decision reflects years of focused evaluation with Basin Electric's members and its Integrated System (IS) partners, Western Area Power Administration and Heartland Consumers Power District. Joining an RTO means Basin Electric and its members will have access to the market when Basin Electric's system requires power or has surplus power to sell. The board's decision today follows critical decisions by SPP and the boards of Basin Electric's IS partners. On June 9, SPP's board approved tariff changes making it possible for the Integrated System partners to join the RTO. Heartland's board approved SPP membership July 8 and Western's administrator approved SPP membership July 9. Membership in SPP will not happen right away. Basin Electric staff will continue to work with its members, Western and Heartland to integrate into SPP by Oct. 1, 2015. Membership in SPP was among three options Basin Electric and its partners collectively considered. The other options were standing alone outside its neighboring RTOs or membership in the Midcontinent Independent System Operator (MISO). "Standing alone posed challenges for us all when we needed access to markets in times of surplus or deficit power supplies," said Paul Sukut, Basin Electric CEO and general manager. "We determined we cannot remain an island within our nation's energy infrastructure. These limitations directed our focus to RTO membership. "Ultimately, we needed to balance the needs of our members – from cost, transmission, market, philosophical and geographic standpoints. SPP satisfied those criteria," Sukut said.