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SPP Implements Project to Create Holistic Vision for Regional and Interregional Transmission Planning

January 29, 2009, LITTLE ROCK, ARKANSAS – At the Southwest Power Pool, Inc. (SPP) Board of Directors meeting on January 27, 2009, a Synergistic Planning Project (The Project) was endorsed to address gaps and conflicts between SPP’s transmission planning processes and help position the organization to respond to the Obama administration’s focus on improving our nation’s electric infrastructure.

SPP Board of Directors Chairman Jim Eckelberger states, “The Obama administration clearly considers energy issues, including maximizing access to renewable energy and modernizing the electric grid, of prime importance. SPP wants to be ready to help build the grid of the future, while meeting our primary objective of maintaining electric reliability for our region.”

According to SPP President and Chief Executive Officer Nick Brown, “We need to develop a holistic view of SPP’s transmission planning processes, optimizing the individual processes and how they work together as a whole. Historically, system planning and cost recovery has been reactive and based on specific requests and projects. We need to shift to a broader, proactive approach to building and paying for transmission infrastructure.”

SPP’s transmission planning processes include:

- the Aggregate Transmission Service Study queue, which represents requests for long-term use of the transmission system;
- the Generation Interconnection queue, which represents requests for connecting new generation to the electric grid. In 2008, interconnection requests equaled 29,389 megawatts, up from 13,057 megawatts in 2007. Most of the new requests were for wind generation. There are currently over 50,000 megawatts of wind in the queue;
- the annual SPP Transmission Expansion Plan, which includes a regional 10-year reliability assessment;
- the new “balanced portfolio” of economic transmission upgrades, which was recently approved by the Federal Energy Regulatory Commission and will allocate region-wide the costs of a group of near-term economic projects; and
- the Extra High Voltage Overlay Project, which plans up to the year 2027 and provides a strategic assessment of how to meet SPP’s future reliability and capacity needs through the use of a 500 and 765 kV transmission system overlaying the existing SPP footprint and integrating with neighboring systems.

The Project team will report to the SPP Board of Directors and Regional State Committee in April, and will host a public technical conference prior to finalizing recommendations. Brown states, “The Project team is encouraged to think beyond the constraints of our current processes and Open Access Transmission Tariff provisions. We are looking for innovative and forward-thinking ideas based on regional and national needs.”

Members of The Project are:

Paul Suskie - Chairman, Arkansas Public Service Commission
Barry Smitherman - Chairman, Public Utility Commission of Texas
Kelly Harrison - Vice President of Transmission Operations and Environmental, Westar Energy
Ricky Bittle - Vice President of Planning, Rates and Dispatching, Arkansas Electric Cooperative Corporation
Rob Janssen - Senior Vice President, Kelson Energy
Ric Abel - Managing Director, Prudential Capital Group
Carl Monroe - Executive Vice President and Chief Operating Officer, Southwest Power Pool, Inc.

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Southwest Power Pool, Inc. is a group of 53 members across nine states of the Eastern Interconnection. Membership is comprised of investor-owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, power marketers, and independent transmission companies. SPP was a founding member of the North American Electric Reliability Corporation in 1968, and was designated by the Federal Energy Regulatory Commission (FERC) as a Regional Transmission Organization in 2004 and a Regional Entity in 2007. Since 1998, SPP has provided independent security coordination and Tariff administration, pursuant to a FERC-approved Tariff, across its service area with over 40,000 miles of transmission lines and over 56,000 megawatts of capacity resources. SPP.org