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SPP Board Approves Over \$1.7 Billion of Transmission Expansion Projects

February 3, 2012, LITTLE ROCK, ARKANSAS – In keeping with its 2010 Strategic Plan to build a robust transmission system and develop efficient energy markets, the Southwest Power Pool, Inc. (SPP) Board of Directors approved a near-term transmission expansion plan that will result in the construction of \$251 million in new transmission projects needed to maintain reliable supplies of electricity across its nine-state region. These projects are expected to be constructed over the next five years. The board also approved a 10-year transmission expansion plan, with projects estimated at about \$1.5 billion of engineering and construction costs that are expected to provide \$834 million in net regional savings over 40 years.

The approved suite of projects are a result of SPP's Integrated Transmission Planning (ITP) process which is an iterative three-year cycle that includes 20-Year, 10-Year, and Near-Term Assessments and targets transmission expansion solutions that meet reliability, policy, and economic needs within the region.

"This is the second year for us to use the ITP process and it reflects well on the collaborative, member-driven focus of SPP," said SPP President and CEO Nick Brown said. "Our transparent approach includes state regulators who serve on the SPP Regional State Committee (RSC). The RSC has substantive authority to direct policy changes on behalf of ratepayers and influence important regulatory issues such as how costs of new transmission are allocated in the SPP region."

The project portfolio from the ITP 10-year assessment is expected to mitigate more than 61 reliability issues, enable every state within SPP to meet its renewable goals or targets while reducing CO2 emissions, and provide regional energy savings that allow utilities to supply their customers' needs more economically. The plan calls for 786 miles of 345kv lines, 124 miles of 230kv lines, and 15 transformers.

"A well-planned, robust transmission grid gives us the flexibility to move energy from diverse generating resources to where it's needed across the region and beyond," said Lanny Nickell, SPP Vice President of Engineering. "Adding more lanes to the transmission highway will improve our ability to provide the least-cost power to consumers and strengthen grid reliability so power is always there when we need it."

Founded in 1941, Southwest Power Pool, Inc. is a group of 65 members in Arkansas, Kansas, Louisiana, Mississippi, Missouri, Nebraska, New Mexico, Oklahoma, and Texas that serve more than 15 million customers. Membership is comprised of investor-owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, power marketers, and independent transmission companies. SPP's footprint includes 48,930 miles of transmission lines and 370,000 square miles of service territory. SPP was a founding member of the North American Electric Reliability Corporation in 1968, and was designated by the Federal Energy Regulatory Commission as a Regional Transmission Organization (RTO) in 2004 and a Regional Entity (RE) in 2007. As an RTO, SPP ensures reliable supplies of power, adequate transmission infrastructure, and competitive wholesale prices of electricity. The SPP RE oversees compliance enforcement and reliability standards development. [Read more fast facts](#) or [watch a video](#) about SPP.