

November 2, 2009

VIA HAND DELIVERY

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Southwest Power Pool, Inc.*, Docket No. ER08-1419-____
Compliance Filing

Dear Secretary Bose:

I. DESCRIPTION OF FILING

In compliance with the Rehearing Order issued on June 18, 2009, in this proceeding,¹ Southwest Power Pool, Inc. (“SPP”) submits this compliance filing to amend provisions in Attachment O of its Open Access Transmission Tariff² regarding the provision of transmission planning data pursuant to confidentiality agreements and inclusion of costs from third-party impacts in Balanced Portfolio cost-benefit analyses. Consistent with the Rehearing Order, SPP requests an effective date of October 17, 2008, for these tariff amendments.

II. BACKGROUND

On August 15, 2008, SPP filed amendments to the SPP Tariff to establish a process for including a “Balanced Portfolio” of economic upgrades into the SPP Transmission Expansion Plan and a regional postage stamp rate design for recovery of

¹ *Sw. Power Pool, Inc.*, 127 FERC ¶ 61,271 (2009) (“Rehearing Order”). On July 17, 2009, SPP moved for an extension of time until November 2, 2009 to file this compliance filing. On July 22, 2009, the Commission granted SPP’s motion. *Sw. Power Pool, Inc.*, Notice of Extension of Time, Docket Nos. ER08-1419-001, -002 (July 22, 2009).

² Open Access Transmission Tariff for Service Offered by Southwest Power Pool, FERC Electric Tariff, Fifth Revised Volume No. 1 (“SPP Tariff” or “OATT”).

the costs of the upgrades.³ The amendments were developed through an extensive stakeholder process and had overwhelming stakeholder and state commission support.⁴ On October 16, 2008, the Commission accepted SPP's proposed tariff amendments, subject to modifications.⁵ In that order, among other things, the Commission directed "SPP to create a mechanism that allows for market participants . . . to review the system design software results [in the transmission planning process], subject to signing confidentiality agreements or other needed arrangements to protect sensitive information."⁶

On November 17, 2008, SPP filed a request for clarification or, in the alternative, rehearing of the October 16 Order.⁷ In the Rehearing Request, SPP stated the following specification of error:

The Commission should clarify that current Tariff provisions comply with the Commission's requirement in the October 16 Order to provide a mechanism that allows for market participants to review the results of the system design software, including appropriate arrangements to protect sensitive information, and that no further Tariff amendments are necessary.

Alternatively, if the Commission ruled such further tariff amendments are necessary, it should reverse such ruling as contrary to Commission precedent.⁸

Subsequently, on December 15, 2008, SPP submitted its compliance filing pursuant to the October 16 Order.⁹ In that compliance filing, to further address the October 16 Order, SPP added a new subsection (f) to section IV.6 of Attachment O which provides that "in developing a potential [B]alanced [P]ortfolio, SPP will publish a timely report, including but not limited to, the study input assumptions, the estimated

³ SPP Submission of Revisions to Open Access Transmission Tariff to Add "Balanced Portfolio" Cost Allocation Process for Economic Planning Upgrades, Docket No. ER08-1419-000 (Aug. 15, 2008) ("August 15 Filing").

⁴ August 15 Filing at 2; *see also* Amended Notice of Intervention of the Missouri Public Service Commission, Docket No. ER08-1419-000, at 1-3 (Sept. 11, 2008).

⁵ *See Sw. Power Pool, Inc.*, 125 FERC ¶ 61,054 (2008) ("October 16 Order").

⁶ Rehearing Order at P 4, *citing* October 16 Order at P 37.

⁷ Request for Clarification or, in the Alternative, Rehearing of Southwest Power Pool, Inc., Docket No. ER08-1419-001 (Nov. 17, 2008) ("Rehearing Request").

⁸ Rehearing Request at 2.

⁹ Submission of Compliance Filing, Docket No. ER08-1419-002 (Dec. 15, 2008) ("December 15 Compliance Filing").

costs included in the potential [B]alanced [P]ortfolio, and the expected economic benefits of the potential [B]alanced [P]ortfolio.”¹⁰

In the Rehearing Order, the Commission acted on both SPP’s rehearing request and compliance filing. It rejected SPP’s argument that “because the Commission accepted its Attachment O transmission planning process . . . outlined in Order No. 890, its Attachment O is inherently compliant with the Commission’s directives in the October 16 Order.”¹¹ Therefore, the Commission denied rehearing and “SPP’s request for the Commission to clarify that existing provisions of the SPP OATT comply with the Commission’s requirement in the October 16 Order.”¹² It relatedly found that SPP’s compliance filing did not comply with the Commission’s directives in the October 16 Order.¹³ Consequently, the Commission directed SPP to submit “revised tariff sheets with provisions ensuring that system design software results needed for stakeholders to verify the application of the assumptions in creating the adjusted production cost-benefit metrics will be made available subject to the signing of confidentiality agreements or other needed arrangements to protect sensitive information.”¹⁴

In the Rehearing Order, the Commission further found unjust and unreasonable the Information Exchange provisions of Attachment O of the Tariff that prohibit SPP from making resource specific data available if the data has been designated confidential by the data provider or if the data can be used to determine security constrained unit commitment or economic dispatch for resources, because they “restrict[] access to resource specific data that market participants need to verify that the results of the [B]alanced [P]ortfolio studies.”¹⁵ It held that these provisions are “unduly discriminatory and inconsistent with the transparency requirement of Order No. 890” because they deny “access to information that market participants need to replicate the results of transmission planning studies.”¹⁶ Therefore, the Commission directed SPP “to revise section IX.7 . . . to provide that resource-specific data in the planning process be disclosed by SPP, *under applicable confidentiality provisions*, if the information is needed to participate in the transmission planning process and/or to replicate transmission planning studies.”¹⁷ The Commission stated that it had “inadvertently” approved these tariff provisions earlier.¹⁸

¹⁰ Rehearing Order at P 18.

¹¹ *Id.* at P 14.

¹² *Id.* at P 17.

¹³ *Id.* at P 14.

¹⁴ *Id.* at P 40.

¹⁵ *Id.* at P 41.

¹⁶ *Id.*

¹⁷ *Id.* (emphasis added).

¹⁸ *Id.* at P 14.

Finally, in the Rehearing Order, the Commission found that the December 15 Compliance Filing included tariff language that complied “with the Commission’s directive in the October 16 Order requiring SPP to amend its tariff language to clarify that costs incurred by a transmission owner or zone due to third-party impacts are included in a potential [B]alanced [P]ortfolio.”¹⁹ However, it required further amendments “to specify that costs resulting from third-party impacts included in the [B]alanced [P]ortfolio cost-benefit analysis will be net of any reimbursements resulting from such third-party impacts.”²⁰

On July 17, 2009, SPP submitted a request for rehearing of the Rehearing Order.²¹ Specifically, SPP requested rehearing of the Commission’s finding as unjust and unreasonable the Information Exchange provisions of Attachment O that prohibit SPP from disclosing resource specific data if the data has been designated confidential by the data provider or if the data can be used to determine security constrained unit commitment or economic dispatch for resources.²² SPP argued that the highly proprietary nature of the resource-specific data used in transmission studies justifies the need for a prohibition on disclosure of such data and thus the restrictions in Attachment O are just and reasonable. SPP further argued that the Commission’s directives to disclose such data would be inconsistent with SPP’s obligations under its Membership Agreement and with other similar provisions of the SPP Tariff.²³ SPP pointed out that the ramifications of violating its obligations under its Membership Agreement would be that the SPP members potentially would seek to change the Membership Agreement to relieve them from the obligation to provide – and potentially would stop providing – the commercially sensitive information that SPP requires for its transmission planning studies, and thus SPP potentially would not have access to the best and most accurate information available to conduct sound transmission planning studies.²⁴ In other words, market participants would be more prone to provide generic rather than resource-specific data, thus affecting the accuracy of SPP’s studies. Finally, SPP suggested that, at a minimum, consistent with Order No. 890-B, the Commission should clarify that, in directing SPP to amend its tariff to provide resource specific data, it was “not ordering SPP to disclose commercially and competitively sensitive resource specific generation data to those that are ‘engaged in the marketing, sale, or purchase of electric power at wholesale.’”²⁵ SPP’s request for rehearing is still pending before the Commission.

¹⁹ *Id.* at P 30.

²⁰ *Id.*

²¹ Request for Rehearing of Southwest Power Pool, Inc., Docket No. ER08-1419-001, -002 (July 17, 2009) (“July 17 Rehearing Request”).

²² *Id.* at 7-8.

²³ *Id.*

²⁴ *Id.* at 10.

²⁵ *Id.* at 13-14.

SPP submits this filing to comply with the Commission's directives in the Rehearing Order. As more fully discussed below, SPP amends: (i) section IV.6(c)(v) of Attachment O specifically to state that revenue requirements associated with a Balanced Portfolio will include any costs that are incurred as a result of third-party impacts "(net of any reimbursements resulting from such third-party impacts);" and (ii) section IX.7(d) of Attachment O to provide that confidentiality agreements will allow access to applicable system design software results needed to participate in the SPP Transmission Expansion Plan process, to replicate the results of specified transmission planning studies, or to confirm assumptions used in creating adjusted production cost-benefits metrics used to analyze a specified Balanced Portfolio, provided that if the results contain resource specific data such access will be limited to non-competitive duty personnel who do not directly engage in the marketing, purchase, or sale of electric power at wholesale in the SPP Region.²⁶

III. STAKEHOLDER REVIEW

While Stakeholder approval is not required for SPP to amend its tariff to comply with a Commission order, SPP nonetheless presented the compliance amendments to a subcommittee of the SPP members, the Regional Tariff Working Group ("RTWG"), for review.²⁷ The RTWG discussed the proposal during three meetings.²⁸ Various RTWG members raised concerns about the amendments to section IX.7(d) of Attachment O. Some members expressed the concern that because the revised language limits disclosure of resource specific data to non-competitive duty personnel, it could prohibit access to the data to anyone in a small company. In contrast, other members indicated that they could not support broad unrestricted disclosure of competitively sensitive resource specific data to anyone that signs a confidentiality agreement. The RTWG voted to suggest revisions to the compliance amendments that would remove the language restricting disclosure of resource specific data to non-competitive duty personnel. However, support for the suggested revisions in this subset of SPP members was not unanimous.²⁹ The RTWG

²⁶ The amendments may be referred to in this transmittal letter as "compliance amendments."

²⁷ The RTWG consists of representatives from 21 of the 54 SPP members.

²⁸ See SPP RTWG Minutes, September 24, 2009, SPP RTWG Minutes, October 1, 2009; available at <http://www.spp.org/section.asp?group=159&pageID=27>; SPP RTWG Draft Minutes October 28, 2009 available at: <http://www.spp.org/publications/RTWG%20Minutes%20%20Attachments%20-%2010-28-09.pdf>.

²⁹ See September 24, 2009 SPP RTWG Minutes, available at <http://www.spp.org/publications/RTWG%20Minutes%20%20Attachments%20-%2009-24-09.pdf>; October 1, 2009 SPP RTWG Minutes, available at <http://www.spp.org/publications/RTWG%20Minutes%20%20Attachments%20-%2010-01-09.pdf>; and October 28, 2009 SPP RTWG Minutes, available at <http://www.spp.org/publications/RTWG%20Minutes%20%20Attachments%20-%2010-28-09.pdf>.

discussions revealed that the stakeholders have different positions on the issue of data disclosure and would be unable to reach a consensus on this issue.

IV. TARIFF AMENDMENTS

A. Amendments Creating A Mechanism For Market Participants To Review System Design Software Results

1. The Amendments Allow Appropriate Access to Applicable Data Needed to Participate in the SPP Transmission Expansion Plan Process

To comply with the Commission directive in the Rehearing Order “to ensure that market participants may review SPP’s system design software results to check its application of assumptions in creating the adjusted production cost-benefits metrics used to analyze a [B]alanced [P]ortfolio”³⁰ and to revise section IX.7 of Attachment O “to provide that resource-specific data in the planning process be disclosed by SPP, *under applicable confidentiality provisions*, if the information is needed to participate in the transmission planning process and/or to replicate transmission planning studies,”³¹ SPP revised section IX.7(d) of Attachment O of the SPP Tariff. As described below, the revisions fulfill the Commission directives and, accordingly, provide “a mechanism that allows market participants to review the system design software results, *subject to signing confidentiality agreements or other needed arrangements to protect sensitive information.*”³²

Specifically, SPP revises section IX.7(d) to provide that confidentiality agreements “shall allow access to applicable system design software results needed to participate in the SPP Transmission Expansion Plan process, replicate the results of specified transmission planning studies, or to confirm assumptions used in creating adjusted production cost-benefits metrics used to analyze a specified Balanced Portfolio; provided however, if the results include resource specific data (including input data), access will be limited to individuals that are not Competitive Duty Personnel.”³³ Competitive Duty Personnel are individuals that are directly engaged in the “(1) the marketing, sale, or purchase of electric power at wholesale in the SPP Region; (2) the direct supervision of any employee with such responsibilities; or (3) the provision of consulting services in connection with the marketing, purchase, or sale of electric power at wholesale.”³⁴ The revised section IX.7(d) also clarifies that “[c]ounsel or outside consultants that *do not* provide consulting services in connection with the marketing,

³⁰ Rehearing Order at P 39.

³¹ *Id.* at P 41 (emphasis added).

³² *Id.* at P 40 (emphasis added).

³³ SPP Tariff, Attachment O, proposed § IX.7(d).

³⁴ *Id.* at § IX.7(d)(ii).

purchase, or sale of electric power at wholesale in the SPP Region are *not* Competitive Duty Personnel.”³⁵

2. Restricting Access to Resource Specific Data to Non-Competitive Duty Personnel is Consistent with Commission Precedent and is Just and Reasonable.

a. Orders 890, 890-A and 890-B

Restricting the dissemination of resource specific data to non-competitive duty personnel is consistent with the Commission’s transmission planning transparency requirement set forth in Order Nos. 890, 890-A and 890-B.³⁶ In Order No. 890, the Commission expressed a desire for “protections to ensure that particular entities do not gain an inappropriate competitive advantage” from the required disclosure of transmission planning information. In that same vein, the Commission noted that “[i]n order for the Final Rule’s transmission planning process to be as effective as possible, [the Commission] emphasize[s] that all transmission providers, both jurisdictional and nonjurisdictional, must be assured that the information they provide in that process will not be used inappropriately in the wholesale power market.”³⁷ The Commission further cautioned that “transmission providers must maintain the confidentiality of [cost information for transmission and generation facilities], protecting it from distribution to employees of the merchant function and its affiliates.”³⁸ Importantly, with regard to resource specific data (e.g., production cost models and generation dispatch methodologies), the Commission in Order No. 890-B specifically permitted “confidentiality limitations [that] could include, among other things, *restrictions on the release of proprietary and commercially sensitive information to those engaged in marketing, sale, or purchase of electric power at wholesale.*”³⁹ The compliance amendments, which restrict access to resource specific data to individuals that *do not directly engage* in the marketing, sale, or purchase of electric power in the SPP Region clearly comport with Order Nos. 890, 890-A and 890-B.

³⁵ *Id.* at § IX.7(d)(i) (emphasis added).

³⁶ *See Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, 2006-2007 FERC Stats. & Regs., Regs. Preambles ¶ 61,241, at PP 276 & n.177, 312, 326, 471-76, *order on reh’g*, Order No. 890-A, 2006-2007 FERC Stats. & Regs., Regs. Preambles ¶ 31,261, at P 206 (2007), *order on reh’g and clarification*, Order No. 890-B, 123 FERC ¶ 61,299, at PP 36-37 (2008), *order on reh’g and clarification*, Order No. 890-C, 126 FERC ¶ 61,228 (2009).

³⁷ Order No. 890 at P 475.

³⁸ Order No. 890-A at P 206.

³⁹ Order No. 890-B at P 37 (emphasis added); *see also* Order No. 890-A at P 148.

b. Commission's Standards of Conduct

Similarly, the compliance amendments are consistent with the Commission's Standards of Conduct. The Commission's Standards of Conduct require that a transmission provider's "transmission function employees must function independently from its marketing function employees"⁴⁰ and "are prohibited from disclosing, or using a conduit to disclose, non-public transmission function information to . . . marketing function employees."⁴¹ In addition, the Commission has determined that if an "employee responsible for contract administration 'regularly carries out or supervises . . . or is actively and personally engaged' in the negotiation of [wholesale power] contracts, then he or she is considered a marketing function employee."⁴² In Order No. 717-A, the Commission stated that marketing function activities "are not limited to only price terms and conditions of a contract, because non-price terms and conditions of a contract could contain information that an affiliate could use to its advantage."⁴³ However, a supervisor is not a marketing function employee, "if that supervisor is 'simply signing off on a deal negotiated or proposed by someone else, and is not providing input into the negotiations.'"⁴⁴

The resource specific data that are used in Balanced Portfolio studies (as well as other aspects of transmission planning) are highly proprietary to the data providers and are the type of transmission planning information from which marketing function employees could gain an undue advantage in the wholesale power market. Thus, it would be inconsistent with sound commercial business practices and proper marketplace maintenance to allow marketing function employees to review such competitively sensitive information. SPP's proposed limitation on dissemination of resource specific data therefore is in accord with the Commission's Standards of Conduct by preventing employees that could gain an undue advantage (i.e., Competitive Duty Personnel) from reviewing transmission planning information that contain such resource specific data.

Furthermore, the Commission recognizes that "compliance with the Standards of Conduct can impose costs on small entities," but has explained that "this concern must be balanced against the fact that . . . an open planning process cannot be fully successful if certain entities (whether jurisdictional or nonjurisdictional) can use the information to obtain an undue advantage in power markets."⁴⁵ Therefore, while restricting access to

⁴⁰ 18 C.F.R. § 358.2(b).

⁴¹ *Id.* § 385.2(c).

⁴² *Standards of Conduct for Transmission Providers*, Order No. 717, III FERC Stats. & Regs., Regs. Preambles ¶ 31,280 (2008), *order on reh'g and clarification*, Order No. 717-A, 129 FERC ¶ 61,043 (2009).

⁴³ Order No. 717-A at P 80.

⁴⁴ *Id.* at P 83 (*citing* Order No. 717 at P 119).

⁴⁵ Order No. 890 at P 475; *see also* Order No. 890-A at P 200.

resource specific data to individuals that do not directly engage in the marketing, sale, or purchase of electric power may inflict a hardship on some market participants, this hardship must be balanced against the risk of creating an undue advantage for some market participants if no limitation on access were imposed.

Finally, the definition of “Competitive Duty Personnel” and “Competitive Duties” in the revised section IX.7(d) are consistent with the Commission’s Standards of Conduct. SPP defined Competitive Duties to include activities associated with marketing functions, as set forth in the Commission’s Standards of Conduct.⁴⁶ Specifically, Competitive Duties “include: (1) the marketing, sale, or purchase of electric power at wholesale in the SPP Region; (2) the direct supervision of any employee with such responsibilities; or (3) the provision of consulting services in connection with the marketing, purchase or sale of electric power at wholesale in the SPP Region.”⁴⁷ The marketing, sale, or purchase of electric power at wholesale performed by both employees and outside consultants clearly falls within the Commission’s definition of “marketing functions.”⁴⁸ Likewise, the “direct supervision” of employees involved in the marketing, sale, or purchase of electric power at wholesale, also is properly considered a “marketing function.” In Order No. 717, the Commission found that “if an employee regularly carries out or supervises the details of the [marketing function] activities in question, he or she is actively and personally engaged in them.”⁴⁹ Accordingly, SPP restricts those employees that engage in “direct supervision” of marketing function activities from gaining access to resource specific data that is commercially sensitive.⁵⁰

⁴⁶ See 18 C.F.R. § 358.3(c).

⁴⁷ SPP Tariff, Attachment O, proposed § IX.7(d)(i) and (ii).

⁴⁸ 18 C.F.R. § 358.3(c)(1) (“*Marketing functions* means: (1) in the case of public utilities and their affiliates, the sale for resale in interstate commerce, or the submission of offers to sell in interstate commerce, of electric energy or capacity, demand response, virtual transactions, or financial or physical transmission rights, all as subject to an exclusion for bundled retail sales, including sales of electric energy made by providers of last resort (POLRs) acting in their POLR capacity”).

⁴⁹ Order No. 717 at P 117.

⁵⁰ The Commission has held that a supervisor is not a marketing function employee “if that supervisor is ‘simply signing off on a deal negotiated or proposed by someone else, and is not providing input into the negotiations.’” Order No. 717-A at P 83 (*citing* Order No. 717 at P 119). As SPP has restricted access only of those supervisors that “directly” supervise others that are engaged in marketing functions, such supervisors do not fall within this exception and are properly restricted from accessing commercially sensitive resource specific data.

B. Compliance Amendments Addressing Third Party Impacts of Upgrades Included in the Balanced Portfolio

In the Rehearing Order, the Commission directed SPP further to amend section IV.6 of Attachment O “to specify that costs resulting from third-party impacts included in the Balanced Portfolio cost-benefit analysis will be net of any reimbursement resulting from such third-party impacts.”⁵¹ Accordingly, to effectuate this directive, SPP submits amendments to section IV.6(c)(v) expressly to state that such revenue requirements will include any specific costs that are incurred as a result of third-party impacts “(net of any reimbursements resulting from such third-party impacts).”

V. EFFECTIVE DATE

Consistent with the October 16 Order⁵² and the Rehearing Order,⁵³ SPP requests an effective date of October 17, 2008, for the compliance amendments filed herein.

VI. DOCUMENTS ENCLOSED

SPP submits an original and six copies of this transmittal letter and the compliance amendments in clean and redline format as Attachment A.

VII. SERVICE

SPP has served a copy of this filing on each person designated on the official service list compiled by the Secretary in this proceeding. In addition, SPP has served a copy of this filing on all its Members and Customers and all affected state commissions. A complete copy of this filing will be posted on the SPP website, www.spp.org.

⁵¹ Rehearing Order at P 30.

⁵² October 16 Order at P 1 and Ordering Para. (A).

⁵³ Rehearing Order at Ordering Para. (B).

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VIII. CONCLUSION

For all of the foregoing reasons, SPP respectfully requests that the Commission accept the SPP Tariff revisions submitted herein without modification, with an effective date of October 17, 2008.

Respectfully submitted,



Barry S. Spector
Carrie L. Bumgarner
Ryan J. Collins

**Attorneys for
Southwest Power Pool, Inc.**

Attachment A

**SPP Tariff Sheets
(Clean)**

- v) The revenue requirements also shall include any specific costs that are projected to be incurred by the Transmission Provider or a Zone(s) as a result of third-party impacts (net of any reimbursements resulting from such third-party impacts) due to one or more upgrades within a proposed Balanced Portfolio.
 - vi) The revenue requirements for the potential Balanced Portfolio shall equal the sum of the revenue requirements of the upgrades that comprise the potential Balanced Portfolio.
 - vii) The Transmission Provider shall estimate the cost for each Zone by allocating the revenue requirements for the potential Balanced Portfolio to each Zone based on its Region-wide Load Ratio Share forecasted over the ten year period analyzed.
 - viii) If any costs of an upgrade in the potential Balanced Portfolio will be borne by other funding mechanisms, such costs shall not be included in the determination of the net present value of the revenue requirements for the potential Balanced Portfolio.
- d) The Transmission Provider shall determine for each Zone the net present value of the benefits of each potential Balanced Portfolio as follows:
- i) The benefits from each potential Balanced Portfolio shall be calculated as if all of the upgrades associated with the potential Balanced Portfolio are simultaneously available to the power system.
 - ii) The Transmission Provider shall use an adjusted production cost metric to analyze the benefits of the potential Balanced Portfolio, where adjusted production cost is the production cost minus revenues from sales plus cost of purchases. As described in Section IV.8 of this Attachment O, the Transmission Provider shall continue to evaluate and explore with the stakeholders any additional metrics and criteria which have quantifiable economic effects.
 - iii) The adjusted production cost benefit for each Zone shall equal the difference between the adjusted production cost with the potential Balanced Portfolio modeled and without the potential Balanced Portfolio modeled.
 - iv) The Transmission Provider shall estimate the annual benefits for each Zone over the same ten-year period as used to determine the costs by calculating the annual benefits for at least three specific years in the ten-year time period and interpolating the annual benefits for the remaining years.
- e) A potential Balanced Portfolio shall meet the following conditions:
- i) Cost Beneficial: The sum of the benefits of the potential Balanced Portfolio determined in Section IV.6.d must equal or exceed the sum of the costs determined in Section IV.6.c; and

Issued by: Heather Starnes, Manager, Regulatory Policy

Issued on: November 2, 2009

Effective: October 17, 2008

7) Confidentiality Requirements

- a) The Transmission Provider shall make all reasonable efforts to preserve the confidentiality of information in accordance with the provisions of the Tariff and the SPP Membership Agreement.
- b) For those entities that have executed a confidentiality agreement, the Transmission Provider shall provide password protected access to confidential information related to the SPP Transmission Expansion Plan and the underlying studies and models via the SPP website.
- c) The form of confidentiality agreement shall be posted on the SPP website.
- d) The confidentiality agreement shall allow access to applicable system design software results needed to participate in the SPP Transmission Expansion Plan process, replicate the results of specified transmission planning studies, or to confirm assumptions used in creating adjusted production cost-benefits metrics used to analyze a specified Balanced Portfolio; provided however, if the results include resource specific data (including input data), access will be limited to individuals that are not Competitive Duty Personnel. In no event shall Transmission Provider or any other entity that has executed a confidentiality agreement and has been provided resource specific data disclose such data to Competitive Duty Personnel. For the purposes of this section:
 - i) “Competitive Duty Personnel” are any individuals directly engaged in Competitive Duties. Counsel or outside consultants that do not provide consulting services in connection with the marketing, purchase, or sale of electric power at wholesale in the SPP Region are not Competitive Duty Personnel.
 - ii) “Competitive Duties” include: (1) the marketing, sale, or purchase of electric power at wholesale in the SPP Region; (2) the direct supervision of any employee with such responsibilities; or (3) the provision of consulting services in connection with the marketing, purchase, or sale of electric power at wholesale in the SPP Region.
- e) Other transmission planning information shall be posted on the SPP website and may be password protected, as appropriate.
- f) Confidentiality agreements shall be required for Members and Market Participants to receive data where the owner of the data has given permission to the Transmission Provider to release the data.

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8) Critical Energy Infrastructure Information (CEII) Requirements

- a) The Transmission Provider shall take appropriate steps to protect CEII information.
- b) The Transmission Provider shall screen Members and Market Participants prior to providing access to CEII information. Individuals that do not belong to a confirmed pre-screened Member or Market Participant shall be directed to the Commission's website for instructions for access to CEII information.
- c) For those entities that have met the CEII requirements in Section IX.8.b of this Attachment O, the Transmission Provider shall provide password protected access to CEII information related to the SPP Transmission Expansion Plan and the underlying studies and models via the SPP website.
- d) The Transmission Provider shall follow the guidelines set forth by the Commission to flag data which shall be treated as CEII sensitive.

X. Inter-regional Coordination

- 1) The Transmission Provider shall undertake to coordinate any studies required to assure the reliable, efficient, and effective operation of the Transmission System with, at a minimum, first-tier adjacent interconnected systems. Such coordination shall include:

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**SPP Tariff Sheets
(Redline)**

- v) The revenue requirements also shall include any specific costs that are projected to be incurred by the Transmission Provider or a Zone(s) as a result of third-party impacts (net of any reimbursements resulting from such third-party impacts) due to one or more upgrades within a proposed Balanced Portfolio.
 - vi) The revenue requirements for the potential Balanced Portfolio shall equal the sum of the revenue requirements of the upgrades that comprise the potential Balanced Portfolio.
 - vii) The Transmission Provider shall estimate the cost for each Zone by allocating the revenue requirements for the potential Balanced Portfolio to each Zone based on its Region-wide Load Ratio Share forecasted over the ten year period analyzed.
 - viii) If any costs of an upgrade in the potential Balanced Portfolio will be borne by other funding mechanisms, such costs shall not be included in the determination of the net present value of the revenue requirements for the potential Balanced Portfolio.
- d) The Transmission Provider shall determine for each Zone the net present value of the benefits of each potential Balanced Portfolio as follows:
- i) The benefits from each potential Balanced Portfolio shall be calculated as if all of the upgrades associated with the potential Balanced Portfolio are simultaneously available to the power system.
 - ii) The Transmission Provider shall use an adjusted production cost metric to analyze the benefits of the potential Balanced Portfolio, where adjusted production cost is the production cost minus revenues from sales plus cost of purchases. As described in Section IV.8 of this Attachment O, the Transmission Provider shall continue to evaluate and explore with the stakeholders any additional metrics and criteria which have quantifiable economic effects.
 - iii) The adjusted production cost benefit for each Zone shall equal the difference between the adjusted production cost with the potential Balanced Portfolio modeled and without the potential Balanced Portfolio modeled.
 - iv) The Transmission Provider shall estimate the annual benefits for each Zone over the same ten-year period as used to determine the costs by calculating the annual benefits for at least three specific years in the ten-year time period and interpolating the annual benefits for the remaining years.
- e) A potential Balanced Portfolio shall meet the following conditions:
- i) Cost Beneficial: The sum of the benefits of the potential Balanced Portfolio determined in Section IV.6.d must equal or exceed the sum of the costs determined in Section IV.6.c; and

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Effective: October 17, 2008

7) Confidentiality Requirements

- a) The Transmission Provider shall make all reasonable efforts to preserve the confidentiality of information in accordance with the provisions of the Tariff and the SPP Membership Agreement.
- b) For those entities that have executed a confidentiality agreement, the Transmission Provider shall provide password protected access to confidential information related to the SPP Transmission Expansion Plan and the underlying studies and models via the SPP website.
- c) The form of confidentiality agreement shall be posted on the SPP website.
- d) The confidentiality agreement shall allow access to applicable system design software results needed to participate in the SPP Transmission Expansion Plan process, replicate the results of specified transmission planning studies, or to confirm assumptions used in creating adjusted production cost-benefits metrics used to analyze a specified Balanced Portfolio; provided however, if the results include resource specific data (including input data), access will be limited to individuals that are not Competitive Duty Personnel. In no event shall Transmission Provider or any other entity that has executed a confidentiality agreement and has been provided resource specific data disclose such data to Competitive Duty Personnel. For the purposes of this section:
 - i) “Competitive Duty Personnel” are any individuals directly engaged in Competitive Duties. Counsel or outside consultants that do not provide consulting services in connection with the marketing, purchase, or sale of electric power at wholesale in the SPP Region are not Competitive Duty Personnel.
 - ii) “Competitive Duties” include: (1) the marketing, sale, or purchase of electric power at wholesale in the SPP Region; (2) the direct supervision of any employee with such responsibilities; or (3) the provision of consulting services in connection with the marketing, purchase, or sale of electric power at wholesale in the SPP Region.

~~shall not be made available by the Transmission Provider if the data has been designated confidential by the data provider or if the data can be used to:~~

 - ~~i) Determine security constrained unit commitment or economic dispatch for resources; or~~
 - ~~ii) Perform an economic evaluation of costs and benefits.~~
- e) Other transmission planning information shall be posted on the SPP website and may be password protected, as appropriate.
- f) Confidentiality agreements shall be required for Members and Market Participants to receive data where the owner of the data has given permission to the Transmission Provider to release the data.

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8) Critical Energy Infrastructure Information (CEII) Requirements

- a) The Transmission Provider shall take appropriate steps to protect CEII information.
- b) The Transmission Provider shall screen Members and Market Participants prior to providing access to CEII information. Individuals that do not belong to a confirmed pre-screened Member or Market Participant shall be directed to the Commission's website for instructions for access to CEII information.
- c) For those entities that have met the CEII requirements in Section IX.8.b of this Attachment O, the Transmission Provider shall provide password protected access to CEII information related to the SPP Transmission Expansion Plan and the underlying studies and models via the SPP website.
- d) The Transmission Provider shall follow the guidelines set forth by the Commission to flag data which shall be treated as CEII sensitive.

X. Inter-regional Coordination

- 1) The Transmission Provider shall undertake to coordinate any studies required to assure the reliable, efficient, and effective operation of the Transmission System with, at a minimum, first-tier adjacent interconnected systems. Such coordination shall include:

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding as well as upon all its Members and Customers and all affected state commissions.

Dated at Washington, D.C., this 2nd day of November, 2009.

A handwritten signature in cursive script, reading "Carrie L. Bumgarner". The signature is written in black ink and is positioned above a horizontal line.

Carrie L. Bumgarner