

# Southwest Power Pool, Inc.

## Regulatory Status Report

### ***FERC or State Jurisdiction: FERC***

**10-1178 SPP Filing of FERC Report 582 for Computation of FERC Electric Annual Charges Assessed to Public Utilities**

On April 20, 2010, SPP submitted its FERC Reporting Requirement No. 582 for the year 2009, indicating transmission service of 211,717,104 MWh.

**10-1227 SPP Filing of FERC Form 1**

On May 17, 2010, SPP submitted its FERC Form 3-Q, Quarterly Financial Report, for the first quarter of 2010.

**AD10-11 Frequency Regulation Compensation in the Organized Wholesale Power Markets**

On April 27, 2010, FERC issued a Notice of Technical Conference to elicit input on issues pertaining to Frequency Regulation Compensation in the ISO/RTO Markets. The technical conference will take place on May 26, 2010, from 9 AM to 1 PM Eastern Time.

**AD10-12 Increasing Market and Planning Efficiency through Improved Software**

On May 7, 2010, FERC issued a Notice of Technical Conference to discuss increasing market and planning efficiency through improved software.

Three conferences will be held:

- 1) Enhanced day-ahead ISO and RTO unit-commitment market models to be held June 2-3, 2010;
- 2) Enhanced wide-area planning models to be held June 9-10, 2010; and
- 3) Enhanced real-time optimal power flow market models to be held June 23-24, 2010.

**CE10-27 Qamar Arsalan and MD N. Sakib's Request for Critical Energy Infrastructure Information - Public Service Electric & Gas Company**

FERC issued a Notice of Intent to Release April 28, 2010.

**CE10-75 Alex Pollock's Request for Critical Energy Infrastructure Information - EAPC Wind Energy Services, LLC**

FERC issued a Notice of Intent to Release May 3, 2010.

**CE10-89 Bobby D. Thomas' Request for Critical Energy Infrastructure Information - Halff Associates, Inc.**

FERC issued a Notice of Intent to Release April 14, 2010.

**CE10-98 Manos Obessis, et al.'s Request for Critical Energy Infrastructure Information - PowerGEM, LLC**

FERC issued a Notice of Intent to Release on April 29, 2010.

**CE10-102 Scott L. Greene's Request for Critical Energy Infrastructure Information - Quanta Technology**

SPP submitted comments on this request April 21, 2010.

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**CE10-106**                    **W. Howard Phillips' Request for Critical Energy Infrastructure Information - WH Power Consultants**

SPP submitted comments on this request April 20, 2010.

**CE10-107**                    **Joshua York's Request for Critical Energy Infrastructure Information - LS Power Development, LLC**

SPP submitted comments on this request April 21, 2010.

**CE10-116**                    **David Dippold, et al.'s Request for Critical Energy Infrastructure Information - American Electric Power Commercial**

On April 16, 2010, David Dippold filed a FERC CEII request on behalf of himself and five additional American Electric Power, Commercial Operations employees to obtain a copy of the "ERCOT Transmission Case: Form 715 submitted in 2009", as noticed April 23, 2010. This request is not applicable to SPP.

SPP submitted comments on this request April 30, 2010.

**CE10-117**                    **Madeline Chen, et al.'s Request for Critical Energy Infrastructure Information - LCG Consulting**

On April 20, 2010, Madeline Chen, Administrator for LCG Consulting, filed a FERC CEII request on behalf of herself and eleven additional employees of LCG Consulting to obtain 2010 FERC Form No. 715 data for all regions, as noticed April 23, 2010.

SPP submitted comments on this request April 30, 2010.

**EL10-22**                    **Tres Amigas LLC Petition for Disclaimer of Jurisdiction (Pursuant to Rule 207)**

On May 3, 2010, Golden Spread Electric Cooperative, Inc. filed a Motion for Leave to Answer and Answer in response to the rehearing request filed by Occidental on April 19, 2010. Golden Spread asked the Commission to deny the rehearing request.

On May 4, 2010, Tres Amigas LLC submitted a Motion for Leave to Answer Requests for Rehearing and Answer in response to the rehearing requests filed by Occidental and TIEC. Tres Amigas asked FERC to deny the rehearing requests and defer ruling on the issue presented until the Commission has a specific application for interconnection or wheeling before it in which the issue has to be addressed.

On May 4, 2010, Oncor Electric Delivery Company LLC filed a Motion for Leave to Answer and Answer in response to Occidental's April 19, 2010 requests for rehearing. Oncor asked the Commission to deny Occidental's rehearing request.

On May 17, 2010, Occidental filed an answer in response to the motions and answers submitted in this proceeding in response to the March 18, 2010 Order.

On May 17, 2010, FERC issued an Order Granting Rehearing for Further Consideration of the March 18, 2010 Order.

**EL10-55**                    **Notice of Complaint, Louisiana Public Service Commission ("LPSC") v. Entergy Corporation, Entergy Services, Inc., Entergy Louisiana, LLC, Entergy Arkansas, Inc., Entergy Mississippi, Inc., Entergy New Orleans, Inc., Entergy Gulf States Louisiana, LLC, and Entergy Texas, Inc.**

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On April 20, 2010, the Arkansas Public Service Commission filed an answer and protest opposing complaint and Motion for Summary Disposition.

The APSC asked the Commission to deny and dismiss the LPSC Complaint and companion Motion for Summary Disposition, seeking an unspecified revision of the provisions of the existing FERC-filed Service Schedule MSS-3 Tariff for calculating rough production cost equalization annual bandwidth formula payments and receipts pursuant to Commission Opinion Nos. 480 and 480-A.

On April 20, 2010, Entergy Services, Inc. filed a Motion to Intervene and an answer in response to LPSC's Complaint and Motion for Summary Disposition.

On April 20, 2010, Arkansas Electric Energy Consumers, Inc. and Louisiana Energy Users Group filed Motions to Intervene.

On April 20, 2010, Ameren Services Company, as agent for Union Electric Company, filed a Motion to Intervene.

On April 21, 2010, Occidental Chemical Corporation filed a Motion to Intervene Out-of-Time.

On April 30, 2010, the LPSC filed a Motion for Leave to Reply and Reply in response to Entergy's Answer and Motion to Intervene and APSC's Answer and Protest, both of which were filed on April 20, 2010. LPSC asked the Commission to reject the comments by Entergy and APSC.

On May 14, 2010, the Arkansas Public Service Commission submitted its Response to Unauthorized Reply by the Louisiana Public Service Commission to Answer and Protest.

**EL10-59**

**Joint Petition of Southwest Power Pool, Inc., E.ON U.S. LLC, and Cash Creek, LLC for Declaratory Order**

On May 10, 2010, Big Rivers Electric Corporation filed a Motion for Leave to Intervene and Comments.

On May 10, 2010, E.ON U.S. LLC filed a Motion to Intervene.

**ER05-1065**

**Entergy Services' New Proposal for an Independent Coordinator of Transmission ("ICT") and Extension of the ICT's Initial Term**

On May 12, 2010, Occidental submitted comments in response to the ICT's First Quarterly Performance Report for 2010.

**ER08-313**

**SPS Formula Rate Case**

On April 30, 2010, Xcel Energy Services Inc., on behalf of the Parties, submitted a letter to the Chief Judge and Presiding Judge reporting that the Parties and Commission Trial Staff have reached an agreement in principle resolving all remaining issues set for hearing in this proceeding.

The Parties request an additional time, up to and including June 15, 2010, to draft and obtain final approval and to file the required settlement documents addressing the Attachment A1 issues.

On April 30, 2010, FERC issued an Order of Chief Judge Holding Procedural Schedule in

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Abeyance until June 15, 2010.

**ER08-340 SPP Real-Time Energy Imbalance Service ("EIS") Market (participation of External Resources)**

On April 28, 2010, pursuant to the April 21, 2008 Order, SPP filed an informational report prepared by SPP's Market Monitoring Unit which addressed the following:

- 1) the impact of SPP's dispatch caps on external generator participation in SPP's real-time energy imbalance service market ("EIS Market");
- 2) the impact of external generation in increasing the depth of the EIS Market; and
- 3) the overall effectiveness of SPP's proposal to encourage external generator participation in the EIS Market.

**ER09-35 Tallgrass Transmission, LLC ("Tallgrass") Formula and Incentive Rate Case**

On May 10, 2010, Tallgrass Transmission, LLC submitted an Offer of Settlement.

**ER09-36 Prairie Wind Transmission, LLC ("Prairie Wind") Formula and Incentive Rate Case**

On May 10, 2010, Prairie Wind Transmission, LLC submitted an Offer of Settlement.

**ER09-149 SPP Tariff Revisions - Various Improvements to Energy Imbalance Service Market ("EIS Market")**

On May 12, 2010, SPP filed a Notification of Extension of Tariff Provision which mitigates the impact on reliability as well as impacts on price volatility of a flowgate between SPP and Southwestern Public Service Company. The provision allows SPP to activate the flowgate without issues a Transmission Loading Relief Procedure in NERC's Interchange Distribution Calculator.

SPP's Market and Operations Policy Committee ("MOPC") approved an extension of this provision until September 16, 2010. The provision was to expire on June 18, 2010.

**ER09-555 Entergy Services, Inc. Filing of Proposed Revisions to Attachment V of Entergy's Open Access Transmission Tariff ("OATT")**

On April 23, 2010, SPP filed its Supplement to the WPP Quarterly Report for the time period of December 2009 through February 2010. This supplement contains the final February numbers for the actual output of Entergy's legacy oil and gas units.

**ER09-1192 SPP Submission of Revisions to Bylaws**

On May 18, 2010, FERC issued a letter order accepting the revisions to SPP's Bylaws reflecting the September 30, 2009 effective date for all of the bylaw pages, as adopted by the September 17, 2009 Order.

This order constitutes final agency action.

**ER09-1255 Large Generator Interconnection Agreement ("LGIA") between Wind Farm Bear Creek, LLC ("Bear Creek") as Interconnection Customer and Sunflower Electric Power Corporation ("Sunflower") as Transmission Owner**

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On April 21, 2010, SPP submitted an answer in response to Wind Farm Bear Creek's Motion to Expedited Action.

SPP stated that any suggestion in the motion that SPP has acted improperly with regard to Bear Creek's interconnection request or in the provision of NRIS is contrary to the July 31, 2009 Order.

SPP asked that if the Commission denies SPP's Rehearing Request, the Commission should confirm that Bear Creek must submit a new NRIS request with a new queue position in order to receive NRIS.

On April 21, 2010, FERC issued an Order on Rehearing and Compliance Filing which denied the rehearing requests of SPP and Wind Farm Bear Creek, LLC ("Bear Creek") and provided clarification concerning FERC's acceptance of an unexecuted Large Generator Interconnection Agreement ("LGIA") between SPP and Bear Creek.

FERC also accepted a compliance filing submitted by SPP in compliance with FERC's order accepting the Bear Creek LGIA. An effective date of April 21, 2010 was granted.

**ER09-1397**

**Unexecuted Network Integration Transmission Service Agreement ("NITSA") between SPP, Kansas Power Pool ("KPP") as Network Customer, and Midwest Energy, Inc. ("Midwest Energy) and Westar Energy, Inc. ("Westar") as Host Transmission Owners, as well as a Network Operating Agreement ("NOA")**

On April 26, 2010, FERC issued an Order Conditionally Accepting the Unexecuted Transmission Service Agreement and Notices of Cancellation, effective June 1, 2009.

Since SPP states there is no maximum firm import limits, SPP was directed to submit a compliance filing by May 26, 2010, to remove the limitations language from Attachments B and C of the NITSA.

On May 18, 2010, SPP submitted a compliance filing pursuant to the April 26, 2010 Order.

Since SPP states there is no maximum firm import limits, SPP was directed to submit a compliance filing by May 26, 2010, to remove the limitations language from Attachments B and C of the NITSA.

**ER10-191**

**E.ON U.S. LLC (LG&E & KU Systems) Filing to Change Method of Complying with Order Nos. 888, 889, 890**

On April 28, 2010, FERC issued an Order tolling time for action on the Application under the Federal Power Act section 203 until October 25, 2010.

On May 13, 2010, FERC issued a deficiency letter requesting the following additional information:

(1) In an April 28, 2010, press release, PPL Corporation (PPL) announced that it had reached an agreement under which PPL will acquire E.ON, the parent company of LG&E and KU. Please indicate how this announcement affects the pending filing before the Commission in Docket Nos. EC06-4-003 and ER10-191-000 in which Applicants are requesting that they be allowed to reassign to themselves the Independent Transmission Organization functions that were previously performed by third parties.

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(2) Please explain how this announced merger affects Applicants' analysis of vertical market power issues, considering that Applicants' conclusion that the proposal will not adversely affect vertical market power in the pending filing in Docket Nos. EC06-4-003 and ER10-191-000 does not contemplate that Applicants will be merged with PPL.

E.ON's response is due June 14, 2010.

**ER10-352**

### **SPP Submission of Tariff Revisions to Incorporate a Pro Forma Interim Large Generator Interconnection Agreement ("Interim LGIA") and Associated Provisions in Generation Interconnection Procedures**

On May 18, 2010, the Commission accepted for filing a compliance filing (as supplemented) required by the Commission in this proceeding, which established a pro forma interim Generator Interconnection Agreement and associated provisions in SPP's Tariff.

An effective date of December 2, 2009 was granted, as requested.

This order constitutes final agency action.

**ER10-355**

### **American Electric Power Service Corporation ("AEP") Submission of a Formula Rate to Recover Costs of Investments in Transmission Facilities Owned by AEP Transmission Company, L.L.C. ("AEPTCo") Subsidiaries in PJM and in SPP RTO Regions**

On May 11, 2010, AEP submitted a Motion for Adoption of a Protective Order.

On May 12, 2010, FERC issued an Order of Chief Judge Adopting Protective Order.

On May 19, 2010, FERC issued an Order scheduling a settlement conference to convene on June 15, 2010 at 10 AM Eastern Time.

**ER10-396**

### **Tres Amigas Application for Authorization to Sell Transmission Rights at Negotiated Rates for Related Relief**

On April 26, 2010, Occidental filed an answer in response to the Motion for Clarification and Request for Expedited Consideration of Tres Amigas submitted on April 16, 2010.

On May 4, 2010, Tres Amigas submitted an answer in response to Occidental's rehearing request.

On May 17, 2010, Occidental filed an answer in response to Tres Amigas' May 4, 2010 answer.

Occidental stated:

- 1) Commission policy does not support Tres Amigas' position regarding assumption of market risk; and
- 2) contrary to Tres Amigas' claims, Occidental explained in detail why the March 18 Order's conclusion regarding Tres Amigas' ability to exercise market power was in error.

On May 17, 2010, FERC issued an Order Granting Rehearing for Further Consideration of the March 18, 2010 Order.

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**ER10-454**                    **Interim Large Generator Interconnection Agreement ("LGIA") between CPV Keenan II Renewable Energy Company, LLC ("CPV Keenan") as Interconnection Customer and Oklahoma Gas & Electric Company ("OG&E") as Transmission Owner**

On May 18, 2010, FERC issued a letter order accepting the agreement, effective January 26, 2010 as requested.

This order constitutes final agency action.

**ER10-550**                    **SPP Submission of Tariff Revisions to Incorporate Revisions Providing for Modifications, Additions, or Abandonment of Delivery Point Facilities Necessary for Transmission Service and Miscellaneous Clarifying Provisions**

On April 30, 2010, FERC issued an Order Conditionally Accepting Tariff Revisions.

The DPATF tariff revisions were accepted, effective May 1, 2010, subject to a compliance filing to correctly designate the tariff sheets effective May 1, 2010. SPP's compliance filing is due June 1, 2010.

**ER10-761**                    **SPP Submission of Tariff Revisions to Add Attachment AR (Screening Study for Potential Long-Term Service Requests and Proposed Delivery Point Transfers)**

On April 23, 2010, FERC issued a letter order accepting the new Attachment AR which allows SPP to implement a Transmission Screening Study Process to evaluate potential long-term transmission service requests and delivery point transfer requests.

An effective date of February 17, 2010 was granted.

This order constitutes final agency action.

**ER10-762**                    **Small Generator Interconnection Agreement ("SGIA") between DWS Frisco, LLC ("DWS Frisco") as Interconnection Customer and Southwestern Public Service Company ("SPS") as Transmission Owner**

On May 18, 2010, SPP submitted an Errata to correct the designation of the service agreement. In the February 16, 2010 Filing, the agreement was mistakenly designated as "First Revised Service Agreement No. 1571" rather than "Third Revised Service Agreement No. 1517."

**ER10-794**                    **Entergy Services, Inc. Submission of Revisions to its OATT to Implement Supplemental Curtailment Procedures ("SCP") and Local Area Procedures ("LAP")**

On April 23, 2010, FERC issued an Order accepting in part and rejecting in part Entergy's proposed tariff revisions.

FERC accepted the proposed Supplemental Curtailment Procedures, as modified, to become effective April 25, 2010 as requested. FERC rejected Entergy's proposed Attachment X, Local

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Area Procedures.

Entergy's compliance filing is due on May 24, 2010.

**ER10-795**

### **SPP Request for Waiver of Tariff Provisions of Section 17.7 of OATT**

On April 20, 2010, FERC issued a letter order granting the waiver of the notice provisions of section 17.7 of SPP's OATT to permit SPP to grant Westar Energy a five month extension (to August 1, 2010) of the commencement date for its transmission service.

The affected service agreements are SPP Service Agreement Nos. 1856, 1857 and 1858.

**ER10-798**

### **SPP Submission of Revision to Attachment AD of its OATT to Extend Tariff Administration Agreement between SPP and Southwestern Power Administration ("SPA")**

On April 26, 2010, FERC issued an order accepting the proposed revision to Attachment AD, the Tariff Administration Agreement between SPP and Southwestern Power Administration. The term of the agreement was extended by one year.

An effective date of February 1, 2010 was granted.

**ER10-813**

### **SPP Submission of Revisions to OATT to Implement Rate Changes for Southwestern Power Administration ("SPA")**

On April 30, 2010, FERC issued an order accepting the rate change for SPA, subject to refund and the outcome of Docket No. EF10-4. FERC suspended SPP's filing for a nominal period and granted an effective date of January 1, 2010.

**ER10-814**

### **Large Generator Interconnection Agreement ("LGIA") between Northwest Energy Center, LLC ("Northwest Energy") as Interconnection Customer and KCP&L Greater Missouri Operations Company, Inc. ("KCPL-GMO") as Transmission Owner**

On April 27, 2010, FERC issued a letter order accepting the agreement, effective January 29, 2010 as requested.

This order constitutes final agency action.

**ER10-822**

### **SPP Filing of an Executed Meter Agent Services Agreement between Westar Energy Generation Services ("WRGS") as Market Participant and Westar Energy Transmission Services ("Westar") as Meter Agent**

On May 10, 2010, FERC issued a letter order accepting the agreement, effective February 1, 2010 as requested.

This order constitutes final agency action.

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ER10-829

**Network Integration Transmission Service Agreement ("NITSA") between SPP and Southwestern Public Service Company ("SPS") as Network Customer and Host Transmission Owner, as well as a Network Operating Agreement ("NOA")**

On April 29, 2010, FERC issued a letter order accepting the agreement, effective February 1, 2010 as requested.

This order constitutes final agency action.

ER10-832

**Network Integration Transmission Service Agreement ("NITSA") between SPP, Municipal Energy Agency of Nebraska ("MEAN") as Network Customer, and Nebraska Public Power District ("NPPD") as Host Transmission Owner, as well as a Network Operating Agreement ("NOA")**

On April 29, 2010, FERC issued a letter order accepting the agreement, effective February 1, 2010 as requested.

This order constitutes final agency action.

ER10-833

**SPP Submission of Revisions to OATT to Implement Rate Changes for Kansas City Power & Light Company ("KCPL") and KCP&L Greater Missouri Operations Company ("KCPL-GMO")**

On April 28, 2010, FERC issued a letter order conditionally accepting and nominally suspending the filing, effective January 6, 2010, subject to refund and subject to the outcome of Docket No. ER10-230.

ER10-888

**SPP Submission of Tariff Revisions to Modify the Pro Forma Meter Agent Services Agreement (Attachment AM) and Related Tariff Provisions**

On May 3, 2010, FERC issued a letter order accepting the revisions to Attachment AM. An effective date of May 14, 2010 was granted.

This order constitutes final agency action.

ER10-897

**SPP Submission of Revised Pages to OATT to Implement Rate Changes for Mid-Kansas Electric Company, LLC ("MKEC") Resulting from a Stipulation and Agreement filed by MKEC in Kansas Corporation Commission ("KCC") Docket No. 09-MKEE-969-RTS**

On May 3, 2010, FERC issued a letter order accepting the rate changes, effective January 14, 2010 as requested.

This order constitutes final agency action.

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**ER10-925**                    **Large Generator Interconnection Agreement ("LGIA") between Laredo Ridge Wind, LLC ("Laredo Ridge") as Interconnection Customer and Nebraska Public Power District ("NPPD") as Transmission Owner**

On April 23, 2010, FERC issued a letter order accepting the agreement, effective March 5, 2010 as requested.

This order constitutes final agency action.

**ER10-941**                    **SPP Filing of a Letter Agreement Regarding Comprehensive Seams Agreement Between Entergy Services, Inc. and Southwest Power Pool, Inc.**

On May 7, 2010, the East Texas Cooperatives submitted comments providing suggestions regarding the AFC/TFC Protocols.

On May 7, 2010, the Lafayette Utilities System and the Empire District Electric Company filed a Protest in response to SPP's March 26 and April 16, 2010 filings.

The parties state:

- 1) the filed protocols would perpetuate business-as-usual at the SPP-Entergy Seam;
- 2) the filed protocols disregard numerous seams issues of importance; and
- 3) if further agreements are contemplated, they, too, must be filed.

On May 7, 2010, Union Power Partners, L.P. filed a Protest in response to SPP's April 16, 2010 filing.

Union Power stated that the burden to demonstrate that the proposed Seams Letter Agreement is consistent with or superior to the Commission's Open Access Transmission Service Policies and the Pro Forma OATT must remain with SPP and Entergy.

**ER10-957**                    **SPP Filing of an Executed Meter Agent Services Agreement between The Energy Authority ("TEA") as Market Participant and Nebraska Public Power District ("NPPD") as Meter Agent**

On May 18, 2010, FERC issued a letter order accepting the agreement, effective March 1, 2010 as requested.

This order constitutes final agency action.

**ER10-979**                    **SPP Filing of an Executed Service Agreement for the Resale, Reassignment or Transfer of Point-to-Point Transmission Service between SPP as Transmission Provider and Kansas City Power & Light Company ("KCPL") as Assignee**

On May 18, 2010, FERC issued a letter order accepting the agreement, effective March 1, 2010 as requested.

This order constitutes final agency action.

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ER10-1014

### **SPP Submission of Tariff Revisions to Modify Transmission Loading Relief ("TLR") Provisions of Energy Imbalance Service Market ("EIS Market")**

On April 26, 2010, Golden Spread Electric Cooperative, Inc. and Xcel Energy Services, Inc. filed Motions to Intervene.

On May 19, 2010, SPP submitted a request to change the effective date of the tariff revision proposal from June 11, 2010, to August 15, 2010. The deferred effective date is required to enable SPP to finalize the internal processes necessary for it to properly implement the proposed Tariff provisions.

ER10-1067

### **Transmission Interconnection Agreement between Mid-Kansas Electric Company, LLC ("MKEC") and ITC Great Plains, LLC ("ITC")**

On May 3, 2010, SPP submitted an errata filing to request an effective date of June 18, 2010.

SPP requested a shortened comment period and expedited action by the Commission to facilitate the June 18, 2010 effective date.

On May 10, 2010, ITC Great Plains, LLC filed a Motion to Intervene.

ER10-1069

### **SPP Submission of Tariff Revisions to Adopt a "Highway/Byway" Regional Transmission Upgrade Cost Allocation Methodology**

On April 21, 2010, the Arkansas Public Service Commission filed a Notice of Intervention.

On April 26, 2010, Nebraska Public Power District filed a Motion to Intervene and for Extension of Comment Date. NPPD requested that the comment period be extended from May 10, 2010 to June 1, 2010.

On April 26, 2010, City Utilities of Springfield, Missouri, Empire District Electric Company, Lincoln Electric System, NextEra Energy Resources, LLC, and Omaha Public Power District filed Motions to Intervene.

On April 28, 2010, SPP filed an answer to NPPD's motion for extension of time of the comment date. SPP clarified it did not authorize NPPD to state that SPP does not oppose an extension of the comment date to June 1, 2010. SPP requested that the Commission reject NPPD's motion and retain the current intervention and comment deadline of May 10, 2010.

On April 28, 2010, Jeff Cloud, Commissioner of the Oklahoma Corporation Commission, submitted comments in support of SPP's proposed highway/byway transmission cost allocation methodology.

On April 29, 2010, the Oklahoma Corporation Commission ("OCC") filed a Notice of Intervention and an answer to NPPD's motion for extension of time.

The OCC joined SPP in its opposition to NPPD's motion, and asked the Commission to retain the current May 10, 2010 intervention and comment deadline.

On April 30, 2010, the East Texas Cooperatives filed Motion to Intervene and comments in support of NPPD's motion for extension of time. The East Texas Cooperatives requested an extension of the comment period of at least one week.

On May 3, 2010, the Kansas Corporation Commission ("KCC") filed a Motion to Intervene and answer in response to NPPD's Motion for Extension of Time filed on April 26, 2010. The KCC

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opposes NPPD's motion and concurs with the arguments set forth in SPP's and Oklahoma Corporation Commission's answers, filed on April 28 and April 29, respectively.

On May 3, 2010, Empire District Electric Company, Omaha Public Power District, Lincoln Electric System, and City Utilities of Springfield, Missouri filed an answer in support of NPPD's Motion for Extension of Time filed on April 26, 2010.

On May 4, 2010, FERC issued a Notice of Extension of Time, granting an extension to file comments until May 17, 2010.

On May 17, 2010, the American Wind Energy Association and The Wind Coalition filed comments in support of SPP's proposal.

On May 17, 2010, the Midwest Independent Transmission System Operator, Inc. filed a Motion to Intervene and comment asking that FERC: (1) continue to recognize that regional differences supporting alternative regional solutions are expected and acceptable; and (2) clarify that SPP's solution does not necessarily apply to other RTOs.

Numerous entities filed Motions to Intervene.

On May 17, 2010, International Transmission Company ("ITC") filed a Motion to Intervene and Comments in support of SPP's proposal.

ITC stated the proposed Highway/Byway cost allocation methodology will provide substantial benefits:

- 1) it will promote the construction of regional transmission facilities;
- 2) it will consolidate multiple cost allocation methodologies and simplify cost allocation;
- 3) it will enhance energy market operations in SPP; and
- 4) it is superior, compared to alternative cost allocation methodologies.

On May 17, 2010, City Utilities of Springfield, Missouri, the Empire District Electric Company, Lincoln Electric System, Nebraska Public Power District, and Omaha Public Power District filed a Motion for Rejection of Filing, or, in the Alternative, to Hold Proceeding in Abeyance, Protest, and Conditional Motions for Suspension and Hearing.

On May 17, 2010, Omaha Public Power District ("OPPD") filed a Motion for Rejection of Filing, or, in the Alternative, to Hold Proceedings in Abeyance and Protest.

OPPD requested that the Commission reject SPP's filing, or, alternatively, to hold the proceeding in abeyance and issue a deficiency letter, seeking information to complete the filing.

On May 17, 2010, Western Farmers Electric Cooperative filed a Motion to Intervene and Comments.

WFEC generally supports the tariff modifications. WFEC urged the Commission to accept the proposal only so long as it includes SPP's commitment to undertake a formal "unintended consequences review" at least once every three years after the Highway/Byway methodology is implemented.

On May 17, 2010, the Public Utility Commission of Texas filed a Notice of Intervention.

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On May 17, 2010, Xcel Energy Services, Inc. on behalf of Southwestern Public Service Company filed a Motion to Intervene and Comments in support of SPP's April 19, 2010 Filing.

On May 17, 2010, Oklahoma Gas and Electric Company ("OG&E") filed a Motion to Intervene and Comments in support of SPP's proposal.

On May 17, 2010, CPV Renewable Energy Company, LLC filed a Motion to Intervene and Comments in support of SPP's proposed cost allocation methodology. CPV urges the Commission to accept the proposal as filed.

On May 17, 2010, Commissioners Jarrett and Davis of the Missouri Public Service Commission filed comments. The Commissioners express concern regarding reliability projects, megawatt-mile analysis, cost allocation to generators, and lack of evidence for a 100% regionally allocated highway rate.

On May 17, 2010, the Kansas Corporation Commission filed Comments in support of SPP's proposal.

On May 17, 2010, the East Texas Cooperatives filed a Protest.

The parties state:

- 1) SPP has failed to demonstrate that its proposed cost allocation methodology is just and reasonable;
- 2) the "unintended consequences" provision is deeply flawed and will provide little assurance of an equitable balance of costs and benefits across SPP;
- 3) the proposal must be evaluated in the context of SPP's ITP process;
- 4) no deference should be afforded to the stakeholder process; and
- 5) a full five-month suspension is warranted.

The East Texas Cooperatives requested that FERC (1) suspend SPP's proposed tariff changes for the full five months allowed by law and allow the changes into effect subject to refund and a full evidentiary hearing; or (2) alternatively take no action on this filing pending the filing and initiation of proceedings concerning other related tariff changes as described in the protest.

On May 17, 2010, Novus Windpower, LLC and Novus Wind II, LLC filed a Motion to Intervene and Limited Protest.

Novus stated:

- 1) EHV facilities provide system benefits and should be included in the Base Plan Upgrades, not allocated to one customer; and
- 2) an option to request a restudy for customers is required to prevent undue discrimination.

On May 17, 2010, the majority of the Missouri Public Service Commission filed comments.

The MoPSC stated that while it is satisfied with the fairness of the process and its ability to address Missouri interests and policies, the MoPSC did not get everything for which it advocated during the SPP stakeholder process. However, consistent with its votes in the Regional State Committee, the majority of the MoPSC supports SPP's proposal as a compromise that it hopes will lead to the construction of needed transmission within the SPP footprint that is designed to fairly bring balanced benefits to the region.

On May 17, 2010, Lincoln Electric System filed a Supplemental Protest.

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LES stated:

- 1) SPP's own study shows that LES would be required to bear significant costs of upgrades that provide no benefits to, and in fact harm, LES;
- 2) SPP's proposal lacks meaningful protections against such adverse consequences; and
- 3) the proposed cost allocation would deprive LES of protections it counted on when deciding to join SPP.

On May 17, 2010, the Nebraska Power Review Board ("NPRB") filed a Motion for Rejection of Filing and Protest.

The NPRB stated it is concerned that SPP's proposal creates a system in which a premium is placed on convenience and expediency, but in doing so does not pay sufficient attention to the equities involved. NPRB believes electric customers in Nebraska will pay a significant amount of the costs necessary to construct some of the most expensive high voltage transmission facilities, while receiving only comparatively insignificant benefits.

On May 17, 2010, NextEra Energy Resources, LLC filed comments in support of SPP's proposal.

On May 17, 2010, the Public Utility Division of the Oklahoma Corporation Commission submitted comments in support of SPP's April 19, 2010 filing.

On May 17, 2010, American Electric Power Service Corporation ("AEP") filed a Motion to Intervene and Comments in support of SPP's proposal.

AEP believes that the proposed cost allocation methodology (1) accurately reflects the cost allocation methodology agreed upon by SPP stakeholders including the Regional State Committee, (2) provides adequate protection for ratepayers; and (3) will facilitate investment in needed transmission.

On May 18, 2010, Iberdrola Renewables, Inc. submitted a Motion to Intervene and comments in support of SPP's proposal.

ER10-1118

### **SPP Filing of an Executed Meter Agent Services Agreement between Municipal Energy Agency of Nebraska ("MEAN") as both Market Participant and Meter Agent**

On April 28, 2010, SPP submitted an executed Meter Agent Services Agreement between Municipal Energy Agency of Nebraska as both Market Participant and Meter Agent. SPP Service Agreement No. 1986.

An effective date of April 1, 2009 was requested.

On May 18, 2010, FERC issued a letter order accepting the agreement, effective April 1, 2009 as requested.

This order constitutes final agency action.

# Southwest Power Pool, Inc.

## Regulatory Status Report

- ER10-1160**                    **Large Generator Interconnection Agreement ("LGIA") between Flatlands Wind Farm, LLC ("Flatlands") as Interconnection Customer and Southwestern Public Service Company ("SPS") as Transmission Owner**
- On April 30, 2010, SPP submitted an executed LGIA between SPP as Transmission Provider, Flatlands Wind Farm, LLC as Interconnection Customer, and Southwestern Public Service Company as Transmission Owner. SPP Service Agreement No. First Revised 1322.
- An effective date of March 31, 2010 was requested.
- ER10-1178**                    **SPP Submission of Notices of Cancellation for Four Point-to-Point Transmission Service Agreements Between SPP as Transmission Provider and Kansas Municipal Energy Agency ("KMEA") as Transmission Customer**
- On May 3, 2010, SPP submitted notices of cancellation for four Point-to-Point Transmission Service Agreements between SPP as Transmission Provider and Kansas Municipal Energy Agency ("KMEA") as Transmission Customer.
- The affected agreements include SPP Service Agreement Nos. 1261, 1265, 1824 and 1825.
- ER10-1219**                    **Large Generator Interconnection Agreement ("LGIA") between Wichita Wind, LLC ("Wichita Wind") as Interconnection Customer and Sunflower Electric Power Corporation ("Electric") as Transmission Owner**
- On May 10, 2010, SPP submitted an executed LGIA between SPP as Transmission Provider, Wichita Wind, LLC as Interconnection Customer, and Sunflower Electric Power Corporation as Transmission Owner. SPP Service Agreement No. 1984.
- An effective date of April 9, 2010 was requested.
- ER10-1233**                    **SPP Filing of an Unexecuted Large Generator Interconnection Agreement ("LGIA") between Novus Wind II, LLC ("Novus II") as Interconnection Customer and Southwestern Public Service Company ("SPS") as Transmission Owner**
- On May 12, 2010, SPP submitted an unexecuted LGIA between SPP as Transmission Provider, Novus Wind II, LLC as Interconnection Customer, and Southwestern Public Service Company as Transmission Owner. SPP Service Agreement No. 1903.
- Novus Wind has not executed the LGIA because of a dispute between Novus Wind and SPP concerning certain language Novus Wind proposed to include in Appendix A of the agreement.
- An effective date of April 12, 2010 was requested.
- ER10-1269**                    **SPP Submission of Tariff Revisions to Incorporate a Modified Transmission Planning Process, the Integrated Transmission Plan ("ITP")**
- On May 17, 2010, SPP submitted revisions to its OATT to incorporate a modified transmission

# Southwest Power Pool, Inc.

## Regulatory Status Report

planning process, the Integrated Transmission Plan, that SPP will use to determine its near- and long-term transmission needs to maintain reliability and provide economic benefits throughout the SPP Region.

An effective date of July 17, 2010 was requested.

### **ES10-11 SPP Application Under Section 204 of the Federal Power Act for an Order Authorizing the Issuance of Securities (\$150 million)**

On May 6, 2010, SPP submitted a request that the January 15, 2010 Authorization Order be modified to permit SPP to issue Unsecured Notes up to the entire principal amount of \$150 million.

### **RM04-7 Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities**

On April 20, 2010, FERC issued a notice of new docket prefix "LA" to be used to file "Land Acquisition Reports", pursuant to Order No. 697-C.

On April 21, 2010, Edison Electric Institute filed an Expedited Request for Extension of Time to comply with affiliate restriction clarifications.

On May 18, 2010, Edison Electric Institute filed a Motion for Stay or Recision and Request for Rehearing of the April 15, 2010 Order.

### **RM06-16 Mandatory Reliability Standards for the Bulk-Power System to Process the Proposed Reliability Standards Submitted by NERC on April 4, 2006**

On May 13, 2010, FERC issued an Order Granting Rehearing for Further Consideration of the March 18, 2010 Order concerning Reliability Standard BAL-003-0.

Commission staff was directed to convene a technical conference to further explore technical issues regarding the development of a frequency response performance requirement. NERC was directed to submit, within 30 days after the technical conference, a proposed schedule for developing a frequency response requirement. The six month deadline set forth in the March 18 Order was deferred pending further order by the Commission.

On May 17, 2010, FERC issued an Order Granting Rehearing for Further Consideration of the March 18, 2010 Order Setting Deadline for Compliance regarding Reliability Standard TPL-002-0.

### **RM06-22 Mandatory Reliability Standards for the Bulk-Power System to Process the Proposed Reliability Standards Submitted by NERC on April 4, 2006**

On April 20, 2010, NERC submitted a petition seeking approval for an interpretation of Requirement R1.1 in FERC-approved NERC Reliability Standard CIP-006-2 - Cyber Security - Physical Security of Critical Cyber Assets.

On April 21, 2010, NERC submitted a petition seeking approval for interpretation of Section 4.2.2 ("Applicability") and Requirement R1.3 in FERC-approved NERC Reliability Standard CIP-005-2 - Cyber Security - Electric Security Perimeter(s).

On April 21, 2010, NERC submitted a petition seeking approval for interpretation of Requirement R2 in FERC-approved NERC Reliability Standard CIP-001-1 - Sabotage

# Southwest Power Pool, Inc.

## Regulatory Status Report

Reporting, Requirement R2.

On May 17, 2010, NERC submitted its compliance filing pursuant to the March 18, 2010 Order on Violation Severity Level Assignments for Critical Infrastructure Protection Reliability Standards.

On May 17, 2010, FERC issued an Order Granting Rehearing for Further Consideration of the March 18, 2010 Order Addressing Violation Severity Level Assignments for Critical Infrastructure Protection Reliability Standards.

**RM07-1**

### **Standards of Conduct for Transmission Providers**

On April 21, 2010, FERC issued an Errata Notice to correct the first page of the order to state that the rule will become effective 90 days after publication in the Federal Register.

On April 23, 2010, FERC issued an Errata Notice to correct a quote in paragraph 33 of the April 16, 2010 Order.

On May 17, 2010, the Transmission Access Policy Study Group filed a Motion for Clarification and Request for Rehearing of Order No. 717-C issued On April 16, 2010.

**RM08-13**

### **Transmission Relay Loadability Reliability Standard**

On May 17, 2010, FERC issued an Order Granting Rehearing for Further Consideration of Order No. 733, issued on March 18, 2010.

**RM08-19**

### **Notice of Proposed Rulemaking - Mandatory Reliability Standards for the Calculation of Available Transfer Capability, Capacity Benefit Margins, Transmission Reliability Margins, Total Transfer Capability, and Existing Transmission Commitments and Mandatory Reliability Standards for the Bulk-Power System**

On May 5, 2010, FERC issued Order No. 729-A, an order on clarification which clarifies the timeline for the Reliability Standards as well as certain directed modifications.

This rule is effective on June 10, 2010.

**RM09-13**

### **Time Error Correction Reliability Standard**

On April 28, 2010, the ISO/RTO Council submitted comments in response to the March 18, 2010 Notice of Proposed Rulemaking.

On April 28, 2010, several entities submitted comments in response to the March 18, 2010 Notice of Proposed Rulemaking.

**RM09-18**

### **Revision to Electric Reliability Organization ("ERO") Definition of Bulk Electric System**

Several entities filed comments in response to the March 18, 2010 NOPR.

**RM10-6**

### **Interpretation of Transmission Planning Reliability Standard**

Numerous entities submitted comments in response to the March 18, 2010 NOPR.

On May 10, 2010, the ISO/RTO Council submitted comments in response to the March 18, 2010 NOPR. The IRC requested that the Commission accept the interpretation of Reliability Standard TPL-002-0 as submitted by NERC, or, if further explanation is warranted, remand the

# Southwest Power Pool, Inc.

## Regulatory Status Report

proposed NERC interpretation for additional clarification.

**RM10-13**

### **Notice of Proposed Rulemaking: Credit Reforms in Organized Wholesale Electric Markets**

On May 5, 2010, FERC issued a Notice of Agenda for the May 11, 2010 Technical Conference to discuss issues related to the NOPR on Credit Reforms in Organized Wholesale Electric Markets.

On May 10, 2010, FERC issued a notice stating that the technical conference on May 11 may address matters at issue in the following proceedings:

- 1) Docket No. ER10-942, ISO New England, Inc., and New England Power Pool;
- 2) Docket No. ER10-1190, ISO New England, Inc., and New England Power Pool; and
- 3) Docket No. ER10-1196, PJM Interconnection, LLC and PJM Settlement, Inc.

On May 12, 2010 FERC issued a notice establishing June 8, 2010, as the deadline for submitting written comments regarding the counterparty proposal discussed at the technical conference held on May 11, 2010.

**RM10-17**

### **Demand Response Compensation in Organized Wholesale Energy Markets**

Several entities submitted comments in response to the March 18, 2010 NOPR.

On May 13, 2010, SPP submitted comments in response to the March 18, 2010 NOPR. SPP generally supports the comments submitted in the IRC White Paper.

On May 13, 2010, New York ISO on behalf of the ISO RTO Council ("IRC") submitted a white paper by William W. Hogan entitled "Demand Response Pricing in Organized Wholesale Markets."

**RM10-22**

### **Promoting a Competitive Market for Capacity Reassignments**

On April 29, 2010, FERC issued a Notice of Proposed Rulemaking proposing to lift the price cap for all transmission customers reassigning transmission capacity beyond October 1, 2010. The reforms proposed are intended to facilitate the development of a market for capacity reassignments as a competitive alternative to primary capacity.

Comments are due 60 days after publication in the Federal Register.

**RR09-7**

### **NERC Three-Year Electric Reliability Organization Performance Assessment Report**

On May 18, 2010, the Regional Entities submitted comments in support of the motion filed by NERC on May 13, 2010, asking FERC to issue a Staff Preliminary Performance Assessment Report filed by NERC on July 20, 2009 in this proceeding.

# Southwest Power Pool, Inc.

## Regulatory Status Report

### **FERC or State Jurisdiction: State of Arkansas**

**04-137-U**

#### **SPP Application before the Arkansas Public Service Commission ("APSC") for a Certificate of Public Convenience and Necessity ("CCN")**

On April 28, 2010, Empire District Electric Company filed a letter revising its projected savings amount from \$29 million to \$23.9 million.

On May 4, 2010, the APSC issued Order No. 8 establishing the following procedural schedule:

- 1) Petitions to intervene are due by noon, May 10, 2010. (Replies to Petitions to Intervene are due within 7 days of the Petition's filing.)
- 2) OG&E/SWEPCO/Empire testimony supplementing their Applications is due by noon, May 10, 2010, as directed. (The Commission also directed that each company immediately provide Staff & Intervenors granted full party status all necessary workpapers if they have not already done so.)
- 3) Staff/Intervenor Reply Testimony is due by noon, May 21, 2010.
- 4) OG&E/SWEPCO/Empire Sur-Reply Testimony is due by noon, May 27, 2010.

The Commission will provide notice should a hearing be required.

Petitions to Intervene are due by noon, May 10, 2010, and replies to Petitions to Intervene are due within 7 days of the Petition's filing (Order No. 8 issued May 4, 2010)

On May 10, 2010, Gary D. Clear submitted Direct Testimony on behalf of Oklahoma Gas and Electric Company.

On May 10, 2010, Richard L. McCord submitted Direct Testimony on behalf of the Empire District Electric Company.

On May 10, 2010, A. Naim Hakimi submitted Direct Testimony on behalf of Southwestern Electric Power Company.

On May 17, 2010, SPP filed a Notice of Change of Service Agent.

On May 18, 2010, Richard L. McCord submitted Amended Direct Testimony on behalf of The Empire District Electric Company in order to correct an error discovered in Exhibit RLM-1.

On May 18, 2010, Gary D. Clear submitted Amended Direct Testimony on behalf of Oklahoma Gas and Electric Company in order to correct an error discovered in Exhibit GDC-1.

**08-136-U**

#### **In the Matter of an Inquiry into Electric Transmission Issues within the Areas Served by the Southwest Power Pool Regional Transmission Organization and the Entergy Corporation as such Issues Affect Electric Service within Arkansas**

On April 26, 2010, SPP filed its Supplement to the WPP Quarterly Report for December 2009 through February 2010.

On April 28, 2010, the APSC issued Order No. 24 to correct minor items in Order No. 23. The APSC omitted the word "transmission" in two places within Order No. 23.

**09-074-U**

#### **In the Matter of an Investigation into Transmission Cost Recovery by Members of the Southwest Power Pool, Inc.**

# Southwest Power Pool, Inc.

## Regulatory Status Report

On April 26, 2010, the APSC issued Order No. 5 concerning the format of the evidentiary hearing to be held on April 28, 2010.

On April 27, 2010, SWEPCO filed Attachment 1, which was inadvertently omitted from its Initial Comments filed on September 14, 2009.

On April 28, 2010, an evidentiary hearing was held to consider the merits of the parties' proposals.

09-128-U

### **In the Matter of the Application of Southwest Power Pool, Inc. for Authority to Issue up to \$150,000,000 in Secured and Non-Secured Promissory Notes**

On May 7, 2010, SPP submitted an Amended Application for Authority to Issue Indebtedness and Request for an Expedited Order. SPP requested the APSC to permit SPP to issue Unsecured Notes up to the entire principal amount of \$150 million.

10-010-U

### **In the Matter of a Notice of Inquiry into Energy Efficiency ("EE NOI Docket")**

On April 23, 2010, Arkansas Oklahoma Gas Corporation, Arkansas Western Gas Company, CenterPoint Energy, Empire District Electric Company, Entergy Arkansas, Inc., Oklahoma Gas and Electric Company, and Southwestern Electric Power Company filed comments regarding National Action Plan for Energy Efficiency "Best Practices", as well as Utility EE Resources and Staffing and Training within the Contractor Market and within the Utility, as required by Order No. 1 issued on February 3, 2010.

On April 30, 2010, the APSC issued Order No. 2. The Commission:

- 1) Denied Industrial Consumers' Request for Rehearing in Docket Nos. 07-081-F and 07-085-TF;
- 2) Denied as unnecessary Industrial Consumers' Motion to Suspend Procedural Schedule in Docket No. 10-010-U; and
- 3) Denied Industrial Consumers' Motion to Strike Commission ACEEE Exhibit E from the record of Docket No. 10-010-U.

10-011-U

### **In the Matter of a Show Cause Order Directed to Entergy Arkansas, Inc. ("EAI") Regarding Its Continued Membership in the Current Entergy System Agreement ("ESA"), or Any Successor Agreement Thereto, and Regarding the Future Operation and Control of Its Transmission Assets**

On April 21, 2010, the APSC issued Order No. 11.

Regarding the addendum "EAI stand alone" cost benefit study:

- 1) The addendum study results be finalized & filed in this Docket within thirty (30) days after the completion by CRA of the broader cost benefit study commissioned by the FERC;
- 2) SPP file in this Docket by May 11, 2010, a detailed schedule for completion of the addendum study including appropriate study milestones and any risks that are associated with and which could negatively impact the successful and timely completion of the addendum study;
- 3) SPP file in this Docket on May 1, 2010, and on the first of each month thereafter, a detailed status report reflecting the progress of the addendum Arkansas-only study including any outstanding SPP or CRA data requests submitted to Entergy/EAI for which Entergy/EAI have either failed to submit timely responses or have submitted responses that are either incomplete, inaccurate or non-responsive or have refused to provide the requested response or data; and
- 4) The initial report to be filed by SPP on May 1 also shall detail all discussions or meetings

# Southwest Power Pool, Inc.

## Regulatory Status Report

between SPP and Entergy/EAI personnel prior to and on or after March 12, 2010, regarding the cost and benefits of EAI as a stand alone member of the SPP. Such report shall include the dates of all such discussions or meetings, the identity including employer and official title of all SPP and Entergy/EAI personnel participating in such discussions or meetings and the nature of such discussions or meeting.

Entergy President of Utility Operations and EAI Director Gary Taylor file written testimony addressing the Commission's concerns as outlined in this order by noon on May 7, 2010 & appear before the Commission for questioning on such pre-filed testimony.

The first Show Cause Hearing begun on March 11, 2010 and recessed on March 12, 2010 will resume at 9:30 AM, May 17, 2010 (Commission Hearing Room 1) for Commission questioning of EAI Director Taylor.

Beginning on May 1 and continuing on the first of each month thereafter, EAI shall detail all discussions or meetings between MISO and Entergy/EAI personnel, regarding the possibility of including the cost and benefits of EAI as a stand alone member of the MISO-RTO. Such report shall include the dates of all such discussions or meetings, the identity including employer & official title of all MISO and Entergy/EAI personnel participating in such discussions or meetings and the nature of such discussions or meetings.

SPP file in this Docket no later than May 1, 2010, and on the first day of each month thereafter a report detailing the discussions or meetings between SPP and EAI regarding the option of EAI as a stand-alone Op Co becoming a member of SPP. The first report shall cover the period from May 29, 2009 to the present.

EAI is further directed to:

- 1) Include in its internal analysis of its successor arrangement option an additional assumption that the FERC-imposed +/- 11% bandwidth remedy could be continued for either current and/or future assets under any successor agreement approved by FERC or required by the federal courts;
- 2) Fully explore and study the option of EAI as a stand alone Op Co becoming a member of SPP or MISO; and
- 3) Give serious and fair consideration to the option of restructuring EAI as a stand-alone Op Co after EAI exits the Entergy SA in December 2013.

On April 26, 2010, Hugh McDonald filed a letter with the APSC. In this letter to Chairman Paul Suskie, EAI President Hugh McDonald commits that "no Entergy Operating Company will enter voluntarily into Successor Arrangements with other Entergy Operating Companies if its retail regulator finds Successor Arrangements are not in the public interest".

On April 28, 2010, the APSC issued Order No. 12. EAI was directed to file the specific Loss of Load Probability ("LOLP") assessment that was referenced in EAI's response to the first scenario in its April 14, 2010 filing, which provided the reserve and capacity margin requirements for EAI after December 2013 under four specific scenarios.

On May 3, 2010, Entergy Arkansas and SPP submitted their joint response to Order No. 2 for the month of April. As of March 31, 2010, the Seams Agreement addressed all areas discussed in previous reports filed with the APSC as being targeted for coordination through the seams agreement. Entergy Transmission and SPP are now focused on implementation of the Seams Agreement and integrated coordination of seams-related issues.

On May 3, 2010, in response to Order No. 11, SPP submitted its initial status report detailing:

# Southwest Power Pool, Inc.

## Regulatory Status Report

1) the progress of the addendum Arkansas-only study, including any outstanding SPP or Charles River Associates ("CRA") data requests submitted to Entergy Corporation ("Entergy")/Entergy Arkansas, Inc. ("EAI") for which Entergy/EAI have either failed to submit timely responses or have submitted responses that are either incomplete, inaccurate or non-responsive or have refused to provide the requested response or data;

2) all discussions or meetings between SPP and Entergy/EAI personnel prior to and on or after March 12, 2010, regarding the assessment of the cost and benefits of EAI as a stand-alone Operating Company member of the SPP Regional Transmission Organization ("RTO"), including the dates of all such discussions or meetings, the identity (including employer and official title) of all SPP and Entergy/EAI personnel participating in such discussions or meetings and the nature of such discussions or meetings; and

3) discussions or meetings between SPP and EAI regarding the option of EAI as a stand-alone Operating Company becoming a member of SPP for the period of May 29, 2009, to the present.

On May 3, 2010, Hugh T. McDonald submitted Supplemental Direct Testimony on behalf of Entergy Arkansas, Inc.

Pursuant to Order No. 1, Mr. McDonald is required to file Supplemental Testimony on the first business day of each month detailing (a) Entergy's and EAI's progress toward the development of a new Entergy System Agreement and (b) the progress of the EAI stand-alone study.

On May 6, 2010, the APSC issued Order No. 13. The Commission directed EAI President and CEO Hugh McDonald to appear at the May 17, 2010 Show Cause Hearing for questioning from the Commission regarding his April 26, 2010 letter and April 1 and May 3, 2010 Supplemental Direct Testimonies. The Commission also directed EAI Corporate Director Gary Taylor to be prepared to respond to questions regarding Mr. McDonald's letter. The May 17 Show Cause Hearing will be limited to Commission questioning of Mr. McDonald and Mr. Taylor.

On May 6, 2010, the Consumer Utilities Rate Advocacy Division of the Arkansas Attorney General's Office and Arkansas Electric Energy Consumers, Inc. submitted their Second Joint Motion to Amend Procedural Schedule.

The movants requested that the Commission suspend the current procedural schedule, and provide for Staff/Intervenor Rebuttal Testimony, EAI Surrebuttal Testimony and the Second Show Cause Evidentiary Hearing to take place in a reasonable time after the conclusion of the First Show Cause Hearing, including the testimony of Hurstell and Schnitzer.

On May 7, 2010, Gary J. Taylor, in response to Order No. 11, submitted Direct Testimony on behalf of Entergy Arkansas, Inc.

On May 7, 2010, the APSC issued Order No. 14. The Commission sets forth certain data requests and directs that EAI file its responses by noon, Friday, May 14, 2010.

On May 10, 2010, the APSC issued Order No. 15. EAI has requested that Charles River Associates evaluate EAI as a stand-alone member of the MISO-RTO as an addendum study. To facilitate EAI's efforts in this regard and provide the public and Commission information regarding the anticipated costs of the MISO addendum study, EAI shall file an update on the costs budgeted and/or expended in order to conduct the MISO addendum study by May 20,

# Southwest Power Pool, Inc.

## Regulatory Status Report

2010.

On May 11, 2010, Entergy filed the material presented during the May 5, 2010 technical conference. The materials are also available at the following link:  
[http://entergy-arkansas.com/transition\\_plan](http://entergy-arkansas.com/transition_plan).

On May 11, 2010, SPP submitted its response to Order No. 11 including a detailed schedule for completion of the addendum "Entergy Arkansas, Inc. ("EAI") stand-alone" cost-benefit study.

On May 11, 2010, Entergy submitted its response concerning the reserve and capacity margin requirements for EAI after December 2013.

On May 14, 2010, Entergy Arkansas, Inc. filed several responses to APSC's data requests (APSC 1-2, 3-1, 3-2, 3-3, 3-4, 3-5 and 4-1).

APSC 1-2, Addendum 4

10-036-U

**In the Matter of the Application of Southwestern Electric Power Company for a Certificate of Public Convenience and Necessity for the Construction, Ownership, Operation and Maintenance of Two Transmission Lines at the Proposed Station to be Constructed at the John W. Turk, JR. Generation Facility Located in Hempstead County, Arkansas and Terminating at the Existing Okay to Hope Transmission Line and Related Facilities**

On April 30, 2010, SWEPCO submitted its Application for a Certificate of Public Convenience and Necessity for the Turk-Okay 138 kV transmission line and the Turk-Hope 115 kV transmission line originating at the proposed Turk Station to be constructed at the John W. Turk, Jr. Generation facility located in Hempstead County, Arkansas, and terminating at the existing Okay-Hope 115 kV transmission line.

On April 30, 2010, George W. Carpenter submitted Direct Testimony on behalf of SWEPCO.

On April 30, 2010, Teresa A. Gallup submitted Direct Testimony on behalf of SWEPCO.

On May 3, 2010, SPP filed a Petition to Intervene.

On May 5, 2010, SWEPCO filed an Amended Application.

On May 12, 2010, the APSC issued Order No. 1 designating Connie C. Griffin as Presiding Officer.

On May 14, 2010, SWEPCO submitted its Response to the Petition to Intervene of Southwest Power Pool.

On May 14, 2010, the APSC issued Order No. 2, granting SPP's Petition to Intervene.

On May 17, 2010, Keith Tynes submitted Direct Testimony on behalf of Southwest Power Pool, Inc.

The purpose of the testimony was to: (1) establish SPP's compliance with Condition No. 2 of Order No. 11, as amended by Order No. 13 in Docket No. 06-154-U; and (2) describe the specific studies prepared by SPP in conjunction with the proposed Turk Power Plant and related transmission lines.

# **Southwest Power Pool, Inc.**

## **Regulatory Status Report**

**SC09-718**

**Hempstead County Hunting Club, Inc., Schultz Family Management Company, Po-Boy Land Company, Inc., and Yellow Creek Corporation v. Arkansas Public Service Commission and Southwestern Electric Power Company**

On May 13, 2010, the Arkansas Supreme Court issued its ruling reversing and remanding the decision of the Arkansas Public Service Commission.

The court reversed the Commission's CECPN for the construction of the Turk Plant, and also reiterated that electric transmission lines may be considered in a separate proceeding.

# Southwest Power Pool, Inc.

## Regulatory Status Report

*FERC or State Jurisdiction: State of Louisiana*

U-29702

**Application of Southwestern Electric Power Company ("SWEPCO") for Certification of Contracts for the Purchase of Capacity and to Purchase, Operate, Own and Install Peaking, Intermediate and Baseload Generating Facilities**

The Independent Monitor's Report on Arsenal Hill continues to be filed in this proceeding.

# Southwest Power Pool, Inc.

## Regulatory Status Report

### *FERC or State Jurisdiction: State of Missouri*

**EW-2009-0290**                    **In the Matter of the Consideration of Adoption of the PURPA Section 111(d)(16) Integrated Resource Planning Standard as Required by Section 532 of the Energy Independence and Security Act of 2007**

On May 13, 2010, Wal-Mart Stores East, LP and Sam's East, Inc. submitted their legal memorandum on the issues being addressed at the May 17, 2010 Workshop.

A workshop was held on May 17-18, 2010.

**EW-2009-0291**                    **In the Matter of the Consideration of Adoption) of the PURPA Section 111(d)(17) Rate Design Modifications to Promote Energy Efficiency Investments Standard as Required by Section 532 of the Energy Independence and Security Act of 2007**

On May 13, 2010, Wal-Mart Stores East, LP and Sam's East, Inc. submitted their legal memorandum on the issues being addressed at the May 17, 2010 Workshop.

A workshop was held on May 17-18, 2010.

A workshop is scheduled for June 11, 2010.

**EW-2009-0292**                    **In the Matter of the Consideration of Adoption of the PURPA Section 111(d)(18) Smart Grid Investments Standard and PURPA Section 111(d)(19) Smart Grid Information Standard, as Required by Section 1307 of the Energy Independence and Security Act of 2007**

On May 13, 2010, Wal-Mart Stores East, LP and Sam's East, Inc. submitted their legal memorandum on the issues being addressed at the May 17, 2010 Workshop.

A workshop was held on May 17-18, 2010.

Workshops are scheduled for May 18 and June 28-29, 2010.

**EW-2010-0265**                    **In the Matter of the Consideration and Implementation of Section 393.1075, the Missouri Energy Efficiency Investment Act**

On May 13, 2010, Wal-Mart Stores East, LP and Sam's East, Inc. submitted their legal memorandum on the issues being addressed at the May 17, 2010 Workshop.

A workshop was held on May 17-18, 2010.

A workshop is scheduled for June 11, 2010.

# Southwest Power Pool, Inc.

## Regulatory Status Report

### *FERC or State Jurisdiction: State of Oklahoma*

201000043

#### **Inquiry of the Oklahoma Corporation Commission ("OCC") to Investigate Issues Arising from the Federal Energy Regulatory Commission's Orders No. 719, 719-A and 719-B**

On April 23, 2010, the Oklahoma Corporation Commission issued a Notice of Inquiry to investigate the issues arising from FERC's issuance of Order Nos. 719, 719-A and 719-B.

The following schedule was established:

Comments due: May 24, 2010.

First Technical conference: June 3, 2010, 9:30 AM - 12:30 PM

Comments due: July 2, 2010

Second Technical conference: July 8, 2010, 9:30 AM - 12:30 PM

Deliberations: July 22, 2010, 9:30 AM