

March 17, 2011

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

Re: *Southwest Power Pool, Inc.*, Docket No. ER11-_____
Submission of Revisions to Attachment G of the Open Access
Transmission Tariff

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, and Part 35 of the Regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. Part 35, Southwest Power Pool, Inc. (“SPP”) submits an amendment to Attachment G (*pro forma* Network Operating Agreement (“NOA”)) of its Open Access Transmission Tariff (“Tariff”).¹ SPP requests an effective date of May 17, 2011 for the amendments.

I. DESCRIPTION OF SPP

SPP is a Commission-approved Regional Transmission Organization (“RTO”). It is an Arkansas non-profit corporation with its principal place of business in Little Rock, Arkansas. SPP currently has 62 members serving more than 6 million households and covering a geographic area of 370,000 square miles. SPP’s current membership consists of 14 investor-owned utilities, 9 municipal systems, 12 generation and transmission cooperatives, 4 state agencies, 7 independent power producers, 10 power marketers, and 6 independent transmission companies. As an RTO, SPP is a transmission provider administering transmission service over facilities located in portions of Arkansas, Kansas, Louisiana, Missouri, Nebraska, New Mexico, Oklahoma, and Texas.

¹ Southwest Power Pool, Inc., FERC Electric Tariff, Sixth Revised Volume No. 1 (“Tariff”).

II. BACKGROUND

The NOA sets out the terms and conditions under which the Transmission Provider, Host Transmission Owner, and Network Customer will cooperate to facilitate a Network Customer's request for Network Service, the manner in which the Host Transmission Owner and Network Customer will operate their respective systems, and specifies the equipment that will be installed and operated.

Section 8.0 of the *pro forma* NOA contains provisions regarding metering. As discussed below, several SPP stakeholders have expressed security concerns about allowing the Network Customer and/or Host Transmission Owner to interrogate delivery point meters. The stakeholders further desire to clarify the Network Customer's obligation to provide access to metering equipment and data when a third party, not a party to the NOA, owns the meters. To address these concerns, SPP proposes the Tariff revisions discussed herein.

III. SPP STAKEHOLDER APPROVAL OF PROPOSED TARIFF REVISIONS

The amendments to the *pro forma* NOA were fully vetted in the SPP stakeholder process. These revisions originated in SPP's Regional Tariff Working Group ("RTWG").² On December 9, 2010, the RTWG approved the proposed Tariff revisions (with two abstentions) and forwarded them to SPP's Market and Operations Policy Committee ("MOPC") for further review and consideration.³ At its January 11-12, 2011 meeting, the MOPC unanimously voted to recommend to the SPP Board of Directors that the Tariff revisions be approved. At its January 25, 2011 meeting, SPP's Board of Directors approved the Tariff revisions.⁴

² The RTWG is responsible for the development, recommendation, overall implementation, and oversight of the SPP Tariff.

³ The MOPC reports to the SPP Board of Directors. The representatives to the MOPC consist of an officer or employee of each SPP member. Among its responsibilities, the MOPC reviews proposed tariff changes developed through the stakeholder process and endorses/approves those changes and recommends them to the Board of Directors for approval.

⁴ The Commission has previously recognized that provisions approved through the stakeholder processes of RTOs and ISOs are owed due deference. *See Sw. Power Pool, Inc.*, 127 FERC ¶ 61,283, at P 33 (2009) (noting how the Commission "accord[s] an appropriate degree of deference to RTO stakeholder processes"); *New Eng. Power Pool*, 105 FERC ¶ 61,300, at P 34 (2003) (Commission approving transmission cost allocation proposal based upon the extensive and thorough stakeholder process); *Policy Statement Regarding Regional Transmission Groups*, 1991-1996 FERC Stats. & Regs., Regs. Preambles ¶ 30,976, at 30,872 (1993) ("RTG Policy Statement") (the Commission will
(continued . . .)

IV. ATTACHMENT G TARIFF REVISIONS

SPP proposes several revisions to Section 8.1 of the *pro forma* NOA to address security concerns about access to delivery point meters and to clarify the Network Customer's obligation to provide access to metering equipment and data. SPP adds a parenthetical to the second sentence of Section 8.1 to provide that, if the Network Customer is not the meter owner, the Network Customer shall permit or provide for the Transmission Provider's and Host Transmission Owner's representative to have access to the metering equipment at all reasonable hours and for any reasonable purpose, and shall not permit unauthorized persons to have access to the space housing the equipment. This revision makes the Network Customer responsible for providing access to the metering equipment in the event the meter owner is not a signatory to the NOA.

SPP also adds the following sentence to Section 8.1: "Network Customer shall provide to (or provide for, if the Network Customer is not the meter owner) the Host Transmission Owner access to load data and other data available from any delivery point meter." This new sentence replaces the sentence in Section 8.1 requiring that meter owners "permit the Network Customer and/or Host Transmission Owner, as applicable, to remotely interrogate through read only access any delivery point meter for the purpose of obtaining load data and other data, if available utilizing existing equipment." The purpose of this new sentence is twofold: it ensures that the Host Transmission Owner will have access to all the necessary data from delivery point meters; while also allaying the security concerns of stakeholders by eliminating the requirement that Network Customers permit Host Transmission Owners the high level of access necessary to interrogate the delivery point meters. This revision also clarifies that in the event the Network Customer is not the owner of the delivery point meter, the Network Customer is responsible for providing access to the load data from the delivery point meter, thus ensuring that the Host Transmission Owner receives the necessary data, when the meter owner is not a signatory to the NOA.

Similarly, SPP adds another sentence to Section 8.1 that states: "If the Network Customer does not own the meter, the Host Transmission Owner shall make available, upon request, all load data and other data obtained by the Host Transmission Owner from the relevant delivery point meter, if available utilizing existing equipment." This revision ensures that if the Network Customer does not own the meter, it has access to load data available to the Host Transmission Owner, to which it may not otherwise have access because of the third party ownership of the delivery point meter.

(. . . continued)

afford an appropriate degree of deference to the stakeholder approval process). The Commission's deference to RTO stakeholder processes has been upheld by the courts. *See Pub. Serv. Comm'n of Wis. v. FERC*, 545 F.3d 1058, 1062-63 (D.C. Cir. 2008).

Finally, SPP makes a revision to clarify that the Network Customer, and not the meter owner, will cooperate on the installation of advanced technology metering in place of the standard metering equipment at a delivery point at the expense of the requestor. Again, this revision is necessary to make the Network Customer responsible for installation of advanced technology metering at a delivery point in the event the Network Customer is not the meter owner, and thus, the meter owner is not a signatory to the NOA.

The revisions to the *pro forma* NOA alleviate stakeholder security concerns resulting from allowing remote interrogation of delivery point meters, while still providing mechanisms for the parties to the NOA to obtain necessary load data. These revisions also assign responsibility to the Network Customer or Host Transmission Owner with respect to access to meters and load data in the event that the meter owner is not a signatory to the NOA. The revisions are just and reasonable and warrant Commission acceptance.

V. EFFECTIVE DATE

SPP requests that the Commission accept the Tariff revisions proposed in this filing with an effective date of May 17, 2011.

VI. ADDITIONAL INFORMATION

A. Information Required by Section 35.13 of the Commission's Regulations, 18 C.F.R. § 35.13:⁵

1. Documents submitted with this filing:

In addition to this transmittal letter, SPP is submitting: (a) clean and redline Tariff revisions under the Sixth Revised Volume No. 1.

2. Effective Date:

As discussed in this filing, SPP requests that the Commission accept the proposed Tariff revisions with an effective date of May 17, 2011.

⁵ Because the revisions to the SPP Tariff submitted herein do not involve any change in rates, the use of the abbreviated filing procedures as set forth in 18 C.F.R. § 35.13(a)(2)(iii) is appropriate.

3. Service:

SPP has served a copy of this filing on all of its members and customers. A complete copy of this filing will be posted on the SPP web site www.spp.org, and is also being served on all affected state commissions.

4. Requisite Agreements:

SPP's Board of Directors approved this filing at its meeting on January 25, 2011. No other agreement is necessary.

5. Specifically assignable facilities installed or modified:

There are none.

B. Communications:

Correspondence and communications with respect to this filing should be sent to, and SPP requests the Secretary to include on the official service list, the following:

Heather H. Starnes, J.D.
Manager, Regulatory Policy
Southwest Power Pool, Inc.
415 North McKinley, Suite 140, Plaza West
Little Rock, AR 72205
Telephone: (501) 614-3380
Fax: (501) 664-9553
hstarnes@spp.org

Wendy N. Reed
Carrie L. Bumgarner
Tyler R. Brown
Wright & Talisman, P.C.
1200 G Street, NW
Suite 600
Washington, D.C.
Telephone: (202) 393-1200
Fax: (202) 393-1240
reed@wrightlaw.com
bumgarner@wrightlaw.com
brown@wrightlaw.com

The Honorable Kimberly D. Bose

March 17, 2011

Page 6

VII. CONCLUSION

For the foregoing reasons, SPP requests that the Commission accept the Tariff revisions submitted in this filing, with an effective date of May 17, 2011.

Respectfully submitted,

/s/ Tyler R. Brown

Tyler R. Brown

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

K:\SPP\1001-1232-258 (TRR025 Att. G Revisions) FINAL.doc

8.0 Metering

- 8.1 The Network Customer shall provide for the installation of meters, associated metering equipment and telemetering equipment. The Network Customer shall permit (or provide for, if the Network Customer is not the meter owner) the Transmission Provider's and Host Transmission Owner's representative to have access to the equipment at all reasonable hours and for any reasonable purpose, and shall not permit unauthorized persons to have access to the space housing the equipment. Network Customer shall provide to (or provide for, if the Network Customer is not the meter owner) the Host Transmission Owner access to load data and other data available from any delivery point meter. If the Network Customer does not own the meter, the Host Transmission Owner shall make available, upon request, all load data and other data obtained by the Host Transmission Owner from the relevant delivery point meter, if available utilizing existing equipment. The Network Customer will cooperate on the installation of advanced technology metering in place of the standard metering equipment at a delivery point at the expense of the requestor; provided, however, that meter owner shall not be obligated to install, operate or maintain any meter or related equipment that is not approved for use by the meter owner and/or Host Transmission Owner, and provided that such equipment addition can be accomplished in a manner that does not interfere with the operation of the meter owner's equipment or any Party's fulfillment of any statutory or contractual obligation.
- 8.2 The Network Customer shall provide for the testing of the metering equipment at suitable intervals and its accuracy of registration shall be maintained in accordance with standards acceptable to the Transmission Provider and consistent with Good Utility Practice. At the request of the Transmission Provider or Host Transmission Owner, a special test shall be made, but if less than two percent inaccuracy is found, the requesting Party shall pay for the test. Representatives of the Parties may be present at all routine or special tests and whenever any readings for purposes of settlement are taken from meters not having an automated record. If any test of metering equipment discloses an inaccuracy

exceeding two percent, the accounts of the Parties shall be adjusted. Such adjustment shall apply to the period over which the meter error is shown to have been in effect or, where such period is indeterminable, for one-half the period since the prior meter test. Should any metering equipment fail to register, the amounts of energy delivered shall be estimated from the best available data.

- 8.3 If the Network Customer is supplying energy to retail load that has a choice in its supplier, the Network Customer shall be responsible for providing all information required by the Transmission Provider for billing purposes. Metering information shall be available to the Transmission Provider either by individual retail customer or aggregated retail energy information for that load the Network Customer has under contract during the billing month. For the retail load that has interval demand metering, the actual energy used by interval must be supplied. For the retail load using standard kWh metering, the total energy consumed by meter cycle, along with the estimated demand profile must be supplied. All rights and limitations between Parties granted in Sections 8.1, and 8.2 are applicable in regards to retail metering used as the basis for billing the Network Customer.

8.0 Metering

- 8.1 The Network Customer shall provide for the installation of meters, associated metering equipment and telemetering equipment. The Network Customer shall permit (or provide for, if the Network Customer is not the meter owner) the Transmission Provider's and Host Transmission Owner's representative to have access to the equipment at all reasonable hours and for any reasonable purpose, and shall not permit unauthorized persons to have access to the space housing the equipment. Network Customer shall provide to (or provide for, if the Network Customer is not the meter owner) the Host Transmission Owner access to load data and other data available from any delivery point meter. Meter owner will permit the Network Customer and/or Host Transmission Owner, as applicable, to remotely interrogate through read only access any delivery point meter for the purpose of obtaining load data and other data, if available utilizing existing equipment. At the request of Network Customer, or Host Transmission Owner, If the Network Customer does not own the meter, the Host Transmission Owner shall make available, upon request, all load data and other data obtained by the Host Transmission Owner from the relevant delivery point meter, if available utilizing existing equipment. †The meter owner Network Customer will cooperate on the installation of advanced technology metering in place of the standard metering equipment at a delivery point at the expense of the requestor; provided, however, that meter owner shall not be obligated to install, operate or maintain any meter or related equipment that is not approved for use by the meter owner and/or Host Transmission Owner, and provided that such equipment addition can be accomplished in a manner that does not interfere with the operation of the meter owner's equipment or any Party's fulfillment of any statutory or contractual obligation.
- 8.2 The Network Customer shall provide for the testing of the metering equipment at suitable intervals and its accuracy of registration shall be maintained in accordance with standards acceptable to the Transmission Provider and consistent with Good Utility Practice. At the request of the Transmission Provider or Host Transmission Owner, a special test shall be made, but if less than two percent

inaccuracy is found, the requesting Party shall pay for the test. Representatives of the Parties may be present at all routine or special tests and whenever any readings for purposes of settlement are taken from meters not having an automated record. If any test of metering equipment discloses an inaccuracy exceeding two percent, the accounts of the Parties shall be adjusted. Such adjustment shall apply to the period over which the meter error is shown to have been in effect or, where such period is indeterminable, for one-half the period since the prior meter test. Should any metering equipment fail to register, the amounts of energy delivered shall be estimated from the best available data.

- 8.3 If the Network Customer is supplying energy to retail load that has a choice in its supplier, the Network Customer shall be responsible for providing all information required by the Transmission Provider for billing purposes. Metering information shall be available to the Transmission Provider either by individual retail customer or aggregated retail energy information for that load the Network Customer has under contract during the billing month. For the retail load that has interval demand metering, the actual energy used by interval must be supplied. For the retail load using standard kWh metering, the total energy consumed by meter cycle, along with the estimated demand profile must be supplied. All rights and limitations between Parties granted in Sections 8.1, and 8.2 are applicable in regards to retail metering used as the basis for billing the Network Customer.