

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southwest Power Pool, Inc.

| Docket No. ER12-140-000

MOTION FOR INTERIM RATES

To: Chief Administrative Law Judge Curtis L. Wagner, Jr.

Pursuant to Rule 212 of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2012), the Kansas Power Pool ("KPP"), together with the Southwest Power Pool, Inc. ("SPP"), submits this Motion for Interim Rates ("Motion") as contemplated by the Offer of Settlement filed on August 23, 2012 in these proceedings. Granting this Motion will not prejudice any party to this proceeding, will result in a lower interim revenue requirement, and is in the public interest.

The Motion seeks to implement on an interim basis, pending Commission approval of the Offer of Settlement, tariff revisions reflecting a stated annual transmission revenue requirement ("ATRR") for KPP to be included in SPP's zonal transmission rates, as set forth in Attachment A to the Offer of Settlement.

I. Background

On October 20, 2011, SPP submitted for filing, pursuant to Section 205 of the Federal Power Act, modifications to its Open Access Transmission Tariff ("OATT") to include formula rate provisions for calculating KPP's ATRR to be included in SPP's zonal transmission rates. On December 15, 2011, the Commission issued an order conditionally accepting the revised tariff sheets for filing, suspending them for a nominal period, to become effective December 20, 2011, subject to refund, and establishing

hearing and settlement judge procedures.¹ At the parties' request, the Honorable Michael J. Cianci, Jr. was appointed Settlement Judge.

II. Settlement

Article II of the Offer of Settlement provides that a stated KPP ATRR of \$350,243.00 will replace the proposed formula pursuant to which KPP's ATRR would have been calculated annually, and that this substitution would be effective as of December 20, 2011, subject to the issuance of an order from the Commission approving or accepting, without condition or modification or with conditions or modifications acceptable to KPP and SPP, the Offer of Settlement.² The revised OATT provisions necessary to effect this substitution are attached to the Offer of Settlement as Attachment A.

SPP, as the party whose filing initiated this proceeding and whose tariff provisions must be modified to implement the settlement, and KPP hereby request approval to implement the revised OATT provisions reflecting the use of KPP's stated ATRR of \$350,243.00 (in lieu of the proposed KPP ATRR formula) on an interim basis while approval of the Offer of Settlement remains pending. SPP and KPP request that such interim implementation commence on the first day of the first full month following issuance of an order granting this motion.

¹ *Southwest Power Pool, Inc.*, 137 FERC ¶ 61,197 (2011).

² The initial ATRR calculated by KPP in the original filing dated October 20, 2011 was \$528,917. On May 4, 2012, SPP submitted an informational filing to the Commission to notify all parties in this proceeding that it would adjust KPP's filed ATRR to \$432,438, effective as of December 20, 2011, to be consistent with the ATRR calculated by KPP in its filing with the Kansas Corporation Commission (which is described in the Offer of Settlement).

III. Motion for Interim Rates

For good cause shown, the Commission may authorize a public utility to collect a rate different than the rate schedule on file with the Commission.³ Under Section 375.307(a)(1)(iv) of the Commission's Revised General Rules,⁴ the Chief Judge may act on uncontested motions that would result in lower interim settlement rates, pending Commission action on settlement agreements.⁵

Good cause exists for granting this Motion. The intervenors in this proceeding have authorized KPP and SPP to state that they do not oppose the Offer of Settlement or this Motion. It is in the public interest to place the stated KPP ATRR into effect, pending approval of the Offer of Settlement, so that SPP may effectuate the resulting reduction in its transmission rates as soon as possible. Early adoption of the stated KPP ATRR will reduce charges to SPP's transmission customers and subsequent refunds that will otherwise result from continued application of the proposed KPP ATRR formula conditionally accepted by the Commission.

In the event the Commission does not approve the Offer of Settlement, SPP's original filing shall remain in place, subject to refund, and SPP shall be permitted to collect the difference between (1) the amounts collected under the revised OATT provisions attached to the Settlement and (2) the amounts that would have been collected under SPP's original filing in this docket, with interest.

³ 18 C.F.R. § 35.1(e).

⁴ 18 C.F.R. § 375.307(a)(1)(iv).

⁵ See, e.g., *AEP Appalachian Transmission Company, Inc.*, Docket No. ER10-355-000, Order of Chief Judge Granting Motion for Interim Rates (issued Oct. 19, 2010); *Dynegy South Bay, L.L.C.*, Docket No. ER10-166-000, Order of Chief Judge Granting Motion for Interim Rate Relief (issued Aug. 18, 2010).

IV. Conclusion

Wherefore, for the foregoing reasons, SPP and KPP respectfully request the Chief Judge to grant this Motion to implement on an interim basis, pending Commission approval of the Offer of Settlement, the revised OATT provisions attached to the Offer of Settlement, effective as of the first day of the first full month following issuance of an order granting this motion.

Respectfully submitted,

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August 23, 2012

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, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated at Washington, D.C., this 23rd day of August, 2012.

/s/ Margaret A. McGoldrick

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