

July 31, 2013

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

Re: *Southwest Power Pool, Inc.*, Docket No. ER12-1179-000
Submission of Offer of Settlement Resolving Treatment of Grandfathered
Agreements in SPP's Integrated Marketplace

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602, Southwest Power Pool, Inc. ("SPP") submits the attached Offer of Settlement and related documents ("Settlement") to resolve outstanding issues concerning the treatment of grandfathered agreements ("GFAs") in the SPP Integrated Marketplace. Because resolution of GFA integration issues is critical to SPP's ability to administer initial Auction Revenue Rights ("ARRs") allocations and Transmission Congestion Rights ("TCRs") auctions, and because the process associated with SPP's initial ARR allocations is scheduled to commence October 18, 2013, **it is critical that the Commission approve the Settlement by October 1, 2013.**

In that regard, SPP notes that it is concurrently filing proposed tariff revisions governing the carve-out of GFAs. These concurrently filed tariff revisions are the product of the stakeholder process conducted in accordance with the Commission's October 18 Order conditionally approving SPP's Integrated Marketplace filing.¹ SPP is requesting approval of the concurrently-filed tariff revisions by October 1, 2013, as well.

Inasmuch as the matters addressed in the Settlement arise in a "proceeding pending before the Commission," the Settlement is being filed directly with the Commission, consistent with the procedures directed by Rule 602. The negotiations before Settlement Judge Stephen Sterner have concluded and no further action from the Office of Administrative Law Judges is required in order for the Commission to act on the Settlement.

Pursuant to the deadlines established under Rule 602(f)(2), initial comments on the Settlement are due August 20, 2013; reply comments are due August 30, 2013.

¹ See *Sw. Power Pool, Inc.*, 141 FERC ¶ 61,048, at P 317 ("October 18 Order").

Except as stated in footnote 1 of the Explanatory Statement, SPP believes that the Settlement is supported or unopposed by all parties.

I. BACKGROUND

On February 29, 2012,² as amended on May 15, 2012,³ SPP submitted to the Commission proposed revisions to its Tariff to transition from its current real-time energy imbalance service market to the SPP Integrated Marketplace in March 2014. In its October 18 Order, the Commission conditionally approved SPP's Integrated Marketplace. However, the Commission required SPP to commence settlement negotiations with those parties that protested SPP's proposal for GFAs, which did not include a carve-out component.⁴

On June 6, 2013, the Commission granted a request by OPPD to establish settlement judge procedures to provide a forum for OPPD and SPP to try to resolve issues related to OPPD's so-called "partial path" GFAs.⁵ The Commission recognized that OPPD's GFA issues "must be resolved prior to the start of the Integrated Marketplace initial ARR allocation and TCR process."⁶ In response to the Commission's June 6 Order, SPP moved to expand the settlement judge proceedings to include consideration of all outstanding GFAs, not just the OPPD GFAs. The Chief Administrative Law Judge granted SPP's motion on June 24, 2013.⁷ Judge Stephen Sterner was designated to preside as Settlement Judge and the parties met weekly during the month of July 2013.

² Submission of Tariff Revisions to Implement SPP Integrated Marketplace, Docket No. ER12-1179-000 (Feb. 29, 2012) ("Integrated Marketplace Filing").

³ Amendatory Filing of Tariff Revisions to Implement SPP Integrated Marketplace, Docket No. ER12-1179-001 (dated May 15, 2012).

⁴ October 18 Order at P 314. The following GFA parties filed protests concerning the integration of GFAs within the Integrated Marketplace: OPPD, NPPD, and Basin. Missouri River Energy Services & Heartland Consumers Power District also filed a protest but are not parties to any GFA with a source or sink within the SPP footprint. LES did not protest SPP's Integrated Marketplace filing because, according to LES, its GFAs are associated with GFAs that were listed in NPPD's Protest. LES subsequently contacted SPP directly regarding the treatment of certain GFAs to which it is a party and actively participated in the GFA settlement proceedings resulting in the Offer of Settlement.

⁵ *Sw. Power Pool, Inc.*, 143 FERC ¶ 61,219 (2013).

⁶ *Id.* at P 17.

⁷ *Sw. Power Pool, Inc.*, 143 FERC ¶ 63,016 (2013).

II. SETTLEMENT OFFER

The Settlement reflects the product of extensive negotiations between SPP, Commission Staff, and the GFA parties. If approved, it will resolve all issues concerning the process for determining carve-out eligibility for GFAs and will specifically identify those GFAs deemed to meet the eligibility criteria for carve-out. In addition, the Settlement resolves all issues associated with OPPD's partial path GFAs by confirming OPPD's right, for a limited, five-year period, to nominate and receive ARRs in SPP's Integrated Marketplace for certain partial path reservations. SPP anticipates that the Settlement will be supported, or unopposed, by all parties.

III. COMMUNICATIONS

Correspondence and communications with respect to this filing should be sent to, and SPP requests that the Commission include on the official service list for this proceeding, the following individuals:

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IV. CONCLUSION

For all of the foregoing reasons, SPP respectfully requests that the Commission issue an order approving the Settlement no later than October 1, 2013.

Respectfully submitted,

/s/ Barry S. Spector

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

Southwest Power Pool, Inc.

)

Docket No. ER12-1179-000

**EXPLANATORY STATEMENT
IN SUPPORT OF
OFFER OF SETTLEMENT**

To the Commission

Pursuant to Rule 602(c)(ii) of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.602(c)(ii), Southwest Power Pool, Inc. ("SPP") submits this Explanatory Statement in support of the accompanying Offer of Settlement ("Settlement") resolving issues associated with the treatment of so-called grandfathered agreements, or "GFAs," in the context of SPP's Integrated Marketplace. Because resolution of GFA issues is critical to SPP's ability to administer initial Auction Revenue Rights ("ARRs") allocations and Transmission Congestion Rights ("TCRs") auctions, and because the process associated with SPP's initial ARR allocations is scheduled to commence October 18, 2013, *it is critical that the Commission approve the Settlement without modification by October 1, 2013.*

Except as stated in footnote 1, SPP is not aware of any opposition to the Settlement.

This Explanatory Statement summarizes the key terms of the Settlement and is not intended to alter any of the provisions of the Settlement. In the event of a potential conflict between this Explanatory Statement and the Settlement, the latter shall be deemed controlling.

Article 1 of the Settlement summarizes the relevant procedural background and describes the scope of the Settlement. In particular, Article 1 provides an overview of SPP's Integrated Marketplace filing. Article 1 further explains that in response to SPP's Integrated Marketplace filing, certain parties filed protests concerning SPP's proposed treatment of GFAs. The Commission ultimately ordered that these protests be addressed in Settlement Judge proceedings. Article 1 states that the Settlement governs the treatment of all protested GFAs and summarizes the content of the Settlement. In addition, Article 1 states that the Settlement resolves the treatment of certain Omaha Public Power District's ("OPPD") "partial path" GFAs by providing that, for a five-year term, these "partial paths," with defined proxy Settlement Locations, as specified in the Settlement, will be eligible for nomination by OPPD to receive ARRs in SPP's Integrated Marketplace.

Article 2 of the Settlement sets forth the terms and conditions governing the eligibility for "carve-out" of GFAs that will not be integrated into SPP's Integrated Marketplace. This Article (i) includes a definition of "Carved-Out GFAs," (ii) identifies, by reference to Schedule 1 of the Settlement, the exclusive list of GFAs that satisfy the eligibility criteria for carve-out; and, (iii) describes the criteria used to determine carve-out eligibility.¹

¹ Certain parties contend that GFA 494, identified on Schedule 1, should be treated as outside of the Integrated Marketplace rather than a GFA eligible for carve-out from the Integrated Marketplace. If this disagreement remains as of the date for initial comments on the Settlement, then SPP intends this Offer of Settlement as to GFA 494 to constitute the carve-out proposal for GFA 494, as required by the Commission's June 6, 2013 order. *See Sw. Power Pool, Inc.*, 143 FERC ¶ 61,219, at P 21 (2013).

Article 3 of the Settlement describes the negotiated resolution of OPPD “partial path” GFAs and provides that, for a limited, five-year term, OPPD’s partial path reservations will be eligible for nomination to receive ARR, subject to the terms and conditions set forth in Article 3.

Article 4 provides that the Settlement shall become effective upon issuance of a Commission order approving the Settlement.

Article 5 contains reservations regarding privilege, reservation of rights, non-severability, and limitations. Under Article 5, the standard of review to be applied by the Commission in considering any change to any then-effective provision of this Settlement shall be the “public interest” standard.

Respectfully submitted,

/s/ Barry S. Spector

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

Southwest Power Pool, Inc.) Docket No. ER12-1179-000

OFFER OF SETTLEMENT

To the Commission:

Pursuant to Rule 602 of the Federal Energy Regulatory Commission's ("Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.602, Southwest Power Pool, Inc. ("SPP"), submits this Offer of Settlement ("Settlement") to resolve issues associated with the treatment of grandfathered agreements, or "GFAs," in the context of SPP's Integrated Marketplace. SPP seeks all necessary authorizations under the Federal Power Act ("FPA") and the Commission's Rules and Regulations thereunder, as well as any waivers of such Rules and Regulations, as may be necessary in order to implement fully the Settlement. Resolution of the GFA issues is critical to SPP's ability to administer initial Auction Revenue Rights ("ARRs") allocations and Transmission Congestion Rights ("TCRs") auctions.

Article 1

Procedural Background and Scope of Settlement

On February 29, 2012, SPP submitted to the Commission proposed tariff revisions to implement the SPP Integrated Marketplace in March 2014. As proposed, the Integrated Marketplace includes Day-Ahead and Real-Time Energy and Operating Reserve Markets and the distribution of ARRs and associated TCRs.

In designing the Integrated Marketplace, SPP proposed to treat GFAs comparable to other firm reservations by extending to all firm transmission service – whether

conventional tariff service or service subject to a GFA – the same right to receive ARRs. Thus, under SPP’s as-filed proposal, Market Participants with GFAs are able to receive and convert the ARRs associated with their transmission service to TCRs in the same manner as other Market Participants.

In an order issued October 18, 2012, the Commission conditionally accepted SPP’s proposed treatment of GFAs.¹ However, in response to protests, the Commission directed SPP “to address all GFAs within the Integrated Marketplace construct” before market launch.² The Commission instructed SPP to negotiate with protesting GFA parties to attempt to resolve issues concerning integration of their GFAs into the new market, noting that if such negotiations failed, “a carve-out could be consistent with Commission precedent.”³ The Commission observed that “[t]he situation here is similar to the situation in the MISO energy markets proceeding. There the Commission encouraged the MISO parties with GFAs to settle their differences in order to facilitate

¹ *Sw. Power Pool, Inc.*, 141 FERC ¶ 61,048 (2012) (“October 18 Order”).

² *Id.* at P 309.

³ *Id.* at P 314. The following GFA parties filed protests concerning the integration of GFAs within the Integrated Marketplace: Omaha Public Power District (“OPPD”), Nebraska Public Power District (“NPPD”), and Basin. Missouri River Energy Services & Heartland Consumers Power District also filed a protest but are not parties to any GFA with a source or sink within the SPP footprint. SPP understands that LES did not protest SPP’s Integrated Marketplace filing because LES’s GFAs are associated with the GFAs listed in NPPD’s protest. LES subsequently contacted SPP directly regarding the treatment of certain GFAs to which it is a party and participated in the GFA settlement proceedings resulting in this Settlement.

integration of GFAs into the energy market.”⁴ The Commission ordered SPP “to file an informational report due 90 days after the issuance of this order explaining the status of the negotiations and identifying the remaining GFAs that are not integrated into the market.”⁵ The Commission also stated SPP “may commence a stakeholder process to finalize the carve-out proposal for the GFAs that have not been integrated and which merit a carve out.”⁶

Following the October 18 Order, negotiations with protesting GFA parties ensued. These negotiations were documented in status reports filed by SPP on January 16, 2013, March 15, 2013, and May 15, 2013. Among other things, SPP reported continuing progress in negotiations to resolve issues involving the NPPD GFAs, but advised the Commission (in the March 15, 2013 status report) that negotiations with OPPD had terminated based on SPP’s position that the OPPD GFAs represented partial path reservations that were not eligible for ARRs, as requested by OPPD.

On June 6, 2013, the Commission granted a request by OPPD to establish settlement judge procedures to provide a forum for OPPD and SPP to try to resolve issues related to OPPD’s GFAs.⁷ The Commission recognized that OPPD’s GFA issues “must

⁴ *Id.* at P 313.

⁵ *Id.* at P 317.

⁶ *Id.*

⁷ *Sw. Power Pool. Inc.*, 143 FERC ¶ 61,219 (2013) (“June 6 Order”).

be resolved prior to the start of the Integrated Marketplace initial ARR allocation and TCR process, scheduled to commence October 28, 2013.”⁸

On June 19, 2013, SPP moved to expand the settlement judge proceedings to include consideration of all GFAs, in addition to the OPPD GFAs. The Chief Administrative Law Judge granted SPP’s motion on June 24, 2013.⁹ Judge Stephen Sterner was designated to preside as Settlement Judge. Pursuant to a series of notices issued during the month of July 2013, settlement conferences were held weekly, beginning July 9, and continuing through July 24.

In accordance with the June 6 Order, settlement proceedings were scheduled to run only through August 1, 2013. If the parties were unable to reach a resolution by that date, then the settlement judge was to file a report with the Chief Judge on or before August 6, 2013 and SPP was required to submit a proposal by August 8, 2013 either to “carve-out [] the OPPD GFAs or . . . integrat[e] the OPPD GFAs into the Integrated Marketplace.”¹⁰

By virtue of the Chief Judge’s June 24 Order expanding the scope of the settlement proceedings, the negotiations held during July 2013, covered all outstanding GFAs and involved the participation of all parties to the protested GFAs.

⁸ *Id.* at 17.

⁹ *Sw. Power Pool, Inc.*, 143 FERC ¶ 63,016 (2013) (“June 24 Order”).

¹⁰ June 6 Order at P 21.

The Settlement establishes criteria governing eligibility for carve-out of certain GFAs by, *inter alia*, defining the meaning of a “Carved-Out GFA;” specifying the criteria used to determine carve-out eligibility; and, identifying the specific GFAs that qualify under such criteria. The Settlement does not address issues related to the development of a carve-out proposal in the SPP stakeholder process. In addition, the Settlement addresses the treatment of OPPD’s “partial path” GFAs by providing that, for a five-year term beginning on the commencement date of the SPP Integrated Marketplace, these “partial path” GFAs will be eligible for nomination by OPPD to receive ARRs in SPP’s Integrated Marketplace.

Article 2
Provisions Governing Eligibility for Carve-Out of Certain GFAs

This Article sets forth the criteria governing the eligibility for “carve-out” treatment for GFAs that will not be integrated into SPP’s Integrated Marketplace and identifies the GFAs eligible for “carve-out” treatment.

2.1 Definition of “Carved-Out GFAs.” For purposes of the Settlement, a “Carved-Out GFA” is an agreement with respect to which congestion and marginal loss charges will not be assessed for the transmission of energy under the GFA. Nothing in the Settlement affects the assessment or allocation of any other SPP charges to “Carved-Out GFAs.” “Carved-Out GFAs” must meet the eligibility criteria under Article 2.3 of the Settlement and must comply with all applicable tariff and protocol provisions regarding the reporting of energy transactions under the GFA. A holder of a transmission reservation under a “Carved-Out GFA” shall be ineligible to nominate or receive ARRs in SPP’s Integrated Marketplace for such reservation.

2.2 Limited and Exclusive List of GFAs Eligible for Carve-Out. GFAs identified in Schedule 1 hereto have been determined to meet the Carve-Out Eligibility Criteria under Article 2.3 and are therefore eligible to qualify as “Carved-Out GFAs.” Schedule 1 constitutes the exclusive list of eligible “Carved-Out GFAs,” meaning that only those agreements and the megawatts associated with them identified on Schedule 1 are eligible for carve-out treatment in SPP’s Integrated Marketplace.

2.3 Carve-Out Eligibility Criteria. In order to qualify as a “Carved-Out GFA,” the GFA must meet two criteria. First, the GFA is a “fixed rate” agreement, meaning that the agreement’s rate terms are not subject to unilateral change by the party providing service under the agreement. Second, the GFA is “non-jurisdictional,” meaning that the party providing service under the agreement is not a “public utility” within the meaning of the Federal Power Act.

2.4 Carve-Out Status. A GFA identified on Schedule 1 shall be treated as a “Carved-Out GFA” unless SPP is notified that a GFA will not be treated as a “Carved-Out GFA” in accordance with the SPP Tariff. If the GFA will not be treated as a “Carved-Out GFA” at the commencement of the Integrated Marketplace, such notification must be received by SPP no later than the date that the process associated with SPP’s initial ARR allocation is scheduled to commence (currently October 18, 2013).

2.5 Offset of Loss Revenues. Nothing in this Settlement shall be deemed to preclude an amendment to the SPP Tariff to require that any loss revenues received by the GFA Transmission Owner under the provisions of a “Carved-Out GFA” shall be used to offset any marginal loss charges related to the “Carve-Out GFA” that are included in

any GFA carve-out uplift distribution in the manner and to the extent required by the SPP Tariff.

Article 3
Resolution of OPPD “Partial Path” GFAs

Separate and apart from the resolution of the Carved-Out GFAs, the Settlement resolves all issues associated with OPPD’s so-called “partial path” GFAs. The “partial path” GFAs covered by the Settlement are identified on Schedule 2, hereto.

3.1 Background of “Partial Path” Issues. Prior to becoming an SPP member, OPPD reserved and scheduled transmission capacity on its own system in order to move energy to its border with SPP for delivery and sale to Westar and Missouri Public Service, which then transmitted the energy to their loads using separate SPP transmission service. OPPD’s “partial path” GFAs represent transmission agreements with transmission paths that originated at generation resources within OPPD, moved across OPPD’s system, and ended at then-existing interfaces, i.e., border points, between OPPD and SPP, designated by SPP as OPPD.WR (Westar) and OPPD.MPS (Missouri Public Service). Once OPPD joined SPP, the former border points OPPD.WR and OPPD.MPS became internal points within SPP’s system. The subject transmission reservations were identified by OPPD as GFAs when OPPD joined SPP and are identified on Attachment W of the SPP Tariff.

SPP and OPPD disagreed whether OPPD’s “partial path” GFAs qualify for ARRs. As explained in Article 1, OPPD filed a motion with the Commission that ultimately led to the initiation of the settlement proceedings that produced this Settlement.

3.2 Settlement of “Partial Path” Issues. The Settlement memorializes the terms by which OPPD’s partial path issues are resolved. The Settlement accommodates the unique circumstances presented by the OPPD partial path reservations and is expressly limited in scope to the specific GFAs and reservations identified in Schedule 2. To that end, SPP shall recognize OPPD’s right to nominate and receive ARRs (which may be converted to TCRs in accordance with the SPP Tariff) for the reservations identified in Schedule 2 for a nonrenewable five (5) year period commencing with the initial start-date of SPP’s Integrated Marketplace. The nomination and allocation of ARRs with respect to the reservations identified in Schedule 2 shall be subject to all SPP market rules (including, but not limited to, rules regarding ARR pro-rations), as specified in the SPP Tariff and protocols concerning ARR nominations and allocations, with the exception that any rules prohibiting nomination and allocation of ARRs on partial paths shall not apply. At the end of such five-year period, OPPD’s partial path GFAs shall no longer be eligible for nomination by OPPD to receive ARRs. At any time, including at the end of the five-year period, OPPD may apply for transmission service on a complete transmission path under the SPP Tariff and to the extent OPPD obtains such complete path transmission service, it may nominate and receive ARRs in accordance with the SPP Tariff.

3.2.1 OPPD Reservations Eligible for ARRs. Schedule 2 identifies, by SPP Attachment W reference number, the OPPD GFAs subject to this Settlement. Schedule 2 further identifies the SPP OASIS reservation numbers associated with the OPPD transmission reservations that are covered

by the Settlement. As shown on Schedule 2, OPPD's transmission reservations total 515 MW.

3.2.2 Establishment of Proxy Settlement Locations for OPPD Reservations. For the purpose of ARR nominations and allocations with respect to the OPPD GFAs and reservations identified on Schedule 2, the Settlement provides for the establishment of two proxy Settlement Locations representing the sink of the OPPD transmission reservations to the former border between OPPD and Westar and OPPD and Missouri Public Service. The proxy Settlement Locations consist of nodal locations (i.e., price nodes) that, on a weighted basis, fairly reflect power flows under the GFAs and reservations shown on Schedule 2. The selected price nodes fairly reflect congestion to the former border between OPPD and Westar and OPPD and Missouri Public Service and do not reflect congestion beyond the border to sinks within Westar or Missouri Public Service.

Accordingly, for the GFA associated with the OPPD (Nebraska City)-to-OPPD.WR reservation, totaling 315 MWs, the “OPPD.WR Proxy SL” is represented by the following pricing nodes, weighted using the percentages shown below:

| <u>Pricing Node</u> | <u>Weighting</u> |
|----------------------------|-------------------------|
| LES_ROKEBY_1 | 21.4% |
| SARPY_1 | 13.3% |
| MEC.OPPD | 8.8% |
| Flat_Water | 7.1% |
| AECI | <u>49.4%</u> |
| | 100.0% |

For the GFAs associated with the OPPD (Cass County)-to-OPPD.MPS reservations, totaling 200 MWs, the “OPPD.MPS Proxy SL” is represented by the following pricing nodes, weighted using the percentages shown below:

| <u>Pricing Node</u> | <u>Weighting</u> |
|----------------------------|-------------------------|
| LES_ROKEBY_1 | 24.1% |
| MEC.OPPD | 32.6% |
| AECI | <u>43.3%</u> |
| | 100.0% |

With regard to the OPPD GFAs for ARR purposes, the sink locations shall be OPPD.WR Proxy SL and OPPD.MPS Proxy SL. These GFAs shall be subject to the same ARR allocation rules as any other GFA candidate for ARRs under the SPP Tariff.

Article 4
Effective Date

The Settlement shall become effective upon issuance of a Commission order approving the Settlement.

Article 5
Reservations

5.1 Applicability of Rule 602 Privileges. The Settlement is submitted pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, and it is agreed that unless it becomes effective in accordance with Article 4 hereof, the Settlement shall be privileged and shall not be admissible in evidence in any proceeding for use against any party.

5.2 No waiver of rights. It is specifically understood and agreed that the Settlement represents a compromise resolution with respect to the various matters addressed herein, for the sole purpose of the resolution of the matters agreed to herein. Neither SPP, the Commission, its Staff, nor any other party or person shall be prejudiced or bound hereby in any proceeding except as specifically provided herein. Neither SPP, the Commission, its Staff, nor any other party or person shall be deemed to have approved, accepted, agreed or consented to any concept, theory or principle underlying or supposed to underlie any of the matters provided for herein. No party is waiving its litigation rights and positions in the event the Settlement does not become effective.

5.3 Non-severability. It is specifically understood and agreed that the Settlement is an integrated settlement and that the various parts hereof are not severable without upsetting the balance of consideration achieved among the parties. SPP and the

parties shall not be bound to any undertaking herein unless this Settlement becomes effective pursuant to the terms of Article 4 hereof.

5.4 Limitations. Except as otherwise provided by this Settlement, nothing herein is intended to limit, supersede, or otherwise affect the resolution of issues not expressly resolved hereby. FERC approval of this Settlement Agreement shall not constitute approval of, or precedent regarding, any principle of issue in this proceeding. Nothing herein shall be deemed a “settled practice” as the Court interpreted that term in *Public Service Commission of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980).

5.5 Standard of Review. After the Settlement becomes effective as provided in Article 4, the standard of review to be applied by the Commission in considering any change to any then-effective provision of this Settlement shall be the “public interest” standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *FPC v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956).

Respectfully submitted,

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SCHEDULE 2

OPPD GFAs/RESERVATIONS ELIGIBLE FOR ARRs

| SPP Attachment W Reference No. | Assignment Ref | POR | POD | Source | Sink/Proxy Settlement Location | MWs | StartTime | StopTime |
|---------------------------------------------------|-----------------------|------------|------------|---------------|-----------------------------------------------|------------|------------------|-----------------|
| 633/707 | 1585237/1585243 | OPPD | OPPD | OPPD.NC1 | OPPD.WR PROXY SL | 315 | 2009-04-01 | 2040-01-01 |
| 638/729 | 1585214/1594744 | OPPD | OPPD | OPPD.CASSCO | OPPD.MPS PROXY SL | 50 | 2010-04-01 | 2040-03-31 |
| 639/728 | 1585219/1594743 | OPPD | OPPD | OPPD.CASSCO | OPPD.MPS PROXY SL | 50 | 2010-04-01 | 2040-03-31 |
| 640 | 73224364 | OPPD | OPPD | OPPD.CASSCO | OPPD.MPS PROXY SL | 100 | 2010-04-01 | 2040-04-01 |

Note: Effectively, there are only four (4) GFAs and four (4) transmission reservations corresponding to the four (4) line items shown above. Separate GFA Attachment W designations, as well as separate OASIS reservation numbers, were assigned to the initial GFA and reservation and to the successor GFA and reservation when OPPD joined SPP.

SCHEDULE 1
CONTRACTS DETERMINED ELIGIBLE AS “CARVED-OUT GFAs”
Single GFA for Complete Path

| Attachment W Reference Nos. | Transmission Owner(s)/Selling Party | Transmission Customer(s)/Buying Party | Capacity (MW) | OASIS Number |
|------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------|---------------------|
| 494 | NPPD | Tri-State Gen and Transmission Assoc. Inc. | 86 380 | 1587830 1587835 |
| 524 | NPPD | Cherry-Todd Electric Cooperative/Nebraska Electric Generation and Transmission Cooperative, Inc. | 7.5 | 75917422* |

Paired Contracts for Complete Path

| Attachment W Reference Nos. | Transmission Owner(s)/Selling Party | Transmission Customer(s)/Buying Party | Capacity (MW) | OASIS Number |
|------------------------------------|--------------------------------------------|----------------------------------------------|----------------------|-------------------------------|
| 484 ** 474 ** | NPPD LES | LES LES | 75 75 | 1586479 1588675 (SPP NITS) |
| 599 478 | NPPD LES | LES LES | 68 68 | 1586477 1588648 (SPP NITS) |
| 489 477 | NPPD LES | LES LES | 109 109 | 1586475 1588649 (SPP NITS) |
| 496*** 476 | NPPD LES | LES LES | 190 190 | 1586481 1588681 (SPP NITS) |

- * OASIS Reservation 75917422 is for 24 MW under two GFAs. However, under GFA 524, only 7.5 MW of this reservation qualifies for “carve-out.” The parties to GFA 524 shall schedule the carved-out portion of this GFA (i.e., 7.5 MW) separately from non-carved-out service (i.e., service above 7.5 MW).
- ** Paired contracts 484 and 474 each cover two (2) reservations. However, only the 75 MW reservations under these GFAs are eligible for carve-out: i.e., reservation 1586479 for GFA 484 and reservation 1588675 for GFA 474.
- *** Contract 496 covers two (2) reservations. However, only the 190 MW reservation under this GFA is eligible for carve-out: i.e., reservation 1586481 for GFA 496.

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.

Dated at Washington, D.C., this 31st day of July, 2013.

Jeffrey G. DiSciullo

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