

December 20, 2013

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

RE: *Southwest Power Pool, Inc.*, Docket No. ER14-_____
Submission of Notice of Cancellation of Comprehensive Seams
Agreement Between Entergy Services, Inc. and the Southwest Power Pool,
Inc.

Dear Secretary Bose:

Pursuant to section 35.15 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. § 35.15, Southwest Power Pool, Inc. ("SPP") submits this filing to notify the Commission of the termination of the Comprehensive Seams Agreement Between Entergy Services, Inc. ("Entergy") and the Southwest Power Pool, Inc. ("Seams Agreement").¹ As the Seams Agreement has been filed with the Commission through SPP's eTariff system, SPP requests cancellation of the respective tariff sheets that constitute the Seams Agreement. SPP respectfully requests that the Commission accept the cancellation of the Seams Agreement effective December 19, 2013.

I. Background and Notice of Cancellation

On March 26, 2010, in Docket No. ER10-941-000², SPP filed the Seams Agreement. SPP submitted two remaining protocols on April 16, 2010.³ The

¹ The Seams Agreement is designated as Southwest Power Pool, Inc., FERC Electric Tariff, Rate Schedule No. 12.

² Submission of Letter Agreement Regarding Comprehensive Seams Agreement Between Entergy Services, Inc. and the Southwest Power Pool, Inc. of Southwest Power Pool, Inc., Docket No. ER10-941-000 (Mar. 26, 2010) ("March 2010 Filing").

³ Submission of Remaining Protocols as Appended to the Letter Agreement Regarding Comprehensive Seams Agreement Between Entergy Services, Inc. and

Commission issued an order on June 15, 2010 conditionally accepting the March 2010 Filing and the April 2010 Filing and requiring a compliance filing.⁴ SPP submitted its compliance filing on July 15, 2010.⁵ On March 31, 2011, the Commission issued an Order on Rehearing and Compliance, requiring another compliance filing.⁶ SPP submitted its additional compliance filing on May 2, 2011 in Docket No. ER11-3490-000.⁷ On July 26, 2011, the Commission issued a final order accepting the Seams Agreement.⁸

On December 19, 2013, Entergy will transfer functional control of its transmission assets to the Midcontinent Independent System Operator, Inc. (“MISO”) (the “Transfer Date”). As of the Transfer Date, issues related to interconnection points between SPP and Entergy shall be governed by the Joint Operating Agreement between SPP and MISO (“SPP-MISO JOA”).⁹ Therefore, the Seams Agreement is no longer required. Accordingly, SPP is notifying the Commission that it has terminated the Seams Agreement effective December 19, 2013.

II. Effective Date and Waiver

SPP requests an effective date of December 19, 2013, for the cancellation of the Seams Agreement. To permit such an effective date, SPP also requests a waiver of the Commission’s sixty day notice requirement.¹⁰ Good cause exists for such waiver because December 19, 2013 coincides with Entergy’s transfer of functional control of its transmission assets to MISO.

the Southwest Power Pool, Inc. of Southwest Power Pool, Inc., Docket No. ER10-941-001 (Apr. 16, 2010) (“April 2010 Filing”).

⁴ *Sw. Power Pool, Inc.*, 131 FERC ¶ 61,236 (2010).

⁵ Submission of Compliance Filing Revising Entergy Seams Agreement Protocols filed as Rate Schedule No. 12 of Southwest Power Pool, Inc., Docket No. ER10-941-003 (July 15, 2010).

⁶ *Sw. Power Pool, Inc.*, 134 FERC ¶ 61,268 (2011).

⁷ Submission of Compliance Filing Revising Entergy Seams Agreement Protocols Filed as Rate Schedule No. 12 in Docket No. ER10-941-002, -003 of Southwest Power Pool, Inc., Docket No. ER11-3490-000 (May 2, 2011).

⁸ *Sw. Power Pool, Inc.*, Docket No. ER11-3490-000 (July 26, 2011).

⁹ Joint Operating Agreement between MISO and SPP, designated as SPP’s Second Revised Rate Schedule FERC No. 9. *See Sw. Power Pool, Inc.*, 109 FERC ¶ 61,008 (2004), *reh.g denied*, 110 FERC ¶ 61,031 (2005).

¹⁰ 18 C.F.R. § 35.15(a).

III. Service

SPP is serving a copy of this filing on the representatives for Entergy listed in the Seams Agreement. SPP is also serving a copy of this filing to parties on the official service list for Docket Nos. ER10-941 and ER11-3490. SPP has electronically served a copy of this filing on all 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.

IV. Communications

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

Matthew Harward
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Southwest Power Pool, Inc.
201 Worthen Drive
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Respectfully submitted,

/s/ Matthew Harward
Matthew Harward

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

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 Docket Nos. ER10-941 and ER11-3490.

Dated at Little Rock, Arkansas, this 20th day of December, 2013.

/s/ Michelle Harris
Michelle Harris

February 26, 2010

For Entergy Services, Inc.:

Mark McCulla
Vice President Transmission Regulatory Compliance
Entergy Services, Inc.
639 Loyola Avenue
New Orleans, LA 70161

For Southwest Power Pool, Inc.:

Carl Monroe
VP, Operations and Chief Operating Officer
Southwest Power Pool, Inc.
415 N. McKinley, Suite 140
Little Rock, AR 72205

RE: Comprehensive Seams Agreement Between Entergy Service, Inc. and the Southwest Power Pool, Inc.

This Letter Agreement, including the Attachments as finally agreed to by the parties, reflects a comprehensive seams agreement between Entergy Services, Inc. (“Entergy”) and Southwest Power Pool, Inc. (“SPP”), a regional transmission organization. Attachments to this Letter Agreement are incorporated into this Letter Agreement as if expressly set forth herein and will be as follows:

1. Attachment A: Protocol Governing Coordination of Enhanced Regional Planning Activities, Study Coordination Activities, and Flowgate Financial Rights (“Coordination Protocol”)
2. Attachment B: Protocol Governing Coordination Of AFC/TFC Values (“AFC/TFC Protocol”)
3. Attachment C: Protocol Governing Allocation Of Costs Of Upgrades (“CA Protocol”)
4. Attachment D: Protocol Governing Data Exchange, Confidential Information And Critical Energy Infrastructure Information (“Information Protocol”)

Additional Attachments may be attached to this Letter Agreement when and if developed and executed by the parties. Any Attachments to this Letter Agreement will be considered incorporated into this Letter Agreement when each Attachment is agreed to by the parties as indicated in that Attachment. Each Attachment will become effective in accordance with the terms of that Attachment.

The Coordination Protocol portion of this Letter Agreement sets forth the coordination of enhanced regional reliability planning activities between the parties and the horizon over which these activities will occur, the coordination of Affected System Study processes for transmission service and generation interconnection requests that impact the other party's transmission system, and coordination regarding the granting of flowgate financial rights on the Entergy and SPP transmission systems. The AFC/TFC Protocol portion of this Letter Agreement set forth the data exchange and other activities necessary for the coordination of AFC/TFC values between Entergy and SPP. The CA Protocol set forth cost allocation provisions for facilities identified as necessary on the Entergy system to accommodate a transmission service or generation interconnection request on the SPP system, cost allocation provisions for facilities identified as necessary on the SPP system to accommodate a transmission service or generation interconnection request on the Entergy system, and cost allocation provisions for common or optimal solutions identified as a result of the enhanced regional reliability planning activities performed in accordance with the Coordination Protocol. Finally, the Information Protocol sets forth provisions governing the exchange of data and the treatment of confidential information and critical energy infrastructure information exchanged under any other attachment to the Letter Agreement.

This Letter Agreement shall take effect on the day the last party to do so executes the Letter Agreement and shall continue in effect until either party terminates this Letter Agreement by written notice and obtains authorization, if necessary, to terminate by the Federal Energy Regulatory Commission (the "Commission"). Further, each Attachment shall be effective and implemented as addressed in that Attachment and shall continue in effect until either party terminates the specific Attachment by written notice and obtains authorization, if necessary, to terminate by the Commission.

Upon execution, this Letter Agreement, including the Attachments hereto, state the understanding between the parties as to the specific matters noted and in no way creates additional contractual obligations for either party. The parties to this Letter Agreement have developed it, all Attachments, and any processes associated herewith voluntarily. Nothing in this Letter Agreement or the Attachments hereto will be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Letter Agreement. Additionally, neither party to this Letter Agreement shall construe it or the Attachments as a regulatory or other requirement that would create any duty to, standard of care with reference to, or any liability to the other party. Neither party (including its affiliates and members) shall be liable to the other party for any damages hereunder, including, but not limited to, direct, consequential, special, indirect, treble, exemplary, incidental, or punitive damages.

The parties agree to communicate in accordance with the applicable Attachment, when effective. This Letter Agreement and all Attachments (such as the Coordination Protocol, the AFC/TFC Protocol, the CA Protocol, and the Information Protocol) in no way restrict either party from taking the steps needed, in its sole discretion, to protect and preserve the transmission grid and electrical reliability for its respective system.

Neither party makes any representations nor warranties other than those expressly set forth in this Letter Agreement and its Attachments including the Coordination Protocol, the AFC/TFC Protocol, the CA Protocol, and the Information Protocol. This Letter Agreement and its Attachments supersede all prior discussions and, when executed, constitute the entire agreement between the parties with respect to the subject matter hereof with the exception of the Letter Agreement executed between Entergy and SPP on February 6, 2009, which is expressly acknowledged by the parties and is appended hereto as Exhibit 1. It is expressly declared that this Letter Agreement, its Attachments, and the relationship between the parties established hereby do not constitute a partnership, joint venture, agency or contract of employment between the parties.

Each party may disclose publicly the terms of this Letter Agreement. Each party is expressly authorized, at its discretion, to file this Letter Agreement and each Attachment with the Commission, or to amend its Open Access Transmission Tariff (“Tariff”) to implement the Letter Agreement and Attachments. In the event of any inconsistency between Entergy’s Tariff, this Letter Agreement, and/or any Attachment (the Coordination Protocol, the AFC/TFC Protocol, the CA Protocol, and the Information Protocol), the terms of Entergy’s Tariff will apply as to Entergy. In the event of any inconsistency between SPP’s Tariff, this Letter Agreement, and/or any Attachment (the Coordination Protocol, the AFC/TFC Protocol, the CA Protocol, and the Information Protocol), the terms of SPP’s Tariff will apply as to SPP.

This Letter Agreement may be amended only by written agreement acknowledged by both parties.

The signatures below confirm acceptance of the terms of this Letter Agreement.

<p>Entergy Services, Inc.</p> <p><u>/s/ Mark McCulla</u> Mark McCulla</p> <p><u>Mark McCulla</u> Name (Printed)</p> <p><u>VP, Transmission Regulatory Compliance</u> Title</p> <p><u>2-26-2010</u> Date</p>	<p>Southwest Power Pool, Inc.</p> <p><u>/s/ Carl Monroe</u> Carl Monroe</p> <p><u>Carl Monroe</u> Name (Printed)</p> <p><u>EVP & COO</u> Title</p> <p><u>2-26-2010</u> Date</p>
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ATTACHMENT A

**PROTOCOL GOVERNING COORDINATION OF ENHANCED REGIONAL
PLANNING ACTIVITIES, STUDY COORDINATION ACTIVITIES, AND
FLOWGATE FINANCIAL RIGHTS**

**PROTOCOL GOVERNING COORDINATION OF ENHANCED REGIONAL
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Rules Of Construction

1. Any undefined, capitalized term used in this Protocol that is not defined in the "Definitions" Section shall have the meaning given under industry custom, and, where applicable, in accordance with Good Utility Practice.
2. All activities performed under this Protocol shall be conducted in a manner that meets or exceeds the NERC Reliability Standards, as approved by the FERC, that apply to that Party.
3. Each Party will perform this Protocol with respect to the transmission systems for which the Party serves as the Transmission Provider.
4. The Parties to this Protocol have developed it and any processes associated herewith voluntarily. Nothing in this Protocol will be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Protocol. Additionally, neither Party to this Protocol shall construe it nor any obligation described hereunder as a regulatory or other requirement that would create any duty to, standard of care with reference to, or any liability to the other Party.

Definitions

1. "Critical Energy Infrastructure Information" shall mean specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that: (1) relates details about the production, generation, transmission, or distribution of energy; (2) could be useful to a person planning an attack on critical infrastructure; (3) is exempt from mandatory disclosure under the Freedom of Information Act; and (4) gives strategic information beyond the location of the critical infrastructure.
2. "Confidential Information" shall mean: (a) all data and information, whether furnished before or after the execution of this Protocol, whether oral, written, or recorded/electronic, and regardless of the manner in which it is furnished, that is marked "Confidential" or "Proprietary" or which, under all of the circumstances, should be treated as confidential or proprietary; (b) any data or information deemed confidential under some other form of confidentiality agreement or tariff that is provided to a Party; (c) all reports, summaries, compilations, analyses, notes, or any other data or information of a Party hereto which are based on, contain, or reflect any Confidential Information; and (e) any data and information which, if disclosed by a transmission function employee of a utility regulated by

FERC to a market function employee of the same utility system, other than by public posting, would violate FERC's Standards of Conduct set forth in 18 C.F.R. Part 358. The Parties agree that Confidential Information constitutes commercially sensitive and proprietary trade secret information. Confidential Information includes, but is not limited to, (i) customer-specific information regarding: load forecasts, billing determinants, scheduling and reservation data, power purchases, and contracts; (ii) generator-specific information regarding: unit commitment and dispatch levels, generator cost data, heat rates, outage and maintenance schedules, operating restrictions, ramp rates, and automatic generation control capability and ranges; and (iii) system information regarding: avoided costs and system incremental costs.

3. "Entergy" shall mean Entergy Services, Inc.
4. "FERC" shall mean the Federal Energy Regulatory Commission or any successor agency thereto.
5. "Flowgate" shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party's Attachment C to the respective Party's OATT or, in the event that it is not defined in a Party's Attachment C, it shall have the definition ascribed to it in the "Glossary Of Terms Used In Reliability Standards" published by NERC.
6. "Good Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
7. "Governmental Authority" shall mean any federal, state, regional, local, or foreign court, tribunal, government, governmental agency, military, governmental or regulatory body or authority over the transmission and/or generation facilities of a Party or the Parties.
8. "ICT" shall refer to the functional responsibility of SPP to serve as the Independent Coordinator of Transmission for the Entergy transmission system.
9. "Longer-Term Planning Horizon" shall have the same meaning as utilized by the North American Electric Reliability Corporation in the TPL standards TPL-001.01 through TPL-004-0.

10. "Near-Term Planning Horizon" shall have the same meaning as utilized by the North American Electric Reliability Corporation in the TPL standards TPL-001.01 through TPL-004-0.
11. "NERC" shall mean the North American Electric Reliability Corporation or any successor organization thereto in its role as the Electric Reliability Organization.
12. "Open Access Transmission Tariff" ("OATT") shall mean an electronic transmission tariff accepted by the U.S. Federal Energy Regulatory Commission requiring the Transmission Service Provider to furnish to all shippers with non-discriminating service comparable to that provided by Transmission Owners to themselves.
13. "Party" or "Parties" are Entergy and SPP.
14. "Regional Planning Process" is the planning process conducted on a regional basis between the Parties in accordance with Attachment K to the Entergy OATT and the Letter Agreement executed between Entergy and SPP on February 6, 2009.
15. "SPP" shall mean Southwest Power Pool, Inc.
16. "Transmission Provider" (or, equivalently, "Transmission Service Provider") shall mean the entity that administers an OATT and provides transmission service to transmission customers under applicable transmission service agreements.
17. "TSA" shall mean a transmission service agreement under the applicable Party's OATT

Role Of The ICT

1. SPP is Entergy's ICT in accordance with the FERC's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006).
2. The ICT shall participate in the processes under this Protocol in a manner consistent with Attachments D, K, S and W, and other applicable provisions of Entergy's OATT.
 - a. Entergy and SPP acknowledge that, where necessary, the modification to or development of processes, procedures, business practices, and communications protocols may be to processes, procedures, business practices, and communications protocols developed and implemented by the ICT in accordance with the Commission's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006), other applicable orders of Governmental Authorities, and Entergy's OATT.
3. To the extent that the ICT is charged with performing an action, providing data, or providing other information under this Protocol, the Parties recognize that the performance of any such action, or the provision of such data or information, are

in satisfaction of a requirement or obligation of Entergy. The Parties further recognize that to the extent that the ICT performs such an action or provides such data or information required of Entergy or on behalf of Entergy under this Protocol, the requirement or obligation of Entergy shall be deemed satisfied.

Enhanced Regional Reliability Coordination Activities

1. Enhanced regional reliability planning activities developed by Entergy and SPP beyond those activities that are included in the Regional Planning Process shall address the Near- Term Planning Horizon currently utilized by SPP in its SPP Transmission Expansion Plan process and by Entergy in its Construction Plan process and as required in the NERC standards, TPL-001 through TPL-004 or their successor standards.
2. The purpose of this coordination shall be the optimization of the SPP Transmission Expansion Plan and the Entergy Construction Plan through the processes identified in this Section 2.
 - a. The enhanced regional reliability planning activities will consist of:
 - i. Enhanced coordination of reliability assessment models utilized for regional reliability planning through better alignment of models for the Near-Term Planning Horizon.
 1. With respect to Entergy reliability assessment models, Entergy will incorporate any modeling updates for the SPP system since SPP's last Eastern Interconnection Reliability Assessment Group update. These updates shall include:
 - a. SPP topology changes
 - b. Transmission service that has been confirmed on the SPP system
 - c. Generation Interconnection service that has been confirmed on the SPP system
 - d. Revised loads and generation dispatch included in SPP models
 - e. Projects with Notifications to Construct issued by SPP to its members and other SPP member-committed projects.
 2. With respect to SPP reliability assessment models, SPP will incorporate any modeling updates for the Entergy system since Entergy's last SERC Reliability Corporation update. These updates shall include:
 - a. Entergy topology changes
 - b. Transmission service that has been confirmed on the Entergy system
 - c. Generation Interconnection service that has been confirmed on the Entergy system
 - d. Revised loads and generation dispatch included in Entergy

- models
 - e. Projects within the approved three-year Construction Plan that has been committed by Entergy.
 - 3. Better alignment of assessment years for the Near-Term Planning Horizon.
 - ii. Coordination of assumptions for contingency scans including:
 - 1. Monitored and contingency elements in each area
 - 2. First-tier “MON” and “CON” elements
 - 3. Transmission Operating Directives / Operating Guides
 - 4. Local Area Planning issues.
 - iii. Development of common or optimal solutions for interrelated transmission system reliability impacts.
 - 1. Any common or optimal solutions identified that both Parties agree to construct shall be incorporated into the SPP Transmission Expansion Plan and the Entergy Construction Plan.
 - a. Such common or optimal solutions shall be incorporated into models utilized by each party for the evaluation of transmission service requests in accordance with the provisions of two (2) and three (3) of the section entitled “Coordination of Transmission Service Request and Interconnection Request Study Processes” below.
- 3. Entergy and SPP agree to further evaluate the feasibility of developing enhanced regional reliability planning coordination activities for the Longer-Term Planning Horizon that are comparable to the enhanced regional reliability planning coordination activities set forth in Section 2 above for the Near-Term Planning Horizon.
- 4. Each Party shall modify their existing processes, procedures, business practices, and OATTs and/or develop new processes, procedures, business practices, and communications protocols as necessary to fulfill its obligations to enhance regional reliability coordination activities in accordance with this Protocol.
- 5. Each Party shall notify the other Party should it initiate the filing of an OATT modification that impacts its ability to fulfill its obligations under this Protocol.
 - a. Each Party shall notify the other Party if it receives a FERC order, response, or decision, whether in response to the filing of an OATT modification or through another process, that impacts its ability to fulfill its obligations under this Protocol.

Coordination of Transmission Service Request and Interconnection Request Study Processes

1. Each Party shall continue to use its established methodology for evaluating long-term transmission service requests and generation interconnection requests along with associated data and information, by which it evaluates requests for and grants access to long-term transmission service (one (1) year or more) and requests for generation interconnection to its transmission system, but shall further coordinate the evaluation of long-term transmission service requests and generation interconnection requests that impact the other Party's system as follows:
 - a. For long-term transmission service on the Entergy transmission system that impacts a flowgate(s) on SPP's transmission system, the ICT shall tender to the customer both (1) a Facilities Study Agreement between Entergy and the customer and (2) an Affected System Study Agreement between SPP and the customer. Such agreements shall be tendered when the System Impact Study performed for evaluation of a transmission service request identifies a limiting element on the SPP transmission system.
 - i. Any subsequent negotiations of the Affected System Study Agreement shall be between SPP and the customer.
 - ii. Where the customer executes both the Facilities Study Agreement and the Affected System Study Agreement tendered by the ICT, (a) SPP shall perform an Affected System Study evaluating 115 kV and higher facilities for the first tier SPP transmission system to Entergy and (b) Entergy shall perform a Facilities Study evaluating 115 kV and higher facilities in the Entergy footprint. All studies performed shall be in accordance with each party's respective OATT.
 1. SPP's performance of the Affected System Study shall be completed through an evaluation process that is distinct from SPP's aggregate study processes, with the report made available to the customer, by the 60th day after execution of the Affected System Study Agreement by the customer.
 - iii. SPP shall provide a copy of its Affected System Study Report to Entergy at the same time such study report is made available to the customer.
 - iv. When the Facilities and Affected System Studies are completed, in accordance with their OATTs, Entergy shall tender to the customer a TSA and, to the extent that facilities are identified as necessary on SPP's system to accommodate the service requested on the Entergy system, SPP shall tender (to Entergy's customer) a

bilateral agreement addressing any necessary upgrades on the SPP system and for related flowgate financial rights.

- b. For long-term transmission service on the SPP transmission system that impacts a flowgate(s) on Entergy's transmission system, SPP shall notify the ICT when it identifies a limiting element within the Entergy footprint.
 - i. Once Letters of Intent have been received by SPP from SPP transmission customers, SPP shall notify the ICT, which shall tender an Affected System Study Agreement to SPP or to the SPP customer.
 - ii. When SPP or the SPP customer executes the Affected System Study Agreement, the ICT will perform an Affected System Study in accordance with the Entergy OATT and will post on Entergy's OASIS the Affected System Study Report by the 60th day after execution of the Affected System Study Agreement.
 - 1. The ICT will provide a copy of its Affected System Study Report to SPP at the same time such study is made available to the customer to the extent that these entities are distinct.
 - 2. The ICT shall then provide the estimated costs of facilities needed to resolve the congestion on the limiting element to SPP for inclusion in its Aggregate Facilities Study Report.
 - iii. When the Facilities and Affected System Studies are completed, in accordance with their OATTs, SPP shall tender to the customer a TSA and, to the extent that facilities are identified as necessary on Entergy's system to accommodate the service requested on the SPP system, Entergy shall tender (to SPP's customer) a bilateral agreement addressing any necessary upgrades on the Entergy system and for related flowgate financial rights.
 - 1. Where SPP has executed the Affected System Study Agreement on behalf of some or all of SPP's customers ("Participating Customers"), Entergy shall tender to SPP a bilateral agreement addressing flowgate financial rights associated with necessary upgrades on the Entergy system, which agreement shall allow such flowgate financial rights to be held by SPP, subject to the following:
 - a. Such Participating Customers have agreed to an appropriate allocation for purposes of determining the level and recipient(s) of credits attributable to the use of flowgate financial rights associated with the necessary upgrade on Entergy's system.

- c. For generation interconnection requests on the Entergy transmission system that impact a flowgate(s) on SPP's transmission system, the ICT shall tender to the customer both (1) a Facilities Study Agreement between Entergy and the customer and (2) an Affected System Study Agreement between SPP and the customer. Such agreements shall be tendered when the System Impact Study performed for evaluation of a generation interconnection request identifies a limiting element on the SPP transmission system.
 - i. Any subsequent negotiations of the Affected System Study Agreement shall be between SPP and the customer.
 - ii. Where the customer executes both the Facilities Study Agreement and the Affected System Study Agreement tendered by the ICT, (a) SPP shall perform an Affected System Study in accordance with its OATT and (b) Entergy shall perform a Facilities Study in accordance with its OATT.
 - 1. SPP's performance of the Affected System Study shall be completed through an evaluation process that is distinct from SPP's aggregate study processes, with the report made available to the customer, by the 60th day after execution of the Affected System Study Agreement by the customer.
 - iii. SPP shall provide a copy of its Affected System Study Report to Entergy at the same time such study report is made available to the customer.
 - iv. When the Facilities and Affected System Studies are completed, in accordance with their OATTs, Entergy shall tender to the customer a TSA, and to the extent that facilities are identified as necessary on SPP's system to accommodate the generation interconnection requested on the Entergy system, SPP shall tender (to Entergy's customer) a bilateral agreement addressing any necessary upgrades on the SPP system and for related flowgate financial rights.
- d. For generation interconnection requests on the SPP transmission system that impact a flowgate(s) on Entergy's transmission system, SPP shall notify the ICT when it identifies a limiting element within the Entergy footprint.
 - i. SPP shall notify the ICT, which shall tender an Affected System Study Agreement to SPP or to the SPP customer.
 - ii. When the customer executes the Affected System Study Agreement, the ICT will post the Affected System Study

Report on Entergy's OASIS by the 60th day after execution of the Affected System Study Agreement.

1. The ICT will provide a copy of its Affected System Study Report to SPP at the same time such study is made available to the customer to the extent that these entities are distinct.
2. The ICT shall then provide the estimated costs of facilities needed to resolve the congestion on the limiting element to SPP for inclusion in its Generation Interconnection Cluster System Impact Study Report.
 - iii. When the Generation Interconnection Cluster System Impact Study and Affected System Studies are completed, in accordance with their OATTs, SPP shall tender to the customer a Generation Interconnection Agreement and, to the extent that facilities are identified as necessary on Entergy's system to accommodate the generation interconnection requested on the SPP system, Entergy shall tender (to SPP's customer) a bilateral agreement addressing any necessary upgrades on the Entergy system and for related flowgate financial rights.
2. When facilities are identified as necessary on the SPP system to accommodate a generation interconnection request or a long-term transmission service request on the Entergy system, Entergy shall incorporate such facilities into the models it utilizes for the evaluation of transmission service requests upon receipt of any one of the following notifications from SPP: (1) a copy of the Notice to Construct, including the expected-in service date; (2) approval by the SPP Board of Directors of the latest SPP Transmission Expansion Plan ("STEP") upgrades identifying SPP member-committed projects and in-service dates; or (3) notification that the facility has been placed in service. Entergy shall base the incorporation of such facilities on the in-service date for the facility, as provided in SPP's notification, subject to revision in the event of SPP's further notification of any confirmed construction delays.
3. When facilities are identified as necessary on the Entergy system to accommodate a generation interconnection request or a long-term transmission service request on the SPP system, SPP shall not incorporate such facilities into the models it utilizes for the evaluation of transmission service requests until those facilities are in-service on the Entergy system.
4. Each Party shall modify its existing processes, procedures, business practices, and OATT as necessary to fulfill its obligations to coordinate evaluations of

transmission service requests and generator interconnection requests in accordance with this Protocol.

5. Each Party shall notify the other Party should it initiate the filing of an OATT modification that impacts its ability to fulfill its obligations under this Protocol.
 - a. Each Party shall notify the other Party if it receives a FERC Order, response, or decision, whether in response to the filing of an OATT modification or through another process, that impacts its ability to fulfill its obligations under this Protocol.
6. Each Party shall, as necessary, develop new processes, procedures, business practices, and communications protocols to fulfill its obligations related to transmission and generation interconnection services under this Protocol.

Data Exchange and Coordination Limitations

1. All data and information exchanged hereunder shall be governed by the “Protocol Governing Confidential Information and Critical Energy Infrastructure Information,” appended to the February 26, 2010 Letter Agreement between the Parties.

Dispute Resolution and Liability

1. The Parties shall attempt in good faith to achieve consensus with respect to all matters arising under this Protocol and to use reasonable efforts through good faith discussion and negotiation to avoid and resolve disputes that could delay or impede a Party from receiving the benefits of this Protocol.
2. Neither Party (including its affiliates and members) shall be liable to the other Party for any damages hereunder, including, but not limited to, direct, consequential, special, indirect, treble, exemplary, incidental, or punitive damages.
3. The failure of a party to insist, on any occasion, upon strict performance of any provision of this Article will not be considered a waiver of any right held by such party. Any waiver on any specific occasion by either party shall not be deemed a continuing waiver of such right, nor shall it be deemed a waiver of any other right under this Article.

Effective Date and Implementation Period

1. Effective Date: This Protocol shall be effective on 2-26-
2010_____.

Entergy Services, Inc. <u>/s/ Mark McCulla</u> Mark McCulla, VP., Trans Regulatory Compliance	Southwest Power Pool, Inc. <u>/s/ Carl Monroe</u> Carl Monroe, EVP & COO
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2. Implementation Period: Commencing with the Effective Date, the Parties shall commence and continue efforts to implement the provisions of this Protocol, which dates shall, subject to obtaining any necessary regulatory approvals, be the earliest dates reasonably feasible for the Parties but which are not to be later than six (6) months from the Effective Date.

ATTACHMENT B

PROTOCOL GOVERNING COORDINATION OF AFC/TFC VALUES

PROTOCOL GOVERNING COORDINATION OF AFC/TFC VALUES

Rules Of Construction

1. Any undefined, capitalized term used in this Protocol that is not defined in the “Definitions” Section shall have the meaning given under industry custom, and, where applicable, in accordance with Good Utility Practice.
2. All activities performed under this Protocol shall be conducted in a manner that meets or exceeds the NERC Reliability Standards, as approved by the FERC, that apply to that Party.
3. Each Party will perform this Protocol with respect to the transmission systems for which the Party serves as the Transmission Provider. Nothing in this Protocol requires a Party to exchange data that it does not have access to, develop data it does not already produce in the normal course of business, or modify data that it does produce in the normal course of business.
4. The Parties to this Protocol have developed it and any processes associated herewith voluntarily. Nothing in this Protocol will be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Protocol. Additionally, neither Party to this Protocol shall construe it nor any obligation described hereunder as a regulatory or other requirement that would create any duty to, standard of care with reference to, or any liability to the other Party.

Definitions

1. “Available Flowgate Capability” (“AFC”) shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party’s Attachment C or, in the event that it is not defined in a Party’s Attachment C, it shall have the definition ascribed to it in the “Glossary Of Terms Used In Reliability Standards” published by NERC.
2. “Capacity Benefit Margin” (“CBM”) shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party’s Attachment C, or in the event that it is not defined in a Party’s Attachment C, it shall have the definition ascribed to it in the “Glossary Of Terms Used In Reliability Standards” published by NERC.
3. “Balancing Authority” shall mean the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports Interconnection frequency in real time.
4. “Balancing Authority Area” shall mean the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority.

5. "Effective Date" shall mean the date of execution of this Protocol or the date of implementation as otherwise determined between the Parties.
6. "Entergy" shall mean Entergy Services, Inc.
7. "Existing Transmission Commitments" ("ETC") shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party's Attachment C or, in the event that it is not defined in a Party's Attachment C, it shall have the definition ascribed to it in the "Glossary Of Terms Used In Reliability Standards" published by NERC.
8. "February 26 Letter Agreement" shall mean the Letter Agreement executed by SPP and Entergy on February 26, 2010 as a "Comprehensive Seams Agreement Between Entergy Service, Inc. and the Southwest Power Pool, Inc."
9. "FERC" shall mean the Federal Energy Regulatory Commission or any successor agency thereto.
10. "Flowgate" shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party's Attachment C or, in the event that it is not defined in a Party's Attachment C, it shall have the definition ascribed to it in the "Glossary Of Terms Used In Reliability Standards" published by NERC.
11. "FTP" shall mean the standardized file transfer protocol for data exchange.
12. "Good Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
13. "Governmental Authority" shall mean any federal, state, regional, local, or foreign court, tribunal, government, governmental agency, military, governmental or regulatory body or authority over the transmission and/or generation facilities of a Party or the Parties.
14. "ICT" shall mean the Independent Coordinator of Transmission for the Entergy transmission system.
15. "MMWG" shall mean the NERC Multi-Regional Modeling Working Group that is charged with multi-regional modeling, or a successor group thereto.

16. "NERC" shall mean the North American Electricity Reliability Corporation or any successor organization thereto in its role as the Electric Reliability Organization.
17. "OASIS" shall mean an electronic posting system that the Transmission Service Provider maintains for transmission access data and that allows all transmission customers to view the data simultaneously.
18. "OATT" shall mean the electronic transmission tariff accepted by the FERC requiring the Transmission Service Provider to furnish to all shippers non-discriminating service comparable to that provided by the Transmission Service Provider to itself and affiliates.
19. "Party" or "Parties" are Entergy and SPP.
20. "Scheduled Outage" shall mean the planned unavailability of transmission and/or generation facilities dispatched by a Party. A Scheduled Outage does not include forced or other unplanned outages.
21. "SDX System" shall mean the system used by NERC to exchange system data.
22. "SPP" shall mean Southwest Power Pool, Inc.
23. "Total Flowgate Capability" ("TFC") shall, when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party's Attachment C or, in the event that it is not defined in a Party's Attachment C, it shall have the definition ascribed to it in the "Glossary Of Terms Used In Reliability Standards" published by NERC.
24. "Total Transfer Capability" ("TTC") shall mean the amount of electric power that can be moved or transferred reliably from one area to another area of the interconnected transmission systems by way of all transmission lines (or paths) between those areas under specified system conditions.
25. "Transmission Provider" (or, equivalently, "Transmission Service Provider") shall mean the entity that administers the OATT and provides transmission service to transmission customers under applicable transmission service agreements.
26. "Transmission Reliability Margin" ("TRM") shall when applied to the Parties to this Protocol, have the meaning ascribed to it in the respective Party's Attachment C or, in the event that it is not defined in a Party's Attachment C, it shall have the definition ascribed to it in the "Glossary Of Terms Used In Reliability Standards" published by NERC.

Role Of The ICT

1. The Southwest Power Pool, Inc. is Entergy's ICT in accordance with the FERC's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006).
2. The ICT shall participate in the processes under this Protocol in a manner consistent with Attachments C, S, K, W, and other applicable provisions of Entergy's OATT.
 - a. Entergy and SPP acknowledge that, where necessary, the modification to or development of processes, procedures, business practices, and communications protocols may be to processes, procedures, business practices, and communications protocols developed and implemented by the ICT in accordance with the Commission's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006), other applicable orders of Governmental Authorities, and Entergy's OATT.
3. To the extent that the ICT performs an action, provides data, or provides other information required of Entergy under this Protocol, such requirement or obligation of Entergy under this Protocol shall be deemed satisfied.

Data Exchange

1. To the extent it uses the data identified in this Section in its TFC or AFC calculations, or otherwise maintains such data, each Party will provide to the other Party such data and information, for the purposes of calculating TFC and AFC values, subject to the data exchange and coordination limitations described herein. Except as otherwise specified herein, (a) the Parties periodically will determine the commencement dates and timing requirements for the exchange of data hereunder and (b) each Party shall make such data available for the same time period into the future for which that Party calculates AFC and TFC values.
2. Each Party shall bear its own cost of providing the data and information to the other Party as required under this Section and otherwise under this Protocol. Where a Party provides additional requested data not otherwise required under the Protocol, any associated costs will be borne as mutually agreed upon by the Parties.
3. Expected Generation and Transmission Outages, Additions, and Retirements
 - a. Subject to the data exchange and coordination limitations described herein, each Party shall provide to the other Party the projected status of generation availability, additions, and retirements. Each Party will update this data once daily for the full Operating, Planning, and Study horizons or more often if required by system conditions.
 - i. The data shall include generation maintenance schedules and the most current available generator availability data, including the "return date" of a generator from a scheduled or forced outage, as

provided in accordance with the use of the SDX System as described in (c) below.

- ii. Each Party shall include the status of all generators that are directly interconnected with the relevant transmission system and are used in the calculation of their TFC or AFC values, to the extent that such information is available on the NERC SDX system. This includes all generators in each Balancing Authority within Entergy and SPP's Tariff and Reliability Footprints to the extent that such information is available on the NERC SDX system.
- b. Subject to the data exchange and coordination limitations described herein, each Party shall provide to the other Party the projected status of transmission availability, additions, and retirements. The projected status of the Scheduled Outages of applicable interconnections and other transmission facilities shall be updated once daily for the Operating, Planning, and Study horizons or more often if required by system conditions.
 - i. The projected status of the Scheduled Outages shall include current transmission facility maintenance schedules, including the "outage date" and "return date" of a transmission facility from a Scheduled Outage or forced outage.
 - ii. Outage data will only be provided for transmission facilities 115 kV and above.
- c. As of the date of this Protocol, the Parties use the NERC SDX System to provide the data described in (a) and (b) above. The Parties shall continue to use such system to provide to the other Party the planned status of all generators used in the calculation of their AFC and TFC values and the Scheduled Outages of applicable interconnections and other transmission facilities. Any reporting of forced outages and update of the data defined in (a) and (b) above on a basis more frequent than once a day will be completed using a separate data exchange system.
- d. Each Party shall communicate transmission configuration changes and generation additions or retirements to the other Party through the NERC MMWG process.
 - i. As soon as reasonably practicable, each Party shall update its models used to calculate TFC or AFC with such changes and additions that occur to the transmission network. Such changes and additions shall include, at a minimum, the "New Facilities" listings typically included in inter-regional reports and any explicit modeling information associated with the listings to accomplish

the modifications described above. This data exchange shall occur on a quarterly basis and upon reasonable request by either party.

- ii. “TFC/AFC Model Updates Process” is attached to the Protocol as Appendix I.

4. Load Forecasts

- a. Each Party shall provide to the other Party peak load data forecasts for each period (daily, weekly, and monthly) in accordance with any applicable provisions of 18 CFR 38.2 and the NERC Reliability Standards.
- b. Each Party shall supply hourly load forecasts for next seven (7) days, daily load forecasts for days eight (8) through thirty-one (31), and monthly load forecasts for months two (2) through eighteen (18), submitted once a day.
- c. As of the date of this Protocol, the Parties use the NERC SDX System and shall continue to use such system to provide to the other Party peak load forecasts, subject to NERC SDX Data Exchange Requirements. Exchange of data through the NERC SDX system will be discontinued to the extent that it conflicts with any applicable provisions of 18 CFR 38.2 and the NERC Reliability Standards.

5. Generation Unit Commitment and Dispatch Order

- a. Subject to the data exchange and coordination limitations described herein, each Party shall provide to the other Party generation unit commitments or orders of dispatch, including for all designated network resources and other resources that are committed or have the legal obligation to run, as they are expected to run.
- b. “Request for AFC Data – External Process” is attached to the Protocol as Appendix II. This process is subject to the data exchange and coordination limitations described herein.

6. Firm and Non-Firm Transmission Reservations

- a. Each Party shall make available to the other Party all of its reservation and interchange schedules, as required to permit accurate calculation of TFC and AFC values.
 - i. The Parties may request NERC to modify the NERC Interchange Distribution Calculator to allow for selected review by the Parties as an alternative to the process set forth in this provision (i) of this Subsection 6.

- b. Each Party shall make available to the other Party actual transmission reservation information, as required to permit accurate calculation of TFC and AFC values.
 - c. Each Party shall develop and implement practices and procedures for modeling reservations, including external reservations, and incorporating counterflows created by reservations in electrically opposite directions. Each Party shall provide the other Party with such practices and procedures.
 - d. Each Party shall create, maintain, and exchange a list of reservations from its OASIS that should not be considered in AFC calculations. If a Party does not include a reservation from its OASIS in its own evaluation, the reservation shall be included on the list and should be excluded in the other Party's AFC calculations.
 - e. Each party shall provide the calculated Net Interchange value for its Balancing Authority Area for: each hour for next seven (7) days, a peak hour for days eight (8) through thirty-one (31), and a peak hour for each month for months two (2) through eighteen (18), at a minimum, once a day.
- 7. Each Party shall reflect capacity set aside for grandfathered obligations on its OASIS.
 - 8. Each Party shall make available to the other Party a list of firm rollover rights available to customers under that Party's OATT or grandfathered agreements.
 - 9. Each Party shall make available to the other Party a list of any firm and non-firm adjustments applied by that Party to reflect parallel path impacts.
 - 10. Subject to the data exchange and coordination limitations described herein, each Party shall make available to the other Party power flow models and underlying assumptions used in calculating TFC or AFC values. The Parties shall exchange TFC and AFC calculation models after mechanisms are established to facilitate such exchange.
 - 11. Each Party shall make available to the other Party a list of contingencies, provided in one of the following formats: (a) a list of elements, (b) a list of Flowgates, or (c) a set of selection criteria that can be applied to the transmission model used by the other Party.
 - 12. Facility Ratings
 - a. Each Party shall provide to the other Party the TFC for facilities as it has established them using the current, applicable, governing NERC standards to the extent that such ratings are used in calculating AFC values.

- b. Each Party shall update the information provided in accordance with this subsection in a timely manner, as required by changes on the transmission system.
 - c. Voltage and stability limits, when applicable, shall be manually updated periodically by each Party.
- 13. Each Party shall provide to the other Party a list of any other services that impact ETC.
- 14. Each Party shall provide to the other Party the CBM and TRM values for all AFC Paths and Flowgates.
- 15. Each Party shall provide to the other Party the TFC and AFC values for any Flowgates whether or not such Flowgates are considered by the Party when selling transmission service. Each Party also shall provide to the other Party firm and non-firm AFC values for all relevant Flowgates.
 - a. Hourly AFC values for first seven (7) days; Daily AFC values for days eight (8) through thirty-one (31); and Monthly AFC values for months two (2) through eighteen (18), provided, at a minimum, once a day.
- 16. Each Party shall provide to the other Party source and sink identification and mapping data for all models provided under this Protocol.

AFC/TFC Coordination

- 1. Each Party shall continue to use its established methodology for determining TFC and AFC data and information, by which it evaluates requests for and grants access to short-term transmission service (less than one (1) year), but shall consider limitations on the other Party's system as follows:
 - a. For short-term transmission service that impacts a flowgate(s) on the other party's system, the Party selling service shall honor the AFC and TFC values established for the impacted flowgate(s) by the other Party.
 - i. AFC and TFC values shall be provided as indicated in Provision 15 above.
 - b. Each Party shall use the data provided pursuant to the "Data Exchange" Section of this Protocol to the extent that it is consistent with the method that each Party uses in calculating AFC or TFC values; provided however that nothing in this Protocol require that either Party modify the manner in which AFC or TFC values are calculated or the software used to calculate those values.

Data Exchange and Coordination Limitations

1. Notwithstanding the foregoing, nothing in this Protocol shall require a Party to coordinate regarding, provide or exchange information or data that it does not possess or have access to, develop data it does not already produce in the normal course of business, or modify data that it does produce in the normal course of business. In addition, nothing in this Protocol shall require a Party to coordinate regarding, or provide or exchange information or data, to the extent that such coordination or disclosure would be a violation of or inconsistent with either Party's OATT, any other agreement, or applicable state or federal regulation or law.
2. Any data exchanged in accordance with the provisions of this Protocol are subject to the confidentiality and CEII provisions in the Confidentiality and Data Exchange Protocol appended to the February 26 Letter Agreement to which this Protocol is attached.

Dispute Resolution

1. The Parties shall attempt in good faith to achieve consensus with respect to all matters arising under this Protocol and to use reasonable efforts through good faith discussion and negotiation to avoid and resolve disputes that could delay or impede a Party from receiving the benefits of this Protocol.
2. Neither Party (including its affiliates and members) shall be liable to the other Party for any damages hereunder, including, but not limited to, direct, consequential, special, indirect, treble, exemplary, incidental, or punitive damages.
3. The failure of a party to insist, on any occasion, upon strict performance of any provision of this Article will not be considered a waiver of any right held by such party. Any waiver on any specific occasion by either party shall not be deemed a continuing waiver of such right, nor shall it be deemed a waiver of any other right under this Article.

Effective Date and Implementation Period

1. Effective Date: This Protocol shall be effective on 05/02/2011.

Entergy Services, Inc. <u>/s/ Mark McCulla</u> Mark McCulla, <u>VP., Trans Regulatory Compliance</u>	Southwest Power Pool, Inc. <u>/s/ Carl Monroe</u> Carl Monroe, <u>EVP & COO</u>
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Implementation Period: Commencing with the Effective Date, the Parties shall commence and continue efforts to implement the provisions of this Protocol, which dates, shall subject to obtaining any necessary regulatory approvals, be the earliest dates reasonably feasible for the Parties but which are not to be later than six (6) months from the Effective Date.

APPENDIX I TO ATTACHMENT B
TFC/AFC Model Updates Process

TFC/AFC Model Updates Process

I. OVERVIEW

A. Purpose

This document details the process for TFC/AFC model updates used by SPP and Entergy.

B. Background

SPP and Entergy both participate in the Eastern Interconnection Reliability Assessment Group Multi-Regional Modeling Working Group (“ERAG MMWG”), formerly the NERC MMWG, which makes modeling information available to entities in the Eastern Interconnection for use in their respective TFC/AFC models.

SPP utilizes the Real-Time Response Factor Calculator application of its Energy

Management System (“**EMS**”) to apply outages, load forecast, unit dispatch, and net interchange to simulate anticipated system conditions for future time periods of AFC calculations. Network topology (initial model prior to applying aforementioned inputs) is known as the State Estimator or EMS model. This EMS model is the model used for SPP’s TFC/AFC model.

Entergy utilizes the Real-Time Response Factor Calculator application of its EMS to apply outages, load forecast, unit dispatch, and net interchange to simulate anticipated system conditions for future time periods of AFC calculations for the Operating and Planning Horizon (day one through day 31). Entergy utilizes the PowerGEM ATC/AFC Calculator (“PAAC”) application for calculating AFC values for month two through month 18. The PAAC application uses the ERAG MMWG model for network topology as the initial model prior to applying outages, load forecast, unit dispatch, and net interchange to simulate anticipated system conditions.

II. PROCEDURE

A. EMS Modeling Coordination

Through coordination with the SERC Real-Time Modeling Working Group, Entergy and SPP participate in meetings throughout the year to exchange modeling information. SPP, Entergy, and other members of SERC make their EMS models available on a quarterly basis and upon request, as well as discuss modeling changes in the meetings.

B. EMS Modeling Frequency

SPP performs monthly EMS model updates, or as needed. These monthly updates include updates from Transmission Operators in the SPP Reliability footprint and incorporate appropriate neighboring entities’ model changes identified during coordination with these entities as previously stated. This EMS model is the model used for applying outages, load forecast, unit dispatch, and net interchange to simulate anticipated system conditions for AFC calculations.

Entergy performs biweekly, or if needed more frequent, model updates for EMS and ERAG MMWG models. These updates include (i) any changes to the transmission system within the Entergy Balancing Authority area and (ii) appropriate neighboring entities' model changes identified during coordination with those entities as previously stated.

APPENDIX II TO ATTACHMENT B

Request for AFC Data – External Process

Request for AFC Data – External Process

I. OVERVIEW

A. Purpose

This document details the response to a request for AFC data, per NERC Standard MOD-001-1, R9.

B. Background

NERC Standard MOD-001-1:

R9. Within thirty calendar days of receiving a request by any Transmission Service Provider, Planning Coordinator, Reliability Coordinator, or Transmission Operator for data from the list below solely for use in the requestor's ATC or AFC calculations, each Transmission Service Provider receiving said request shall begin to make the requested data available to the requestor, subject to the conditions specified in R9.1 and R9.2:

R9.1. The Transmission Service Provider shall make its own current data available, in the format maintained by the Transmission Service Provider, for up to 13 months into the future (subject to confidentiality and security requirements).

R9.2. This data shall be made available by the Transmission Provider on the schedule specified by the requestor (but no more frequently than once per hour, unless mutually agreed to by the requester and the provider).

Specific data required to be made available is posted to a GlobalScape EFT website for access by those holding valid GlobalScape EFT login credentials.

II. PROCEDURE

A. Initial Customer Request

Requesting Data from SPP:

Customer will submit a request for SPP AFC data via e-mail to the SPP AFC Methodology Contact specified on the SPP OASIS home page. The request must include a completed AFC Data Request form which is located in a downloadable form on the SPP OASIS Homepage under the ATC Information link.

Requesting Data from Entergy:

Customer will submit a request for Entergy AFC data via e-mail to the Entergy AFC Methodology Contact as specified in Entergy's process posted on Entergy's OASIS. (<http://www.oatiaoasis.com/EES/EESDocs/AFCInformationRequests.pdf>).

B. Request Receipt

SPP Process:

Upon receipt of a completed request for AFC data, the AFC Methodology Contact, or designee, will verify the requestor's registered entity status via the TSIN Registry, or current Electric Industry Registry. Valid entities are Transmission Service Providers, Planning Coordinators, Reliability Coordinators or Transmission Operators. If the requestor's company is not registered as one of these four functional entities, the AFC methodology Contact will deny the request as being an invalid requestor type.

If the requestor's company is registered as one of the four valid requestor functional entities, the AFC Methodology Contact will work with the IT department to gain access to GlobalScape EFT Server on behalf of the requestor.

Entergy Process:

Upon receipt of a completed request for AFC data, the AFC Methodology Contact, or designee, will verify the requestor's registered entity status via the TSIN Registry, or current Electric Industry Registry. Valid entities are Transmission Service Providers, Planning Coordinators, Reliability Coordinators or Transmission Operators. If the requestor's company is not registered as one of these four functional entities, the AFC methodology Contact will deny the request as being an invalid requestor type and notify the requestor.

If the requestor is eligible to receive the data Entergy will provide the requested data via OASIS, granting access to one or more FTP sites or email as appropriate.

C. GlobalScape EFT Credential Transmission

When the requested server access has been established, the AFC Methodology Contact at SPP will provide the account credentials and GlobalScape EFT url to the requestor. Access to the GlobalScape EFT Server must be granted within 30 days of receipt of a valid request.

Entergy does not use GlobalScape EFT and as stated above will provide access to the data via FTP site, OASIS or email as appropriate.

D. Request Data Retention

SPP Process:

The AFC Methodology Contact will maintain a log of the processed AFC Data requests for audit purposes. AFC Data Request Log will contain, but not be limited to, the date of request receipt, contact information, and date of GlobalScape EFT Login credentials.

Entergy Process:

Entergy will maintain a log of AFC data requests and necessary evidence that the requested data was provided for all eligible requests within the time frame specified in NERC Reliability Standard MOD-001 Requirement 9.

ATTACHMENT C

PROTOCOL GOVERNING ALLOCATION OF COSTS OF UPGRADES

PROTOCOL GOVERNING ALLOCATION OF COSTS OF UPGRADES

Rules Of Construction

1. Any undefined, capitalized term used in this Protocol that is not defined in the “Definitions” Section shall have the meaning given under industry custom, and, where applicable, in accordance with Good Utility Practice.
2. All activities performed under this Protocol shall be conducted in a manner that meets or exceeds the NERC Reliability Standards, as approved by the FERC, that apply to that Party.
3. Each Party will perform this Protocol with respect to the transmission systems for which the Party serves as the Transmission Provider.
4. The Parties to this Protocol have developed it and any processes associated herewith voluntarily. Nothing in this Protocol will be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Protocol. Additionally, neither Party to this Protocol shall construe it or any obligation described hereunder as a regulatory or other requirement that would create any duty to, standard of care with reference to, or any liability to the other Party.

Definitions

1. “Entergy” shall mean Entergy Services, Inc.
2. “FERC” shall mean the Federal Energy Regulatory Commission or any successor agency thereto.
3. “Good Utility Practice” shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
4. “Governmental Authority” shall mean any federal, state, regional, local, or foreign court, tribunal, government, governmental agency, military, governmental or regulatory body or authority over the transmission and/or generation facilities of a Party or the Parties.
5. “ICT” shall mean the Independent Coordinator of Transmission for the Entergy transmission system.

6. “NERC” shall mean the North American Electric Reliability Corporation or any successor organization thereto in its role as the Electric Reliability Organization.
7. “Open Access Transmission Tariff” (“OATT”) shall mean the electronic transmission tariff accepted by the FERC requiring the Transmission Service Provider to furnish to all shippers non-discriminating service comparable to that provided by the Transmission Service Provider to itself and affiliates.
8. “February 26 Letter Agreement” shall mean the Letter Agreement executed by SPP and Entergy on February 26, 2010 as a “Comprehensive Seams Agreement Between Entergy Service, Inc. and the Southwest Power Pool, Inc.”
9. “Party or “Parties” are Entergy and SPP.
10. “SPP” shall mean Southwest Power Pool, Inc.
11. “Transmission Provider” (or, equivalently, “Transmission Service Provider”) shall mean the entity that administers an OATT and provides transmission service to transmission customers under applicable transmission service agreements.

Role Of The ICT

1. SPP is Entergy’s ICT in accordance with the FERC’s April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006).
2. The ICT shall participate in the processes under this Protocol in a manner consistent with Attachments D, K, S and W, and other applicable provisions of Entergy’s OATT.
 - a. Entergy and SPP acknowledge that, where necessary, the modification to or development of processes, procedures, business practices, and communications protocols may be to processes, procedures, business practices, and communications protocols developed and implemented by the ICT in accordance with the Commission’s April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006), other applicable orders of Governmental Authorities, and Entergy’s OATT.
3. To the extent that the ICT performs an action, provides data, or provides other information required of Entergy under this Protocol, such requirement or obligation of Entergy under this Protocol shall be deemed satisfied.

Upgrades Associated with Interconnection Requests

1. Costs associated with facilities identified as necessary on the SPP system to accommodate a generation interconnection request on the Entergy system will be recovered under the terms of the SPP OATT and consistent with applicable regulatory policy.

2. Costs associated with facilities identified as necessary on the Entergy system to accommodate a generation interconnection request on the SPP system will be recovered under the terms of the Entergy OATT and consistent with applicable regulatory policy.

Upgrades Associated with Long-Term Transmission Service Requests

1. Costs associated with facilities identified as necessary on the SPP system to accommodate a long-term transmission service request on the Entergy system will be recovered under the terms of the SPP OATT and consistent with applicable regulatory policy.
2. Costs associated with facilities identified as necessary on the Entergy system to accommodate a long-term transmission service request on the SPP system will be recovered under the terms of the Entergy OATT and consistent with applicable regulatory policy.

Upgrades Associated with Reliability Planning and Enhanced Regional Planning Activities

1. Entergy and SPP shall allocate costs incurred pursuant to Reliability Planning and any Enhanced Regional Planning Activities on a solution-specific basis as mutually determined and agreed upon by the affected parties. The cost allocation shall take into consideration both reliability and economic benefits to each of the funding parties. Neither Party shall have an obligation to construct a facility identified pursuant to the Enhanced Regional Planning Activities absent agreement on the allocation of costs associated with that facility.

Data Exchange and Coordination Limitations

1. Notwithstanding the foregoing, nothing in this Protocol shall require a Party to coordinate regarding, provide or exchange information or data that it does not possess or have access to, nor shall it require a Party to develop data it does not already produce in the normal course of business, or modify data that it does produce in the normal course of business, nor does it require a Party to coordinate regarding, provide or exchange information or data to the extent that such coordination or disclosure would be a violation of or inconsistent with either Party's OATT, any other agreement, or applicable state or federal regulation or law.
2. Any data exchanged in accordance with the provisions of this Protocol are subject to the confidentiality and CEII provisions in the Confidentiality and Data Exchange Protocol appended to the February 26 Letter Agreement to which this Protocol is attached.

Dispute Resolution and Liability

1. The Parties shall attempt in good faith to achieve consensus with respect to all matters arising under this Protocol and to use reasonable efforts through good faith discussion and negotiation to avoid and resolve disputes that could delay or impede a Party from receiving the benefits of this Protocol.
2. Neither Party (including its affiliates and members) shall be liable to the other Party for any damages hereunder, including, but not limited to, direct, consequential, special, indirect, treble, exemplary, incidental, or punitive damages.
3. The failure of a party to insist, on any occasion, upon strict performance of any provision of this Article will not be considered a waiver of any right held by such party. Any waiver on any specific occasion by either party shall not be deemed a continuing waiver of such right, nor shall it be deemed a waiver of any other right under this Article.

Effective Date and Implementation Period

1. Effective Date: This Protocol shall be effective on 03/31/10.

<p>Entergy Services, Inc.</p> <p><u>/s/ Mark McCulla</u> Mark McCulla, <u>VP., Trans Regulatory Compliance</u></p>	<p>Southwest Power Pool, Inc.</p> <p><u>/s/ Carl Monroe</u> Carl Monroe, <u>EVP & COO</u></p>
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2. Implementation Period: Commencing with the Effective Date, the Parties shall commence and continue efforts to implement the provisions of this Protocol, which dates shall, subject to obtaining any necessary regulatory approvals, be the earliest dates reasonably feasible for the Parties but which are not to be later than six (6) months from the Effective Date.

ATTACHMENT D

**PROTOCOL GOVERNING DATA EXCHANGE, CONFIDENTIAL INFORMATION,
AND CRITICAL ENERGY INFRASTRUCTURE INFORMATION**

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Rules Of Construction

1. Any undefined, capitalized term used in this Protocol that is not defined in the "Definitions" Section shall have the meaning given under industry custom, and, where applicable, in accordance with Good Utility Practice.
2. This Protocol is applicable to all data and/or information exchanged under the Letter Agreement (including attachments) to which it is attached.
3. Each Party will perform this Protocol with respect to the transmission systems for which the Party serves as the Transmission Provider.
4. The Parties to this Protocol have developed it and any processes associated herewith voluntarily. Nothing in this Protocol will be construed to create any duty to, standard of care with reference to, or any liability to, any person not a party to this Protocol. Additionally, neither Party to this Protocol shall construe it nor any obligation described hereunder as a regulatory or other requirement that would create any duty to, standard of care with reference to, or any liability to the other Party.

Definitions

1. "Critical Energy Infrastructure Information" shall mean specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that: (1) relates details about the production, generation, transmission, or distribution of energy; (2) could be useful to a person planning an attack on critical infrastructure; (3) is exempt from mandatory disclosure under the Freedom of Information Act; and (4) gives strategic information beyond the location of the critical infrastructure.
2. "Confidential Information" shall mean: (a) all data and information, whether furnished before or after the execution of this Protocol, whether oral, written, or recorded/electronic, and regardless of the manner in which it is furnished, that is marked "Confidential" or "Proprietary" or which, under all of the circumstances, should be treated as confidential or proprietary; (b) any data or information deemed confidential under some other form of confidentiality agreement or tariff that is provided to a Party; (c) all reports, summaries, compilations, analyses, notes, or any other data or information of a Party hereto which are based on, contain, or reflect any Confidential Information; and (e) any data and information which, if disclosed by a transmission function employee of a utility regulated by FERC to a market function employee of the same utility system, other than by public posting, would violate FERC's Standards of Conduct set forth in 18 C.F.R. Part 358. The Parties agree that Confidential Information constitutes commercially sensitive and proprietary trade secret information. Confidential Information includes, but is not limited to, (i) customer-specific information regarding: load forecasts, billing determinants, scheduling and reservation data, power purchases, and contracts; (ii) generator-specific information regarding: unit commitment and dispatch levels, generator

cost data, heat rates, outage and maintenance schedules, operating restrictions, ramp rates, and automatic generation control capability and ranges; and (iii) system information regarding: avoided costs and system incremental costs.

3. "Entergy" shall mean Entergy Services, Inc.
4. "FERC" shall mean the Federal Energy Regulatory Commission or any successor agency thereto.
5. "Good Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act section 215(a)(4).
6. "Governmental Authority" shall mean any federal, state, regional, local, or foreign court, tribunal, government, governmental agency, military, governmental or regulatory body or authority over the transmission and/or generation facilities of a Party or the Parties.
7. "ICT" refers to the functional responsibility of SPP to serve as the Independent Coordinator of Transmission for the Entergy transmission system.
8. "Open Access Transmission Tariff" ("OATT") shall mean an electronic transmission tariff accepted by the U.S. Federal Energy Regulatory Commission requiring the Transmission Service Provider to furnish to all shippers with non-discriminating service comparable to that provided by Transmission Owners to themselves.
9. "Party" or "Parties" are Entergy and SPP.
10. "SPP" shall mean Southwest Power Pool, Inc.
11. "Transmission Provider" (or, equivalently, "Transmission Service Provider") shall mean the entity that administers an OATT and provides transmission service to transmission customers under applicable transmission service agreements.

Role Of The ICT

1. SPP is Entergy's ICT in accordance with the FERC's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006).
2. The ICT shall participate in the processes under this Protocol in a manner consistent with Attachments D, K, S and W, and other applicable provisions of Entergy's OATT.
 - a. Entergy and SPP acknowledge that, where necessary, the modification to or development of processes, procedures, business practices, and communications

protocols may be to processes, procedures, business practices, and communications protocols developed and implemented by the ICT in accordance with the Commission's April 24, 2006 Order in Entergy Services, Inc., 115 FERC ¶ 61,095 (2006), other applicable orders of Governmental Authorities, and Entergy's OATT.

3. To the extent that the ICT is charged with performing an action, providing data, or providing other information under this Protocol, the Parties recognize that the performance of any such action, or the provision of such data or information, are in satisfaction of a requirement or obligation of Entergy. The Parties further recognize that to the extent that the ICT performs such an action or provides such data or information required of Entergy or on behalf of Entergy under this Protocol, the requirement or obligation of Entergy shall be deemed satisfied.

Data Exchange and Coordination

1. Notwithstanding any other term or condition herein or any term or condition in any protocol attached to the Letter Agreement, neither Party shall be required to (i) provide, exchange, or coordinate information or data that it does not possess or have access to; (ii) develop data it does not already produce in the normal course of business; or (iii) modify data that it does produce in the normal course of business. In addition, neither Party shall be required to provide, exchange, or coordinate information or data to the extent that such coordination or disclosure of data or information would be a violation of or inconsistent with either Party's OATT, any other agreement, or applicable state or federal regulation or law.
2. Any data or information exchanged in accordance with the provisions of any Protocol attached to the Letter Agreement is subject to the confidentiality and CEII provisions contained herein.

Confidential Information and CEII

1. Except as may be required by subpoena or other compulsory process, or applicable regulatory requirement, neither Party nor the ICT shall disclose Confidential Information to any person or entity without the prior written consent of the Party that initially supplied the Confidential Information. The handling of any commercially sensitive economic data also will conform to rules and practices set forth by the SPP Economic Modeling and Methods Task Force (EMMTF) or the SPP Economic Studies Working Group (ESWG) and Entergy.
 - a. To the extent possible, data considered Confidential Information or CEII will be redacted prior to public review or posting and will not be subject to review or posting by the general public, e.g., posting on the public portion of either Party's Open Access Same-Time Information System.
2. In addition, each Party shall ensure that its employees, its agents, its subcontractors, and its subcontractors' employees and agents to whom Confidential Information is given or exposed, agree to be bound by the terms and conditions contained herein. Each Party

shall be liable for any breach of this Protocol by its employees, its agents, its subcontractors, and its subcontractors' employees and agents.

3. The obligation of confidentiality shall not extend to data and information that, at no fault of a recipient Party, is or was: (a) in the public domain or generally available or known to the public; (b) disclosed to a recipient by a non-Party who had a legal right to do so; (c) independently developed by a Party or known to such Party prior to its disclosure hereunder; or (d) required to be disclosed by subpoena, law, or other directive of a Governmental Authority.
4. Except as may be required by subpoena or other compulsory process, information designated as CEII shall be made available to a Party in accordance with the applicable provisions of the supplying Party's OATT.
5. Upon receipt of a subpoena or other compulsory process for the disclosure of Confidential Information or CEII, or upon becoming aware of a regulatory requirement to disclose confidential information or CEII, the Party receiving such subpoena or other compulsory process or required to disclose such information shall promptly notify the Party that initially supplied the applicable data, shall furnish all reasonable assistance requested by the supplying Party to prevent disclosure, and shall not release the data until the supplying Party provides written consent or until the supplying Party's legal options are exhausted. Upon request from a Governmental Authority for Confidential Information or CEII, such consent may not be unreasonably withheld if the Governmental Authority agrees to maintain confidentiality with a protective order or other procedure(s) of the agency for protecting Confidential Information or CEII.
6. Each Party shall protect Confidential Information and CEII from disclosure, dissemination, or publication. Regardless of whether a Party is subject to the jurisdiction of the FERC under the Federal Power Act, and regardless of whether a Party is a Regional Transmission Organization, each Party agrees to restrict access to all Confidential Information and/or CEII to only those persons authorized to view such information: (a) by the FERC's Standards of Conduct, 18 C.F.R. Part 358 or, if more restrictive, (b) by such Party's board resolutions, OATT provisions, or other internal policies governing access to, and the sharing of, energy market or transmission system information.
7. All Confidential Information and CEII provided by the supplying Party shall be returned to the supplying Party promptly upon request. Upon termination or expiration of this Protocol, a Party shall use reasonable efforts to destroy, erase, delete, or return to the supplying Party any and all written or electronic Confidential Information and CEII. In no event after termination of the effectiveness of the applicable provisions of this Protocol or a request from the supplying party for the return of Confidential Information shall a receiving Party retain copies of any Confidential Information or CEII provided by a supplying Party.
8. Each Party acknowledges that remedies at law are inadequate to protect against breach of the covenants and agreements in this Protocol, and hereby in advance agrees, without prejudice to any rights to judicial relief that it may otherwise have, to the granting of

equitable relief, including injunction, in the supplying Party's favor without proof of actual damages. In addition to the equitable relief referred to in this Protocol, a supplying Party shall only be entitled to recover from a receiving Party any and all gains wrongfully acquired, directly or indirectly, from a receiving Party's unauthorized disclosure of Confidential Information or CEII.

Dispute Resolution and Liability

1. The Parties shall attempt in good faith to achieve consensus with respect to all matters arising under this Protocol and to use reasonable efforts through good faith discussion and negotiation to avoid and resolve disputes that could delay or impede a Party from receiving the benefits of this Protocol.
2. Neither Party (including its affiliates and members) shall be liable to the other Party for any damages hereunder, including, but not limited to, direct, consequential, special, indirect, treble, exemplary, incidental, or punitive damages.
3. The failure of a party to insist, on any occasion, upon strict performance of any provision of this Article will not be considered a waiver of any right held by such party. Any waiver on any specific occasion by either party shall not be deemed a continuing waiver of such right, nor shall it be deemed a waiver of any other right under this Protocol.

Effective Date and Implementation Period

1. Effective Date: This Protocol shall be effective on 2-26-2010.

Entergy Services, Inc. <u>/s/ Mark McCulla</u> Mark McCulla, <u>VP., Trans Regulatory Compliance</u>	Southwest Power Pool, Inc. <u>/s/ Carl Monroe</u> Carl Monroe, <u>EVP & COO</u>
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2. Implementation Period: Commencing with the Effective Date, the Parties shall commence and continue efforts to implement the provisions of this Protocol, which dates shall, subject to obtaining any necessary regulatory approvals, be the earliest dates reasonably feasible for the Parties but which are not to be later than six (6) months from the Effective Date.