

Regulatory Update - Activity in Significant Dockets Fourth Quarter 2013

SPP Tariff/Governing Document Revisions		
Docket Number	Short Description	Summary
ER11-4105	Order No. 745 Compliance Filing Pursuant to the Final Rule Issued Concerning Demand Response Compensation in Organized Wholesale Energy Markets in Docket No. RM10-17	<p>On December 20, 2013, FERC issued an order accepting SPP's May 2, 2012 Compliance Filing and the January 18, 2013 response to the Commission's request for additional information.</p> <p>This order constitutes final agency action.</p>
ER12-550	Order No. 719 Compliance Filing Revising Tariff in Response to Order on Compliance Filings and Rehearing Issued in Docket Nos. ER09-1050, ER09-748, and ER09-1192	<p>On October 17, 2013, FERC issued an order accepting SPP's August 19, 2013 Compliance Filing, to become effective March 1, 2014 as requested.</p>
ER12-1179 ER13-1173 ER14-416 and 13-1181 (U.S. Court of Appeals)	<p>Submission of Tariff Revisions to Implement SPP Integrated Marketplace</p> <p>Revisions to Modify Certain Aspects of the SPP Integrated Marketplace</p> <p>Submission of Tariff Revisions to Modify SPP Integrated Marketplace</p> <p>Nebraska Public Power District ("NPPD") v. Federal Energy Regulatory Commission ("FERC") - Petition for Review of Orders in FERC Docket ER12-1179</p>	<p>On October 16, 2013, the U.S. Court of Appeals issued an Order in Case No. 13-1181 granting the motion to hold in abeyance. Respondent was directed to file status reports at 90-day intervals beginning 90 days from the date of this order. The parties were directed to file motions to govern further proceedings within 30 days of the resolution of the proceedings in SPP's Integrated Marketplace Docket No. ER12-1179.</p> <p>On October 30, 2013, SPP submitted a revised Offer of Settlement concerning the treatment of grandfathered agreements pursuant to the September 30, 2013 Order.</p> <p>On November 1, 2013, SPP submitted its Informational Filing of Revised Readiness Metrics for Integrated Marketplace.</p> <p>On November 11, 2013, SPP submitted its compliance filing pursuant to the September 20, 2013 Order.</p> <p>Certain parties filed comments or protests in response to the November 11, 2013 Compliance Filing.</p> <p>On November 15, 2013, SPP submitted tariff revisions in Docket No. ER14-416 in order to modify, clarify, and supplemental certain aspects of the SPP Integrated Marketplace. An effective date of March 1, 2014 was requested.</p> <p>On December 13, 2013, SPP submitted revisions to its Tariff to add Appendix 1 to Attachment AF containing the initial list of Frequently Constrained Areas for use in the SPP Integrated Marketplace.</p> <p>On December 17, 2013, the Southwest Power Pool Market Monitoring Unit ("MMU") filed a Motion to Intervene Out-of-Time, Comments and Motion to File Comments Out-of-Time. The MMU suggested</p>

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		<p>revisions to Attachment AF, Section 3.1 to address Westar Energy, Inc.'s concerns around mitigation.</p> <p>On December 18, 2013, SPP filed a Settlement Agreement and Offer of Settlement resolving issues associated with whether Grandfathered Agreement No. 494 should be included in Schedule 1 of the settlement the Commission conditionally approved on September 30, 2013 in this proceeding. SPP requested that the Commission approve the Settlement Agreement by February 28, 2014.</p> <p>On December 18, 2013, FERC issued an order accepting the Informational Filing of Revised Readiness Metrics for Integrated Marketplace filed on November 1, 2013.</p> <p>On December 23, 2013, SPP filed an answer in response to comments and protests filed in response to SPP's November 11, 2013 Compliance Filing. SPP stated:</p> <ol style="list-style-type: none"> 1) SPP's proposed tariff revisions governing manual commitment procedures are compliant and should be approved; 2) SPP's proposed compliance revisions regarding must-offer, load transfers, and bilateral contracts satisfy the Commission's directives in the September 20, 2013 Order; 3) SPP's proposed treatment of bilateral settlement schedules complies with the September 20 Order; and 4) the SPP MMU's proposed Tariff modification is necessary and appropriate. <p>On December 27, 2013, SPP submitted documentation certifying SPP's readiness to operate and administer the Integrated Marketplace, effective March 1, 2014.</p> <p>On January 10, 2014, FERC issued an order accepting the tariff revisions establishing the Virtual Energy Transaction Fee for virtual transactions in the Integrated Marketplace.</p>
ER12-2292	Submission of Tariff Revisions to Attachment AE to Facilitate the Systematic Rather than Manual Curtailment of Non-Dispatchable Resources in the Energy Imbalance Services Market ("EIS Market") During Period of Congestion	On October 10, 2013, SPP submitted its compliance filing in response to the September 20, 2013 Order. SPP also requested a temporary limited Tariff waiver to permit a delay in the implementation of the systematic curtailment of existing Non-Dispatchable Resources (that went into Commercial Operation before October 15, 2012) from September 20, 2013 to September 26, 2013 that was necessary to accommodate required software system changes.
ER13-366	Submission of Tariff Revisions to Comply with Order No. 1000 Regional Planning and Cost Allocation Requirements	<p>On November 15, 2013, SPP submitted its Order No. 1000 Regional Compliance Filing pursuant to the July 18, 2013 Order.</p> <p>Certain parties filed comments or protests in response to SPP's November 15, 2013 Compliance Filing.</p>

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ER13-367	Submission of Revisions to its Membership Agreement to Comply with Order No. 1000	
ER13-1292	Order No. 764 Compliance Filing	<p>On November 12, 2013, SPP submitted its Order No. 764 Compliance Filing to adopt language modifying the scheduling requirements for transmission service.</p> <p>An effective date of November 12, 2013 was requested for Sections 13.8 and 14.6 of the Energy Imbalance Service Market Tariff and Attachment P. An effective date of March 1, 2014 was requested for Sections 13.8 and 14.6 of the Integrated Marketplace Tariff.</p>
ER13-1768 and ER13-1769	Submission of Tariff Revisions to Attachment AN to Incorporate into the Tariff the Agreement Between Southwest Power Pool, Inc. and Southwest Power Pool Balancing Authority Participants Relating to the Implementation of the Southwest Power Pool Balancing Authority ("SPP BA Agreement")	<p>On November 18, 2013, FERC issued an order conditionally accepting the tariff revisions to incorporate into Attachment AN of the Tariff the Agreement Between Southwest Power Pool, Inc. and Southwest Power Pool Balancing Authority Participants Relating to the Implementation of the Southwest Power Pool Balancing Authority, and related Bylaws and Membership Agreement revisions, effective March 1, 2014, subject to a compliance filing due in 30 days.</p> <p>On December 18, 2013, SPP submitted its compliance filing pursuant to the November 18, 2013 Order.</p>
ER13-1914	Submission of Tariff Revisions to Clarify the Determination of Credits and Distribution of Credit Revenue for Creditable Upgrades	<p>On October 7, 2013, SPP filed its response to the Commission's request for additional information issued on September 6, 2013.</p> <p>On October 9, 2013, SPP filed an amendment to its proposed tariff revisions filed on July 9, 2013.</p> <p>On December 6, 2013, FERC issued an Order Conditionally Accepting Proposed Tariff Revisions to clarify the determination of credits and distribution of credit revenue for network upgrades under the Tariff and to implement procedures to simplify and streamline the crediting process, effective September 8, 2013, subject to a compliance filing.</p> <p>In light of SPP's withdrawal of its proposed amendments to Attachment Z2, FERC directed SPP to remove references in Attachment O to the withdrawn proposal in Attachment Z2. FERC also directed SPP to review Attachments H, J, and L to assess whether its withdrawn proposal in Attachment Z2 necessitates further changes and to include these revisions in the compliance filing.</p>

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Docket Number	Short Description	Summary
		On January 6, 2014, SPP submitted its compliance filing in response to the December 6, 2013 Order.
ER13-1939	Submission of Tariff Revisions to Comply with Order No. 1000 Interregional Coordination and Cost Allocation Requirements	FERC action is pending.
ER13-2031 and ER13-2033	Submission of Revisions to Bylaws and Membership Agreement to Implement Withdrawal Obligations and Revisions to Provide Greater Flexibility Regarding the Functions of Various SPP Committees Reporting to the Board of Directors Submission of Tariff Revisions to Clarify Withdrawal Obligations	On November 1, 2013, SPP submitted its compliance filing pursuant to the September 19, 2013 Order.
ER13-2091	Submission of Tariff Revisions to Enhance Market Participation Eligibility Criteria, Clarify Data Sharing with Regulatory Agencies, and Clarify Bilateral Settlement Schedules Related to Certain Integrated Marketplace Rules in Anticipation of SPP's Application for Exemption of Certain Market Transactions from Provisions of the Commodity Exchange Act ("CEA") and Commodity Futures Trading Commission ("CFTC")	On October 25, 2013, SPP submitted its compliance filing pursuant to the September 30, 2013 Order. On November 22, 2013, FERC issued an order accepting SPP's October 25, 2013 Compliance Filing. This order constitutes final agency action.
ER13-2164	Submission of Tariff Revisions to Modify the Aggregate	On October 11, 2013, FERC issued an Order Conditionally Accepting Tariff Revisions, effective October 12, 2013, subject to a compliance filing. The Commission found SPP's proposal to be just and reasonable

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	Transmission Service Study (“ATSS”) Process (Aggregate Study Backlog Clearing Process Tariff Revisions)	<p>as it will allow SPP to process its customers' transmission requests in a more efficient manner and reduce the current queue backlog SPP is facing. However, the Commission directed SPP to submit additional tariff language to clarify the calculation of make-whole payments and cost reallocation under its proposal.</p> <p>On November 8, 2013, SPP submitted its compliance filing pursuant to the October 11, 2013 Order.</p>
ER14-278	Submission of Tariff Revisions to Increase Administration Charge Cap in Schedule 1-A	<p>On November 1, 2013, SPP submitted revisions to its Tariff to increase the rate cap for its Tariff Administration service charge.</p> <p>On December 16, 2013, FERC issued an order accepting the revised tariff sheets to increase the rate cap for the Schedule 1-A Administration Service Charge from \$0.35/MWh to \$0.39/MWh.</p> <p>An effective date of January 1, 2014 was granted.</p>
ER14-596	Compliance Filing to Implement a Distribution Mechanism for Unreserved Penalty Revenues	<p>On December 11, 2013, SPP submitted revisions to Section 13.7 of the Tariff to incorporate a mechanism to distribute penalty revenues collected by SPP for unreserved use of firm transmission service.</p> <p>An effective date of December 11, 2013 was requested.</p>
ER14-781	Submission of Tariff Revisions to Modify the Generator Interconnection Procedures	<p>On December 20, 2013, SPP submitted tariff revisions to modify its Generator Interconnection Procedures in Attachment V. An effective date of March 1, 2014 was requested.</p> <p>On December 23, 2013, the American Wind Energy Association filed a Motion to Extend the Period for Filing Comments.</p> <p>On January 7, 2014, FERC issued a Notice of Extension of Time extending the comment deadline to January 17, 2014.</p>

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Other Filings of Interest		
Docket Number	Short Description	Summary
<p>EL11-34</p> <p>and</p> <p>12-1158 (U.S. Court of Appeals)</p>	<p>Midcontinent Independent System Operator, Inc. ("MISO") Petition for Declaratory Order Seeking Commission Confirmation Regarding Section 5.2 of the Joint Operating Agreement ("JOA") between MISO and SPP</p> <p>Southwest Power Pool, Inc. v. Federal Energy Regulatory Commission ("FERC")</p>	<p>Oral argument was held on October 18, 2013.</p> <p>On December 3, 2013, the U.S. Court of Appeals issued an Opinion finding that FERC's decision was arbitrary and capricious.</p> <p>Also on December 3, 2013, the Clerk for the U.S. Court of Appeals issued a Judgment. It was Ordered and Adjudged that the orders are vacated and remanded, in accordance with the opinion of the court.</p>
ER13-1937	<p>Joint Operating Agreement ("JOA") between SPP and the Midcontinent Independent System Operator, Inc. ("MISO") to Comply with Interregional Requirements of Order No. 1000 (SPP Rate Schedule FERC No. 9)</p>	<p>On November 4, 2013, SPP filed an answer in response to comments and protests filed in this proceeding.</p> <p>SPP stated:</p> <ol style="list-style-type: none"> 1) reliability projects should be included for Interregional Project consideration; 2) Coordinated System Plan studies should only be required when requested by MISO or SPP; 3) it would be unnecessary and unreasonably burdensome to fully review each and every project that any party may wish to submit; 4) SPP's proposed JOA provisions comply with Order No. 1000's transparency requirements; and 5) JOA revisions aimed at Order No. 1000 compliance need not address rate pancaking.
ER14-794	<p>Submission of a Notice of Cancellation of Comprehensive Seams Agreement Between Energy Services, Inc. and the Southwest Power Pool, Inc. (Rate Schedule No. 12)</p>	<p>On December 20, 2013, SPP submits this filing to notify the Commission of the termination of the Comprehensive Seams Agreement Between Entergy Services, Inc. and SPP. SPP requests cancellation of the respective tariff sheets that constitute the Seams Agreement.</p> <p>An effective date of December 19, 2013 was requested.</p>
ES14-12	<p>Application of Southwest Power Pool, Inc. Under Section 204 of the Federal Power Act for an Order Authorizing the Issuance of Securities</p>	<p>On November 21, 2013, SPP filed an Application Under Section 204 of the Federal Power Act for an Order Authorizing the Issuance of Securities.</p>

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State Cases		
Docket Number	Short Description	Summary
09-090-U	In the Matter of the Impact of Federal Energy Regulatory Commission ("FERC") Orders 719 and 719-A in FERC Docket No. RM07-19-001 on the Regulatory Authority of the Arkansas Public Service Commission	<p>On October 18, 2013, SPP filed a Notice of FERC Order. FERC issued a final order in SPP's Order No. 719 compliance proceedings on October 17, 2013.</p> <p>On November 7, 2013, SPP, the Arkansas Attorney General's Office, Arkansas Electric Cooperative Corporation, Oklahoma Gas and Electric Company, Southwestern Electric Power Company, and The Empire District Electric Company filed a Joint Motion to Suspend Procedural Schedule and for Clarification.</p> <p>The Joint Movants requested that the existing requirement to make initial filings on November 18, 2013, and reply filings shortly thereafter, be suspended pending the entry of a Commission order providing clarification and further direction regarding the Commission's inquiry in this Docket.</p> <p>On November 13, 2013, the APSC issued Order No. 7 in response to the November 7, 2013 Joint Motion to Suspend Procedural Schedule and for Clarification. The Commission granted the Joint Motion and suspended the existing procedural schedule. The Commission stated it takes under advisement the request for clarification and further direction regarding the inquiry in this Docket and will provide additional guidance by subsequent order. The Commission also directed that Energy Arkansas, Inc. and the Midcontinent Independent System Operator, Inc. be made parties to this Docket.</p>
Arkansas 10-011-U	In the Matter of a Show Cause Order Directed to Entergy Arkansas, Inc. ("EAI") Regarding Its Continued Membership in the Current Entergy System Agreement, or Any Successor Agreement Thereto, and Regarding the Future Operation and Control of Its Transmission Assets	<p>On October 8, 2013, EAI and the Midcontinent Independent System Operator, Inc. ("MISO") submitted their responses to Order No. 78.</p> <p>On November 25, 2013, the APSC issued Order No. 79, finding that EAI and MISO are not currently in violation of Condition No. 2 of Order No. 68. EAI and MISO were directed to demonstrate in its monthly updates that EAI and MISO are moving forward with full compliance with Condition No. 2 of Order No. 68.</p>
Arkansas 13-041-U	In the Matter of the Application of Southwestern Electric Power Company ("SWEPCO") for a Certificate of Environmental Compatibility and Public Need ("CECPN") for the Construction, Ownership, Operation and	<p>Parties filed Post-Hearing Briefs and Proposed Findings of Fact and Conclusions of Law on October 1, 2013.</p> <p>Parties filed Reply Briefs on October 16, 2013.</p> <p>On November 18, 2013, the APSC issued Order No. 31, concluding the hearing in this matter, closing the record, and submitting the matter to the Administrative Law Judge for determination.</p>

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	Maintenance of the Proposed 345 kV Transmission Line Between the Shippe Road Station and the Proposed Kings River Station and Associated Facilities to be Located in Benton, Carroll and/or Madison and Washington Counties, Arkansas	
Arkansas 13-119-U	In the Matter of the Application of Southwest Power Pool, Inc. for Authority to Issue up to \$70,000,000 in Secured or Unsecured Promissory Notes	On November 21, 2013, SPP filed an Application for Authority to Issue Indebtedness and Request for an Expedited Order.
Missouri EO-2012-0135	In the Matter of the Application of Kansas City Power & Light Company ("KCPL") for Authority to Extend the Transfer of Functional Control of Certain Transmission Assets to the Southwest Power Pool, Inc.	On December 31, 2013, KCPL filed a Notification of changes in SPP's Schedule 1-A rates.
Missouri EO-2012-0136	In the Matter of the Application of KCP&L Greater Missouri Operations Company ("KCPL-GMO") for Authority to Extend the Transfer of Functional Control of Certain Transmission Assets to the Southwest Power Pool, Inc.	On December 31, 2013, KCPL-GMO filed a Notification of changes in SPP's Schedule 1-A rates.
Missouri EW-2014-0156	In the Matter of an Investigation Into the Possible Methods of Mitigating Identified Harmful Effects of Entergy Joining the Midcontinent Independent System Operator, Inc. ("MISO") on non-MISO Missouri Utilities and Their Ratepayers and Maximizing the Benefits for	<p>On November 26, 2013, the MoPSC issued an Order Opening a Case to Investigate Methods of Eliminating or Mitigating the Negative Effects of the MISO/SPP Seam.</p> <p>The Commission invited comments in response to questions and issues outlined in this Order.</p> <p>On January 3, 2014, the MoPSC issued an Order Setting Deadline for Responses. Responses to the questions listed in the November 26, 2013 order shall be filed no later than April 1, 2014.</p>

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	Missouri Utilities and Ratepayers Along RTO and Cooperative Seams	
New Mexico 07-00390-UT	An Investigation into the Prudence of Southwestern Public Service Company's ("SPS") Participation in the SPP RTO	On January 9, 2014, SPP submitted the 2014 SPP Transmission Expansion Plan draft report in accordance with Section 15 of the Uncontested Stipulation.
New Mexico 10-00143-UT	In the Matter of the Petition of Lea County Electric Cooperative, Inc. ("LCEC") For Approval to Transfer Certain Transmission Assets Under the Southwest Power Pool, Inc. Open Access Transmission Tariff	On December 17, 2013, LCEC filed its Compliance Report regarding its participation in the SPP Regional Transmission Organization. On January 9, 2014, SPP submitted the 2014 SPP Transmission Expansion Plan draft report in accordance with Section 14 of the Uncontested Stipulation.
New Mexico 13-00031-UT	In the Matter of Southwestern Public Service Company's ("SPS") Interim Report on its Participation in the Southwest Power Pool Regional Transmission Organization ("RTO")	On October 18, 2013, the New Mexico Attorney General filed a Request for Rehearing and for Oral Argument of the Final Order. On October 30, 2013, the NMPRC issued an Order on Attorney General's Request for Rehearing and Oral Argument. An oral argument was held on November 6, 2013. On November 6, 2013, the NMPRC issued an Order Granting Attorney General's Motion for Rehearing. The Final Order issued on September 18, 2013 was vacated. The Hearing Examiner will establish an expedited procedural schedule that includes an evidentiary hearing. The Hearing Examiner's Recommended Decision shall be submitted no later than June 30, 2014. A pre-hearing conference was held on November 19, 2013. On November 19, 2013, the NMPRC issued a Second Procedural Order. On December 10, 2013, SPP submitted its Response to Staff's First Set of Interrogatories and Request for Production of Documents. Technical and Settlement Conferences were held on December 17, 2013.

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		<p>The remainder of the procedural schedule is as follows:</p> <p>January 31, 2014 - Settlement and supporting schedules to be filed;</p> <p>January 31, 2014 - Staff and Intervenor Direct Testimony may be filed; alternatively, testimony in support of any agreement shall be filed;</p> <p>February 7, 2014 - Opposition to any settlement to be filed;</p> <p>February 14, 2014 - Testimony supporting opposition to any filed agreement to be filed;</p> <p>February 21, 2014 - Any Rebuttal Testimony to be filed; and</p> <p>March 6, 2014 - Public hearing begins at 9:30 AM.</p>
Texas 41430	<p>Joint Report and Application of Sharyland Utilities, L.P. ("Sharyland"), Sharyland Distribution & Transmission Services, L.L.C. ("SDTS"), and Southwestern Public Service Company ("SPS") (collectively the "Applicants") for Approval of Purchase and Sale of Facilities, for Approval of Regulatory Accounting Treatment of Gain or Sale, and for Transfer of Certain Rights</p>	<p>On December 20, 2013, the PUCT issued an Order, adopting the Proposal for Decision and granting the Application.</p>