

March 26, 2014

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 Letter Agreement

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 cancellation of a Letter Agreement between SPP as Transmission Provider, American Electric Power Service Corporation ("AEP") as the Transmission Customer, and AEP as agent for Southwestern Electric Power Company ("SWEPCO") as Transmission Owner ("AEP Letter Agreement").¹ SPP respectfully requests that the Commission accept the cancellation of the AEP Letter Agreement effective March 26, 2014.

I. Background and Notice of Cancellation

On July 14, 2008, in Docket No. ER08-1265-000², SPP filed the AEP Letter Agreement.³ The AEP Letter Agreement provided for the issuance by SPP of a Notice to Construct to SWEPCO for the Hempstead to NW Texarkana 345 kV Circuit 1 project ("Project") so that the transmission service associated with the delivery of power from the John W. Turk, Jr. Generation Facility ("Turk Station") located in Hempstead County, Arkansas could be accommodated. In the third Aggregate Study of 2006 ("Aggregate Study"), SPP identified several transmission projects necessary to support AEP's request for transmission service from the John W. Turk, Jr. Generation Facility. Due to delays in SPP's Aggregate Study that impacted SPP's ability to have SWEPCO complete the

¹ SPP, AEP and SWEPCO are collectively "the Parties."

² Submission of Letter Agreement of Southwest Power Pool, Inc., Docket No. ER08-1265-000 (July 14, 2008).

³ The AEP Letter Agreement was designated as Original Service Agreement No. 1649.

Project in time to support the delivery of power from the Turk Station, the parties entered into the AEP Letter Agreement to authorize SWEPCO to immediately begin work on the Project. The Commission accepted the AEP Letter Agreement on September 9, 2008.⁴

The AEP Letter Agreement provided that AEP would be responsible for all costs and expenses incurred by SWEPCO associated with the Project until such time service agreement associated with all transmission service requests in the Aggregate Study are executed, at which time the funding for all costs and expenses associated with the Project will be governed by those transmission service agreements, and AEP's liability under the AEP Letter Agreement will be terminated. Service agreements were executed for AEP's transmission service requests in the Aggregate Study in 2009.⁵ In addition, the Project was completed and in-service as of August 2012. Since all the terms and conditions of the AEP Letter Agreement have been met, SPP submits this notice of cancellation to the Commission.

II. Effective Date and Waiver

SPP requests an effective date of March 26, 2014, for the cancellation of the AEP Letter Agreement. To permit such an effective date, SPP also requests a waiver of the Commission's sixty day notice requirement.⁶ Good cause exists for such a waiver because the terms and conditions of the AEP Letter Agreement have been met.

III. Service

SPP is serving a copy of this filing on the representatives for AEP and SWEPCO listed in the AEP Letter Agreement.

⁴ See *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER08-1265-000 (Sept. 9, 2008).

⁵ A Network Integration Transmission Service Agreement and Network Operating Agreement for AEP's transmission service requests in the Aggregate study were filed with the Commission on November 2, 2009 in Docket No. ER10-195-000 and accepted by the Commission on January 19, 2010.

⁶ See 18 C.F.R. § 35.15(a).

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:

Tessie Kentner
Attorney
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223
Telephone: (501) 688-1782
tkentner@spp.org

Nicole Wagner
Manager - Regulatory Policy
Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223
Telephone: (501) 688-1642
jwagner@spp.org

Respectfully submitted,

/s/ Tessie Kentner
Tessie Kentner

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