

Regulatory Update - Activity in Significant Dockets First Quarter 2014

SPP Tariff/Governing Document Revisions		
Docket Number	Short Description	Summary
ER12-1179	Submission of Tariff Revisions to Implement SPP Integrated Marketplace	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.
ER13-1173	Revisions to Modify Certain Aspects of the SPP Integrated Marketplace	On January 14, 2014, FERC filed a Status Report, in U.S. Court of Appeals Case 13-1181, recommending that the Court continue to hold this appeal in abeyance. On January 22, 2014, SPP filed tariff revisions to incorporate for the Integrated Marketplace provisions required by SPP's Order No. 745 compliance proceeding.
ER14-416 and 13-1181 (U.S. Court of Appeals)	Submission of Tariff Revisions to Modify SPP Integrated Marketplace Nebraska Public Power District ("NPPD") v. Federal Energy Regulatory Commission ("FERC") - Petition for Review of Orders in FERC Docket ER12-1179	On January 24, 2014, FERC issued an order approving SPP's October 30, 2013 Compliance Filing to revise the Offer of Settlement resolving the treatment of grandfathered agreements in SPP's Integrated Marketplace. On January 29, 2014, FERC issued an Order on Compliance Filing, conditionally accepting SPP's November 2013 Compliance Filing, subject to an additional compliance filing. An effective date of March 1, 2014 was granted. On February 18, 2014, SPP submitted an informational filing attaching materials from the North American Electric Reliability Corporation ("NERC") confirming SPP's certification as the Balancing Authority for the SPP Balancing Authority Area, effective March 1, 2014. On February 20, 2014, FERC issued an order approving the Offer of Settlement and Settlement Agreement filed on December 18, 2013, which resolved issues associated with Grandfathered Agreement No. 494. On February 25, 2014, SPP submitted its compliance filing in Docket No. ER14-416 in response to the January 29, 2014 Order. On February 26, 2014, FERC issued an order accepting SPP's December 27, 2013 Compliance Filing containing the certification of readiness. The Commission also found that SPP has received the required NERC certification to operate as a Balancing Authority, effective March 1, 2014. The Commission approved the start-up and operation of the Integrated Marketplace effective March 1, 2014. On February 26, 2014, SPP submitted its compliance filing in Docket Nos. ER12-1179 and ER13-1173 in response to the January 29, 2014 Order. On February 28, 2014, FERC issued an order accepting Addendum 1 to Attachment AF, the list of

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		<p>Frequently Constrained Areas for the start of the Integrated Marketplace, effective March 1, 2014.</p> <p>On March 18, 2014, SPP submitted formal notice of termination of the Integrated Marketplace Reversion Plan.</p> <p>On April 1, 2014, FERC issued an Order Conditionally Accepting Compliance Filing. The Commission conditionally accepted SPP's January 22, 2014 Compliance Filing incorporate for the Integrated Marketplace provisions required by SPP's Order No. 745 compliance proceeding, effective March 1, 2014. SPP's compliance filing is due on December 1, 2014.</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	<p>On February 20, 2014, FERC issued an Order on Compliance and Granting Limited Waiver. The Commission accepted the revised Tariff provisions and granted SPP's request for limited waiver.</p> <p>An effective date of March 19, 2013 was granted.</p>
ER13-366 and ER13-367	<p>Submission of Tariff Revisions to Comply with Order No. 1000 Regional Planning and Cost Allocation Requirements</p> <p>Submission of Revisions to its Membership Agreement to Comply with Order No. 1000</p>	<p>On February 19, 2014, SPP filed an answer in response to various comments and protest submitted in response to SPP's November 15, 2013 Compliance Filing.</p> <p>SPP stated:</p> <ol style="list-style-type: none"> 1) it has demonstrated that its revised Transmission Owner Selection Process is just and reasonable; 2) its proposed clarifications regarding the classification of "rebuild" facilities are just and reasonable; 3) the Commission should reject collateral attacks on the July 18, 2013 Order; and 4) it is appropriately administering its Integrated Transmission Planning Process pending implementation of its Order No. 1000 Compliance.
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>
ER13-1748	Order No. 755 Compliance Filing to Adopt a Two-Part	On March 7, 2014, FERC issued a Deficiency Letter requiring additional information in order to process the filing

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	Compensation Methodology for Resources that Provide Regulation-Up and Regulation-Down Operating Reserve Products in the SPP Integrated Marketplace and Other Tariff Language	SPP filed its response to the Deficiency Letter on April 7, 2014.
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")	On February 7, 2014, FERC issued an order accepting SPP's December 18, 2013 Compliance Filing, effective March 1, 2014, as requested. This order constitutes final agency action.
ER13-1914	Submission of Tariff Revisions to Clarify the Determination of Credits and Distribution of Credit Revenue for Creditable Upgrades	On January 6, 2014, SPP submitted its compliance filing in response to the December 6, 2013 Order. On February 12, 2014, FERC issued an order accepting SPP's January 6, 2014 Compliance Filing, effective September 8, 2013. This order constitutes final agency action.
ER13-1939	Submission of Tariff Revisions to Comply with Order No. 1000 Interregional Coordination and Cost Allocation Requirements	FERC action is pending.
ER13-2164	Submission of Tariff Revisions to Modify the Aggregate Transmission Service Study ("ATSS") Process (Aggregate Study Backlog Clearing Process Tariff Revisions)	On February 12, 2014, FERC issued an order accepting SPP's November 8, 2013 Compliance Filing, effective October 12, 2013. This order constitutes final agency action.
ER14-596	Compliance Filing to Implement a Distribution Mechanism for Unreserved Penalty Revenues	On January 14, 2014, FERC issued an order accepting the 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. An effective date of December 11, 2013 was granted.

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Docket Number	Short Description	Summary
		This order constitutes final agency action.
ER14-781	Submission of Tariff Revisions to Modify the Generator Interconnection Procedures	On February 4, 2014, SPP filed an answer in response to comments and protests filed in this proceeding. On February 28, 2014, FERC issued a Deficiency Letter requiring additional information in order to process the filing. SPP's response is due on April 14, 2014.
ER14-1204	Submission of Tariff Revisions to Permit Market Participation by the Western Area Power Administration ("Western")	On January 29, 2014, SPP submitted tariff revisions necessary to permit Western to participate in SPP's Integrated Marketplace. SPP requested that the Commission issue an order on this filing no later than March 15, 2014, so as to permit Western notice of the Commission's determination in advance of its intended April 1, 2014 participation. An effective date of March 30, 2014 was requested. On March 14, 2014, FERC issued an order accepting SPP's tariff revisions necessary to permit Western to participate in SPP's Integrated Marketplace. An effective date of March 30, 2014 was granted. This order constitutes final agency action.
ER14-1357	Submission of Tariff Revisions regarding Credit Limits for Transmission Congestion Rights ("TCRs")	On February 24, 2014, SPP submitted tariff revisions necessary to correct an unintended consequence of the current credit requirement calculations for transactions involving TCRs. An effective date of May 1, 2014 was requested.
ER14-1653	Submission of Tariff Revisions to Modify SPP Integrated Marketplace	On April 3, 2014, SPP submitted tariff revisions to effectuate a general clean-up filing to comport the Tariff with previous Commission orders, and to modify the Tariff as authorized by the SPP Board of Directors. Effective dates of March 1, 2014 and May 1, 2014 were requested.

Other Filings of Interest		
Docket Number	Short Description	Summary
EL11-34	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	On January 28, 2014, in Docket No. EL14-21, SPP filed a Complaint and Request for Fast Track Processing and Motion to Consolidate. SPP submitted the Complaint for an order finding that MISO is violating the JOA between SPP and MISO and SPP's Tariff, requiring MISO to compensate SPP for use of SPP's transmission system in accordance with the SPP Tariff. In the event the Commission does not so find, SPP alternatively requests that the Commission find 1) that the JOA is no longer just, reasonable, and not unduly discriminatory to the extent it does not provide a mechanism by which SPP may assess charges for MISO's use of the SPP transmission system to integrate the former Energy Operating Companies; and 2) that the compensation mechanism set forth herein is the just, reasonable, and not unduly discriminatory rate for MISO's use of the SPP transmission system. SPP requested that Docket Nos. ER14-1174, EL11-34 and EL14-21 be consolidated.
12-1158 (U.S. Court of Appeals)	Southwest Power Pool, Inc. v. Federal Energy Regulatory Commission ("FERC")	On January 28, 2014, in Docket No. ER14-1174, SPP submitted an unexecuted service agreement for Firm Point-To-Point Transmission Service between SPP as Transmission Provider and MISO as Transmission Customer. SPP Service Agreement No. 2794. The purpose of this agreement is to assess charges for MISO's use of SPP's Transmission System as a result of MISO's real-time energy transfers between the MISO Midwest and MISO South regions. An effective date of January 29, 2014 was requested.
EL14-21	SPP Complaint for an Order Finding the Midcontinent Independent System Operator, Inc. ("MISO") is Violating the Joint Operating Agreement ("JOA") between SPP and MISO and the SPP Tariff and Requiring MISO to Compensate SPP for Use of SPP's Transmission System ("SPP Complaint")	On February 18, 2014, MISO filed a Complaint against SPP asking the Commission for an order directing SPP to cease issuing invoices to MISO for alleged transmission service, including unreserved use penalties, under the SPP Tariff. MISO requested that this Complaint be consolidated with SPP's Docket Nos. EL14-21 and ER14-1174.
ER14-1174	Unexecuted Firm Point-To-Point Transmission Service Agreement between SPP as Transmission Provider and Midcontinent Independent System Operator, Inc. ("MISO") as Transmission Customer	On March 28, 2014, FERC issued an Order on Remand and Complaints, Accepting and Suspending Service Agreement, Consolidating Proceedings and Establishing Hearing and Settlement Judge Procedures. The Service Agreement was accepted for filing, suspended for a nominal period, subject to refund and hearing and settlement judge procedures. Hearing and settlement judge procedures were also established on the SPP Complaint, MISO Complaint, and the SPP-MISO JOA Remand proceeding in Docket No. EL11-34. Docket Nos. ER14-1174-000, EL14-21-000, EL14-30-000 and EL11-34-002 were consolidated for purposes of settlement, hearing and discussion. The refund effective date in Docket No. EL14-21-000 pursuant to Section 206(b) of the Federal Power Act will be January 29, 2014. The refund effective date in Docket No. EL14-30-000 will be February 18, 2014.
EL14-30	Midcontinent Independent System Operator, Inc. ("MISO") Complaint Regarding Transmission Service Invoices	

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Other Filings of Interest		
Docket Number	Short Description	Summary
	from SPP ("MISO Complaint")	
EL13-15	Southwestern Public Service Company ("SPS") Complaint Seeking a Finding that the Rates in SPP Zone 11 are Unjust and Unreasonable due to the Inclusion of the Costs of Facilities of Tri-County Electric Cooperative, Inc. ("Tri-County")	<p>On January 10, 2014, the Parties filed a Settlement Agreement and Offer of Settlement.</p> <p>On March 25, 2014, FERC issued an order accepting the Settlement Agreement and Offer of Settlement filed on January 10, 2014.</p> <p>Consistent with section 3.5 of the Settlement, the Commission has deferred action on pending requests for rehearing and clarification, unless the Settling Parties notify the Commission that action on these requests is desired. After the final Settlement Tariff revisions are presented to the SPP Board of Directors, SPS and the New Mexico Cooperatives are to withdraw their pending requests for rehearing or clarification.</p>
EL13-35	Southwestern Public Service Company ("SPS") Complaint Requesting Establishment of a January 1, 2013 Refund Effective Date and a Finding from the Commission that SPP has Violated the Federal Power Act by Implementing a 40% Increase in the Tri-County Electric Cooperative, Inc. ("Tri-County") Annual Transmission Revenue Requirement	
ER13-1937	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)	FERC action is pending.
ER14-794	Submission of a Notice of Cancellation of Comprehensive Seams Agreement Between Energy Services, Inc. ("Entergy") and the Southwest Power Pool, Inc. (Rate Schedule No. 12)	<p>On February 12, 2014, FERC issued an order accepting the notice of termination of the Comprehensive Seams Agreement between Entergy and SPP. An effective date of December 19, 2013 was granted.</p> <p>This order constitutes final agency action.</p>

Other Filings of Interest		
Docket Number	Short Description	Summary
ER14-1233 ER12-1401 ER12-1779	Submission of Notice of Cancellation of "Agreement between Southwest Power Pool, Inc. and Entergy Services, Inc. to Implement Principles Governing Regional Planning in Accordance with the Regional Planning Requirements of the Federal Energy Regulatory Commission" ("Agreement")	<p>On January 31, 2014, in Docket No. ER14-1233, SPP submitted a Notice of Cancellation of the Agreement, which was originally filed in Docket No. ER09-659. SPP also withdrew the compliance filings associated with the Agreement in Docket Nos. ER12-1401 and ER12-1779.</p> <p>On March 25, 2014, FERC issued an order accepting the Notice of Cancellation and the motions to withdraw compliance filings. An effective date of December 19, 2013 was granted.</p> <p>This order constitutes final agency action.</p>
ER14-1407	Amendments to Joint Operating Agreement ("JOA") between SPP and the Midcontinent Independent System Operator, Inc. ("MISO") to Account for Import and Export Transactions in the Market Flow Calculations (SPP Rate Schedule FERC No. 9)	<p>On March 3, 2014, SPP submitted amendments to the JOA between SPP and MISO. These amendments will allow SPP and MISO to coordinate the methodologies employed by each Regional Transmission Organizations to account for import and export transactions in the Market Flow calculations. An effective date of June 1, 2014 was requested.</p> <p>On April 8, 2014, SPP, MISO, and PJM filed an answer in response to comments and protests filed in this proceeding.</p>
ES14-12	Application of Southwest Power Pool, Inc. Under Section 204 of the Federal Power Act for an Order Authorizing the Issuance of Securities	<p>On January 29, 2014, FERC issued an order authorizing SPP to issue long-term debt in the form of secured or unsecured promissory notes in one or more series, in an aggregate amount not to exceed \$70 million outstanding at any one time. This authorization is effective January 29, 2014, and terminates on January 29, 2016. SPP must file a Report of Securities Issued no later than 30 days after debt is issued.</p> <p>On April 9, 2014, SPP filed a Report of Securities Issued.</p>

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State Cases		
Docket Number	Short Description	Summary
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	On January 2, 2014, Entergy Arkansas, Inc. and SPP filed an Update Regarding Seams Agreement. The Seams Agreement is terminated due to EAI joining the Midcontinent Independent System Operator, Inc.
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 Maintenance of the Proposed 345 kV Transmission Line Between the Shipe Road Station and the Proposed Kings River Station and Associated Facilities to be Located in Benton, Carroll and/or Madison and Washington Counties, Arkansas	<p>On January 17, 2014, the APSC issued Order No. 32, granting SWEPCO a CECPN to construct and operate (1) a new 345 kV transmission line, from the Shipe Road station to the proposed Kings River Station; and (2) a new 345 kV station on SWEPCO owned property located northwest of Berryville, Carroll County, Arkansas.</p> <p>On January 21, 2014, the APSC issued Order No. 33, an Errata Order correcting the first full paragraph on page 103 and paragraph (f) on page 115 of Order No. 32.</p> <p>On March 14, 2014, SWEPCO filed a Petition for Limited Rehearing of Order Nos. 32 and 33 and Motion for Clarification of Order No. 32. SWEPCO requested that the Commission modify these orders and find: 1) that there was not sufficient finding that Route 33 was unreasonable and accordingly issue a CECPN for this route; or 2) alternatively, that Route 33 is reasonable with modifications via the variance already authorized and upon notice to the Parties and all potentially traversed landowners, reopen the Docket for the receipt of further evidence concerning an amendment to the configuration of the route near the Pea Ridge National Military Park; and 3) that it should clarify four provisions of Order No. 32.</p> <p>On March 18, 2014, Save the Ozarks (“STO”) filed a Petition for Rehearing of Order No. 32. STO stated that rehearing should be granted because the Commission’s decision issuing a CECPN to SWEPCO for Route 109 is arbitrary and unreasonable, is contrary to Arkansas and federal law, is contrary to the Arkansas and Federal constitutional guarantees of due process, is not supported by substantial evidence, and is unjust for all the reasons presented herein.</p> <p>Parties filed responses to SWEPCO’s and STO’s petitions for rehearing.</p>

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State Cases		
Docket Number	Short Description	Summary
		On March 28, 2014, SPP filed its Response to STO's Petition for Rehearing.
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	<p>On February 18, 2014, the APSC issued Order No. 1, approving SPP's Application for Authority to Issue Indebtedness.</p> <p>On April 9, 2014, SPP filed its response to Order No. 1, attaching copies of its lending agreements and specific terms of the issuances.</p>
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 Missouri Utilities and Ratepayers Along RTO and Cooperative Seams	<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> <p>On March 17, 2014, The Empire District Electric Company, Kansas City Power & Light Company, and KCP&L Greater Missouri Operations Company filed a Joint Motion to Extend Time for Filing.</p> <p>On March 18, 2014, the MoPSC issued an Order Granting Joint Motion to Extend Time for Filing. The deadline for filing comments is now July 1, 2014.</p>
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")	<p>On January 31, 2014, the Parties filed an Unopposed Stipulation. Several parties filed testimony in support of the Stipulation.</p> <p>A hearing was held on March 6, 2014.</p> <p>On April 4, 2014, the Parties filed a Proposed Certification of Unopposed Stipulation.</p>