

September 12, 2014

**VIA ELECTRONIC FILING**

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

Re: *Southwest Power Pool, Inc.*, Docket No. ER14-1993-\_\_\_\_  
**Amendment to Tariff Filing**

Dear Secretary Bose:

Pursuant to Sections 35.17 and 385.215 of the Federal Energy Regulatory Commission's ("Commission") Rules and Regulations, 18 C.F.R. §§ 35.17 and 385.215, Southwest Power Pool, Inc. ("SPP") submits this amendment to the proposed revisions to the SPP Open Access Transmission Tariff ("Tariff")<sup>1</sup> submitted by SPP in Docket No. ER14-1993-000 on May 20, 2014.<sup>2</sup> Pursuant to the Commission's regulations, a public utility may file to amend a tariff that has not become effective and upon which no Commission or delegated order has yet been issued.<sup>3</sup> Amendment of the May 20 Filing in this proceeding is permitted because no Commission or delegated order has been issued on the May 20 Filing. SPP respectfully requests the Commission grant an effective date of July 19, 2014 for the amended filing proposed herein, consistent with the date requested in the May 20 Filing.

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<sup>1</sup> Southwest Power Pool, Inc., FERC Electric Tariff, Sixth Revised Volume No. 1.

<sup>2</sup> Revisions to Open Access Transmission Tariff to Clarify Methodology for Quantifying Real Power Losses of Southwest Power Pool, Inc., Docket No. ER14-1993-000 (May 20, 2014) ("May 20 Filing").

<sup>3</sup> 18 C.F.R. § 35.17(b).

## I. BACKGROUND

SPP submitted the May 20 Filing to provide additional clarity to the Tariff with regard to real power loss responsibility of transmission customers. The proposed revisions are intended to ensure terminology is used consistently throughout the Tariff and provide supplemental information that explains more clearly how real power losses are calculated for Network Integration Transmission Service (“NITS”)<sup>4</sup> and Point-to-Point Transmission Service (“PTP”).<sup>5</sup> Additionally, SPP proposed to update the zonal loss factors listed in Appendix 1 to Attachment M for each Transmission Owner.<sup>6</sup> The Tariff revisions proposed in the May 20 Filing do not change the manner in which losses are calculated under the Tariff. SPP requested an effective date of July 19, 2014 for the Tariff modifications.

The May 20 Filing was not subject to protest or comment by any party.<sup>7</sup> However, subsequent to the May 20 Filing, SPP engaged in informal discussions with Commission staff and SPP filed a motion requesting the Commission defer action on the May 20 Filing,<sup>8</sup> which the Commission granted.<sup>9</sup> Based on further review, SPP has determined that the current language contained in Section III of Attachment M pertaining to loss compensation for PTP is preferable over the proposed modifications.

## II. DESCRIPTION OF AMENDMENT

This filing amends the May 20 Filing. SPP seeks to withdraw the proposed language modifying Section III of Attachment M. In place of the withdrawn Tariff modifications, SPP proposes to retain the original provision that currently exists in the Tariff.<sup>10</sup> As the current Tariff provision for loss compensation for PTP has been previously accepted by the Commission, SPP does not provide further justification for retaining the language as it currently exists. Except for the removal of such language, SPP intends for all other aspects of the May 20 Filing to remain unchanged and as submitted to the Commission.

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<sup>4</sup> See Proposed Tariff Modifications at Attachment M, Section II.

<sup>5</sup> See Proposed Tariff Modifications at Attachment M, Section III.

<sup>6</sup> See Proposed Tariff Modifications at Attachment M, Appendix 1.

<sup>7</sup> SPP members Sunflower Electric Power Corporation and Mid-Kansas Electric Company, LLC filed a doc-less motion to intervene on June 5, 2014.

<sup>8</sup> Motion of Southwest Power Pool, Inc. to Defer Action, Docket No. ER14-1993-000 (July 16, 2014).

<sup>9</sup> Notice of Deferral of Action, Docket No. ER14-1993-000 (July 18, 2014).

<sup>10</sup> See Tariff at Attachment M, Section III.

### **III. ADDITIONAL INFORMATION**

#### **(1) Documents submitted with this filing:**

In addition to this transmittal letter, the following documents are included with this filing:

Clean and Redline Tariff revisions under the Sixth Revised Volume No. 1.

#### **(2) Effective date:**

SPP requests that the Commission accept the proposed revisions to the SPP Tariff effective July 19, 2014, consistent with the requested effective date of the May 20 Filing.

#### **(3) Service:**

SPP has served a copy of this filing on all its Members and Customers and all affected state commissions. A complete copy of this filing will be posted on the SPP web site, [www.spp.org](http://www.spp.org). SPP also has served a copy of this filing on all parties on the service list established by the Secretary of the Commission in this proceeding.

#### IV. CONCLUSION

Except for the retraction of the proposed modification and retention of the previously accepted provision for Section III of Attachment M as discussed herein, no other amendments or modifications to the May 20 Filing are being requested. As stated previously, amendment of the May 20 Filing in this proceeding is permitted because no Commission or delegated order has been issued on the May 20 Filing. Therefore, SPP respectfully requests that the Commission accept the May 20 Filing, as amended by this submission, with the requested effective date of July 19, 2014.

Respectfully submitted,

/s/ Matthew Harward

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**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 this proceeding.

Dated at Little Rock, Arkansas, this 12th day of September, 2014.

/s/ Michelle Harris  
Michelle Harris

**ATTACHMENT M**  
**LOSS COMPENSATION PROCEDURE**

**I. PURPOSE**

This loss compensation procedure will be used to quantify real power losses for which the Transmission Customer or Network Customer is responsible when taking service under this Tariff. The Transmission Provider shall maintain a schedule showing the real power loss factors for the provision of transmission service across each Zone on the Transmission System. The injection loss factor (“ILF”) and delivery loss factor (“DLF”) for each Zone are stated in Appendix 1 to this Attachment M.

**II. TRANSMISSION LOSS DETERMINATION - NETWORK INTEGRATION TRANSMISSION SERVICE**

The Network Customer shall be responsible for real power losses associated with Network Integration Transmission Service to its Network Load for each Zone in which its Network Load is located for the purposes of determining charges under Schedule 9 and Schedule 11 to this Tariff. The Network Customer’s loss responsibility is the product of the Zone DLF, shown in Column D of Appendix 1 to this Attachment M and the hourly metered Network Load for the hour that is coincident with the applicable Zone monthly peak load hour and such loss responsibility shall be included when calculating that Network Customer’s Load Ratio Share, Base Plan Zonal Load Ratio Share and Region-wide Load Ratio Share. Loss energy associated with hourly energy settlement under the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

**III. LOSS DETERMINATION - POINT-TO-POINT TRANSMISSION SERVICE**

Loss energy shall not be separately calculated for Point-To-Point Transmission Service for the purposes of calculating charges under Schedule 7 and Schedule 8 to this Tariff. Loss energy associated with settlement of Point-To-Point Transmission Service schedules in the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

**IV. OTHER LOSSES**

Additional compensation will be required for real power losses when the meter used to measure the energy taken at a delivery point is located on facilities not on the Transmission System. The Transmission Customer shall be responsible for any real power losses incurred on facilities not on the Transmission System.

## ATTACHMENT M LOSS COMPENSATION PROCEDURE

### I. PURPOSE

This loss compensation procedure will be used to quantify ~~transmission loss energy~~real power losses that for which the Transmission Customer or Network Customer is responsible ~~for when taking service~~ under this Tariff. ~~The Transmission Customer shall be responsible for loss energy to the Transmission Owner(s) affected by the transactions as set forth below.~~

~~Each~~The Transmission ~~Provider~~Owner shall maintain a schedule showing ~~its~~the ~~allocation of loss energy~~real power loss factors for the provision of transmission service across each Zone on ~~its~~the Transmission System. ~~For the Commission regulated Transmission Owners, these allocations shall be pursuant to Commission approved schedules.~~ The average injection loss factor (“ILF”) and delivery loss factor (“DLF”) for each ~~Transmission Owner~~Zone ~~is~~are stated in Appendix 1 to this Attachment M.

### II. TRANSMISSION LOSS DETERMINATION - NETWORK INTEGRATION TRANSMISSION SERVICE

The Network Customer ~~is~~shall be responsible for real power losses, associated with Network Integration Transmission Service to its Network Load, ~~to~~for each Zone in which its Network Load is located for the purposes of determining charges under Schedule 9 and Schedule 11 to this Tariff. The Network Customer’s loss responsibility is the product of the Zone ~~loss factor~~DLF, statedshown in Column D of Appendix 1 to this Attachment M and the hourly metered Network Load for the hour that is coincident with the applicable Zone monthly peak load hour and such loss responsibility shall be included when calculating that Network Customer’s Load Ratio Share, Base Plan Zonal Load Ratio Share and Region-wide Load Ratio Share. Loss energy associated with hourly energy settlement under the Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

### III. LOSS DETERMINATION - POINT-TO-POINT TRANSMISSION SERVICE

Loss energy shall not be separately calculated for Point-To-Point Transmission Service for the purposes of calculating charges under Schedule 7 and Schedule 8 to this Tariff. Loss energy associated with settlement of Point-To-Point Transmission Service schedules in the

Integrated Marketplace shall be accounted for under the settlement procedures for the Energy and Operating Reserve Markets specified in Attachment AE.

#### **IV. OTHER LOSSES**

Additional compensation will be required for real power losses when the meter used to measure the energy taken at a delivery point is located on facilities not on the Transmission System. The Transmission Customer shall be responsible for any real power losses incurred on facilities not on the Transmission System.