

151 FERC ¶ 61,059
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Philip D. Moeller, Cheryl A. LaFleur,
Tony Clark, and Colette D. Honorable.

Southwest Power Pool, Inc.

Docket No. ER15-492-000

ORDER GRANTING WAIVER REQUEST

(Issued April 20, 2015)

1. On November 26, 2014, Southwest Power Pool, Inc. (SPP) submitted a petition for waiver of certain provisions of its Open Access Transmission Tariff (Tariff) (Waiver Petition) under Rule 207 of the Commission's Rules of Practice and Procedure.¹ SPP requests a limited waiver of certain provisions in Attachment O (Transmission Planning Process) of the SPP Tariff to enable SPP to modify the study schedule for its Integrated Transmission Planning process. In this order, we grant SPP's request for a waiver, to be effective January 1, 2015.

I. Background

2. Attachment O of the SPP Tariff includes provisions setting out timelines under which SPP is to conduct three transmission planning assessments as part of the Integrated Transmission Planning process. The Integrated Transmission Planning process is an iterative, three-year planning process under which SPP conducts 20-year, 10-year, and near-term assessments to identify transmission solutions to address short-term and long-term transmission system needs.²

3. Section III of Attachment O provides that in the first half of the three-year cycle (i.e., in the first 18 months of the cycle), SPP is to conduct a 20-year assessment, which evaluates the needs of the transmission system in a single year, 20 years out, as a snapshot. The 20-year assessment typically identifies only 300 kV-and-above transmission solutions, but it does not approve them for construction; rather, the

¹ 18 C.F.R. § 385.207 (2014).

² Waiver Petition at 1-2.

transmission solutions identified in the 20-year assessment are used to inform subsequent 10-year assessments. Under section III, in the second half of the three-year cycle (i.e., in the second 18 months of the cycle), SPP conducts a 10-year assessment, which generally identifies facilities 100 kV-and-above to meet system needs over the next 10 years.

4. Section III also requires SPP to conduct the near-term assessment annually. The near-term assessment identifies facilities needed for reliability in the short-term. SPP uses the 10-year and near-term assessments as the basis for issuing notices to construct transmission facilities identified as needed by the 10-year and near-term assessments.³

II. Filing

5. SPP states that it completed a 10-year assessment in December 2014, in compliance with the study schedule timelines set out in section III. SPP explains that under the timelines, SPP would next begin the 20-year assessment and conduct it from January 2015 to June 2016. SPP would then begin the next 10-year assessment, conducting it from June 2016 to December 2017.⁴

6. SPP states that the U.S. Environmental Protection Agency (EPA) expects to issue a Clean Power Plan final rule in June 2015. According to SPP, the Clean Power Plan would establish federal guidelines for states to follow in developing plans to address greenhouse gas (carbon dioxide) emissions from fossil fuel-fired electric generating units. SPP states that as proposed, the Clean Power Plan would require states to develop, by the end of 2018, plans to achieve greenhouse gas reductions by the end of 2020.⁵

7. SPP asserts that the Clean Power Plan final rule is likely to change the use of the current transmission system. For this reason, SPP believes that it is more important for SPP to begin to conduct the 10-year assessment now rather than beginning the 20-year assessment. SPP adds that because the 20-year assessment is a long-term planning tool and is not used to support notices to construct facilities, conducting the 20-year assessment would not be helpful at this time.⁶

³ *Id.*

⁴ *Id.* at 3.

⁵ *Id.* at 2-3.

⁶ *Id.* at 4-7.

8. In light of SPP's expectation that the EPA will issue the final rule in June 2015, SPP requests a waiver of the timelines in section III effective January 1, 2015, to permit SPP not to begin the 20-year assessment now, and instead to begin the 10-year assessment. SPP also requests waiver of the section III requirement that the 10-year assessment be conducted in 18 months, to permit SPP to conduct this 10-year assessment over a 24-month period. SPP explains that for the first 6 months of the 24 months, SPP will conduct a general scoping effort, and then when the EPA issues its final rule expected in June 2015, SPP will finalize the scoping effort and use it to guide the 10-year assessment over the subsequent 18 months. SPP states that in early 2017, SPP would resume the three-year cycle set out in section III by beginning the 20-year assessment.⁷ SPP notes that the waiver would not affect SPP's timeline for conducting the near-term assessment.⁸

9. SPP states that the Commission has found a waiver of tariff provisions to be appropriate where there is good cause for a waiver of limited scope, there are no undesirable consequences from the waiver, and the benefits to the customer from the waiver are evident.⁹ SPP represents that its request for a one-time waiver is of limited scope because SPP is not seeking a blanket authorization for waiving tariff revisions. Instead, SPP is seeking to adjust the timing of its 10-year and 20-year assessments on a one-time basis. SPP argues that the waiver will not have undesirable consequences or harm third-parties because SPP will continue to perform the near-term assessment, which identifies short-term reliability needs, annually in accordance with the Tariff. Finally, SPP argues that the benefits of the waiver are evident because the 10-year assessment will be completed a year earlier than otherwise allowed by the Tariff, providing more information earlier to SPP stakeholders and state regulators as they consider their options for compliance with the Clean Power Plan.

III. Notice and Responsive Pleadings

10. Notice of SPP's filing was published in the *Federal Register*, 79 Fed. Reg. 73,061 (2014), with interventions and protests due on or before December 17, 2014. Timely motions to intervene were filed by: Exelon Corporation; ITC Great Plains, LLC; Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company; South Central MCN, LLC; Sunflower Electric Power Corporation and Mid-Kansas Electric Company, LLC; Westar Energy, Inc.; and Western Farmers Electric

⁷ *Id.* at 4-7.

⁸ *Id.* at 6.

⁹ *Id.* at 5-7 (citing *Cal. Indep. Sys. Operator*, 124 FERC ¶ 61,031, at P 19 (2008)).

Cooperative. Western Area Power Administration (Western) filed an untimely motion to intervene. No comments or protests were filed.

IV. Commission Determination

A. Procedural Issues

11. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2014), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2014), the Commission will grant Western's untimely motion to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

B. Substantive Issues

12. We find good cause to grant SPP's requested waiver. The Commission has previously granted one-time waivers of tariff provisions in situations where, as relevant here: (1) the waiver is of limited scope; (2) a concrete problem needed to be remedied; and (3) the waiver did not have undesirable consequences, such as harming third parties.¹⁰

13. We find that SPP's requested waiver satisfies the aforementioned conditions. SPP's requested waiver is of limited scope because it is a one-time adjustment to SPP's study schedule under the timelines in section III. In addition, SPP's requested waiver does not affect SPP's near-term assessment, which SPP will continue to conduct annually, as provided for in section III.

14. SPP's requested waiver addresses a concrete problem that needs to be remedied. According to SPP, issuance of the Clean Power Plan final rule could dramatically change the use of the current transmission system, and a 10-year assessment would provide the level of granularity needed to evaluate the transmission system's needs for the upcoming three-year planning cycle. SPP's proposal to conduct the 10-year assessment now instead of conducting a 20-year assessment (and over a period of 24 months instead of 18 months) will enable SPP to complete its 10-year assessment a year earlier and will help provide the information that stakeholders and state regulators will need to comply with the Clean Power Plan final rule.

¹⁰ See, e.g., *Cal. Indep. Sys. Operator Corp.*, 146 FERC ¶ 61,184, at P 18 (2014); *Southwest Power Pool, Inc.*, 148 FERC ¶ 61,013, at P 13 (2014); *PJM Interconnection, L.L.C.*, 146 FERC ¶ 61,041, at P 5 (2014).

15. We also find that the requested waiver will not have undesirable consequences based on SPP's representation that it will continue to perform the near-term assessment, which identifies short-term reliability needs, annually. Further, SPP's proposal to conduct the 10-year assessment now does not appear to have undesirable consequences.

The Commission orders:

SPP's request for a waiver is hereby granted, to become effective January 1, 2015, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Document Content(s)

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