

**Southwest Power Pool
GAS ELECTRIC COORDINATION TASK FORCE MEETING
June 3, 2015 8:30 a.m. – 12:00 p.m.
Face-to-Face Meeting, Conference Call/WebEx
Dallas, Texas, AEP Building**

• Summary of Action Items •

NOTE: The list below includes the Item Number used in the GECTF Action Item list.

1. (114) Provide an update on response provided to FERC for Questions related to the FERC Filing on Make Whole for de-commitments.
2. (115) Provide update after each (MWG, RTWG, ORWG) for discussion of the Updated Strawman.
3. (116) Prepare recommendation for MOPC/BOD, updated marketplace timeline proposal.
4. (117) Review and prepare to discuss concerns related to ECC timing along with proposed Marketplace timing changes.

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• M I N U T E S •

Agenda Item 1 – Administrative Items (Jake Langthorn)

GECTF Chair Jacob Langthorn called the meeting to order at 8:30 a.m.

See the attachment for attendance information.

Agenda Item 2 – Review Action Item List (Kathy Myhand)

The Action Item list was reviewed; several items were updated and marked as complete. Items added to the action item list from the last meeting will be discussed in this meeting.

Agenda Item 3 – Review of DA Mkt and DA RUC Performance Metrics (Jodi Woods)

Jodi Woods discussed the metrics.

- Metrics for Day Ahead Market – processing time average
 - 38 minutes - March
 - 35 minutes – April
- Day Ahead RUC – ~45 minutes processing time.

The original estimate of \$1.4M included many unknowns and included impacts of the Enhanced Combined Cycle (ECC), and impacts to the model. The ECC expects to have a big impact to performance. The cost to only shift the timeframe without compressing the timeframe is minimal.

Numbers from the Impact Assessment will be available at the MWG in two weeks. It will include the full cost to SPP.

CJ Brown added that the Day Ahead RUC timeframe should be okay compressed. There shouldn't be enhancements needed for that process. The process does not require the analysis after the process completes like they do in the DA Market.

MOPC will need to be aware of how intertwined the ECC and compression of the market for the timeline change will be on each other. It will be complex to do both at the same time. FERC Order and a Member Request. Jake Langthorn suggested that we should not have to solve that problem.

90% of the cost is related to compressing the solution time. Moving the actual timeline is negligible.

Rob Janssen suggested that the other markets may not be dealing with the cost impact because they have already done these compression type steps. When this gets to the MOPC (and the Board). This is accelerating some expenses that would have been made later.

Implementation of Fall 2016 (our implementation, the Order would like March 2016), there may be some benefit to keeping the changes together, March 2017 because there may be additional cost related to the coding, testing, etc... and keeping them separate.

SPP should consider researching the timing to see if these changes could go in earlier. SPP will need to devote some time to getting WAPA integrated for the BA and Market for the October timeframe. If this goes in earlier we may have better timing for the ECC as a separate. There are some performance enhancements already in the works. There is an implementation complexity by implementing the performance enhancements separate for the Gas Electric then resolving for the ECC. SPP should consider documenting concerns related to re-doing the performance enhancements.

There is a risk difference between implementing Timeline changes and ECC implementation. If ECC starts dragging and we're implementing together, we may have to break them apart at the end. Fall 2016 should be an acceptable implementation date.

Rob Janssen suggested documenting the earliest possible date, target date, what date if ECC were combined with pros and cons documented. This would help with the expected Fall 2016 date.

Agenda Item 4 - Multi-Day Reliability Commitment Process (Sam Ellis)

There was discussion in the last meeting related to set timeframes for issuing instructions, etc...

CJ Brown added that it may be helpful to talk through a couple scenarios. Tabled until after the next topic.

Agenda Item 5 – Marketplace Timeline Changes (Sam Ellis)

Sam reviewed the information leading up to the FERC Order.

Rob Janssen met with a pipeline supplier discussing this intraday option, the rights to capacity are kept longer in the day.

PJM and MISO are getting stakeholder pushback on their proposals from moving the timelines up.

MISO has 3 proposals; similar to SPPs, move the timeline for the timely nom, moving it some for the evening nom, or not moving it.

PJM appear to be going with submission at 9:30 am and 1:30 pm for the posting... as a current direction per Amy Jeffries. Central time.

Updated Strawman Timeline comments from member communication.

Rob Janssen said his group is acceptable of this version. Jim Jacoby agreed. Amber Metzker expressed that there are potential benefits to ensure a quantity of gas nomination prior to the evening nomination cycle; but the same risks reside of shifting the timelines forward as previously discussed.

John Bogatz, Tenaska, commented that the Timely Nom change to 1pm, if capacity is secured and the primary delivery point is a plant. *Primary to Primary has to be done in the Timely Nom. If not made, they are considered secondary for the evening nom.* Dan has not had to deal with the secondary flow capacity. Ryan Davis would like to see the timely cycle used.

Rob Janssen said the comments were discussed in the last meeting. This Updated Strawman is a first step to implement something in the Fall of 2016. Phase two would be to get ahead of the timely gas nom.

Gary Gottsch agreed with Rob Janssen. Most of the trading will still occur between 7 and 9. There won't be enough time to get the nom out with the price formation.

Sam Ellis said we would like to have something to bring forward to the MWG to start the MPRR process that needs to go to MOPC. Also to document pros and cons associated with the proposal for the filing and subsequent meetings.

Dirk said they may have to pull their unit(s) out of the market because they can't get the fuel. Amber said her group gets some benefit, not worse than today. Jim Jacoby/Amy Jeffries and also Cody said they are in agreement.

Cody added that the results are received when people are in the office and the gas marketers are still available in the office. This is a benefit from their gas buyers, so they would support this.

Rob Janssen said it's an incremental improvement. Gary Gottsch said they can accept this as a step in the right direction. Amy Jeffries said they don't have issues, similar thoughts as others. Continue to work on compressing the timeline model. They are in agreement to move forward.

Straw proposal shows to move forward with this timeline.

Amber Metzker added that the original discussion trade off was based on price formation. Reliability comes in when its outage information is added. The evening cycle gives something. This is the alternative to show cause. Rob Janssen suggested that moving the market forward has been a concern but it must move based on the Order. Amber suggested that it is SPP's determination of if we can show cause or if we do have to change something. Sam Ellis said that we could support any option, including leaving it as is.

Rob Janssen said the second phase could be to compress the time to start using the timely nom. This would be implemented over the next 3 – 5 years.

CTs could still be RUC'd after the evening cycle they hold them closer to real time. Real Time RUCs, like Quick Starts, won't be fixed in this process, and are not fixed now.

Opportunity costs will be lost by scheduling timely noms and having to update the offer later.

7 – 9 am price formation, time is needed to put in market offers. Fixed price prints for Gary Gottsch's shop are 8:10 to 8:40 am, they purchase through Southern Star.

By 8:30 Basin has 60% of the trading done. Dan said Northern is getting tight and the evening nom is important now based on the current trading. If the secondary doesn't take over the gas.

Vote: Do the Updated Strawman or Do Nothing.

--- 15 minute break --- (until 10:10)

Mike Moffet commented that regional differences could be sited and explained for either solution.

Phasing for the vote: **“Modify SPP Marketplace Timeline as displayed and include in the recommendation to MOPC that additional changes be made by Fall 2018 to post DA Market results sufficiently prior to timely nom.”**

Member/Proxy	Updated Strawman
Amber Metzker	Abstain
Amy Jeffries/Jim Jacoby	For
Cody VandeVelde	For
Dirk Dietz	Against
Gary Gottsch	For
Jake Langthorn	Abstain
Matt Moore	Not in attendance
Rob Janssen	For
Ryan Davis	Against
SPP	For

The vote passed, with two (2) against and two (2) abstaining.

According to Sam Ellis, SPP is “for” this as a change; it is a good first step. As we progress with the ECC and other ways that can accelerate the timeline and move DA clearing closer to a 1pm timely nom.

Add to the recommendation that this is a first step to moving toward DA clearing closer to a 1pm timely nomination timeframe. For the MOPC discussion and proposal. Rob requested adding a date of 2018 or 2019. ECC goes live March 2017. “Post sufficiently prior to timely nom”.

Revision Request

Jodi Woods walked the group through the RR draft version.

This will go to MWG, expedited, for vote in the June meeting. Protocol changes associated with the marketplace timelines. The tariff language will be added.

No objections noted for proceeding with the expedited vote. Jodi will add detail based on the meeting notes from today. Also the reason for this as an expedited RR. Jodi to discuss this with the ORWG tomorrow as a heads up.

Richard Ross suggested that there won’t be an issue with the changes for the MWG. The RTWG will review based on the context that these are the changes necessary for the Tariff language.

Multi-Day Reliability Assessment revisited discussion (CJ Brown)

Scenario 1: Typical workday (Thurs): Multi-Day run, Tuesday would have shown a problem for Thursday with the sensitivity study. A need is shown for conservative operations on Thursday. Notification would be sent.

~noon on Tue. Additional Studies are run.

~late afternoon. Make commitments necessary for Thursday’s commitments.

Rob would like one more days’ notice. SPP needs to determine on Monday and notify on Tuesday morning.

CJ Brown said the SPP BA is looking at this for Reliability, the price formation is not his primary focus, and reliability is.

Scenario 2: Thursday with a Monday holiday: Give notice for gas procurement; this would be for every day gas would be traded for. Commit in a “conservative operations” in time for this to take place. Fuel procurement, not price procurement. Let MP know Thursday notice to buy for Saturday, Sunday, and Monday.

There is a larger risk for make whole payments if we commit earlier since we’ve said that we won’t decommit unless based on an emergency. There is still a FERC filing that has been contested. Staff will answer the questions. Patti Kelly said Marissa Choate is the analyst. She should be working on it, or know about it. Joe Ghormley probably filed it for them.

Agenda Item 9 – Next Steps (All)

The Revision Request (RR) goes through MWG next then through other Working Groups. We will determine if the June 25th meeting is needed closer to the meeting time.

Agenda Item 10 – Adjourn (Jake Langthorn)

The meeting adjourned at 11:36 pm.

Respectfully Submitted,

Kathy Myhand
Secretary

Attachments:
Attendance
Proxy
Action Item List Updates

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Attendance	Member/Guest/SPP	Name	Company
x	M	Amber Metzker	Xcel Energy
x	M	Amy Jeffries	Public Service Company of Oklahoma
x	M	Cody VandeVelde	Westar Energy, Inc.
x	M	Dirk Dietz	Nebraska Public Power District
x	M	Gary Gottsch	Kansas City Power & Light Company
x	M	Jacob Langthorn, IV	Oklahoma Gas and Electric Company
	M	Matt Moore	Golden Spread Electric Cooperative, Inc
x	M	Robert Janssen	Dogwood Energy, LLC
x	M	Ryan Davis	Basin Electric Power Cooperative
x	Proxy for Amy	Jim Jacoby	American Electric Power
x	S	CJ Brown	Southwest Power Pool
x	S	Jodi Woods	Southwest Power Pool
x	S	Kathy Myhand	Southwest Power Pool
x	S	Patti Kelly	Southwest Power Pool
x	S	Sam Ellis	Southwest Power Pool
x	G	Bary Warren	The Empire District Electric Company
x	G	Bill Nolte	Sunflower Electric Power Corporation
x	G	Bryan Feemster	City Utilities of Springfield
x	G	Dan Buckner	ACES
x	G	Hailey McKewon	GRDA
x	G	Jason Fix	
x	G	Jessica Kasperek	Lincoln Electric System
x	G	Jim Fort	The Energy Authority
x	G	Jim Krajecki	Customized Energy Solutions, LTD
x	G	John Bogatz	
x	G	John Tennyson	City Utilities of Springfield
x	G	John Varnell	Tenaska Power Services
x	G	Lori Frisk-Thompson	Basin Electric Power Cooperative
x	G	Michael Moffet	Sunflower Electric Power Corporation
x	G	Richard Ross	American Electric Power
x	G	Rick McCord	Empire District
x	G	Rick Yanovich	Omaha Public Power District
x	G	Robert Safuto	Customized Energy Solutions, LTD
x	G	Robert Thornbury	The Energy Authority for City Utilities of Springfield
x	G	Ronald Thompson Jr.	Nebraska Public Power District
x	G	Thomas Schroeder	Nebraska Public Power District
x	G	Vance Vandaveer	

Kathy Myhand

From: Amy E Jeffries <aejeffries@aep.com>
Sent: Wednesday, June 03, 2015 8:36 AM
To: Kathy Myhand
Cc: Jacoby, Jim; Ross, Richard C. (AEP)
Subject: PROXY VOTE - JIM JACOBY for AEP

Kathy, I will be in a car traveling today and may not be available. Jim Jacoby will be my proxy. Please let me know if you have any questions.

Thank you,
Amy

Amy Jeffries | AEP | Natural Gas Manager Regulated Commercial Operations

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Color-code indicators:

Complete	On Hold	In Progress	Past Due	Abandoned	No Work to date
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GECTF Action Log

No.	Action Item Description	Reference (CY items #, decision log #, other)	Assigned to	Est. Completion Date	Final status/ comments	Status	Closed Date
40	Update contact list to include gas contacts within their organization.	3/14/2014 Meeting	SPP Staff (Russell)		11/11/2014: Will be added to the 12/1 model and to the Customer Service process for updated. 1/22/15: Pending confirmation that this is complete. 2/27: Don Shipley will confirm complete with Russell, keeping open until this is complete.	Complete	6/3/2015
70	Work with CWG/MWG to determine an estimate of cost for members to modify their systems to accommodate changes to the Marketplace timeline.	9/17/2014 Meeting	SPP Staff (Jodi)		SPP to provide analysis of expected cost implications and system changes in Q4, Information to be provided to Members for member cost analysis in Q1 2015. None at this time, reprioritized based on Pinnacle Project. 2/27: Don to discuss as separate agenda item. No changes based on cost estimate, per Jodi. No changes driven by the SPP system.	Complete	6/3/2015
79	Multi Day Reliability Assessment discussion for gas related issues.	9/17/2014 Meeting	SPP Staff (Sam)		RUC sessions and 12/4 session and EOP discussions are taking place. Maintain separation of reliability (EOP) and economics (MPRR) information. 1/29: Additional features may need this item to remain open. Such as Economic needs instead of just Reliability needs. 2/27: Change in the group responsible for DA Assessment (Casey and Jason Smith). Improvements are being discussed and will be provided by Casey at a later time. (Sam now owns this) Sam will update GECTF at next scheduled May meeting. 5/12: Meeting Agenda Item.	Complete	6/3/2015
98	Develop process with BAOC to track GECTF requested updates to the EOP to completion / Complete requested 2014 changes to the EOP.	1/29/2015 meeting	SPP Staff (Kim/Kathy)	5/12/2015	2/27: Kathy and Kim to track progress based on Action Items and the RMS process. Next step is item 101. 4/23: Review of requested items and redline items was performed with additional updates made to the EOP. More discussion is needed on this topic. 5/12: Changes discussed, including between CJ and Carl Stelly from the last meeting. New redlines are not available yet.	In Progress	

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GECTF Action Log

No.	Action Item Description	Reference (CY items #, decision log #, other)	Assigned to	Est. Completion Date	Final status/ comments	Status	Closed Date
103	SPP Staff to develop a bullet list for a discussion related to fuel management information that can be shared. a) Executive level, b) operational level	2/27/2015 meeting	SPP Staff (Sam)	6/3/2015	4/23: Revision Request process may be needed for this. Staff can assist in the development of the RR information, but a member should submit it. Jake to update GECTF at next meeting. 5/12: Jake is unable to attend this meeting. 6/3: There is a task force formed to work through code of conduct issues Predicted Generation Report Task Force (?) This would provide a couple day look ahead. Under RCWG. There should be a list, with a goal by the end of the year.	Complete	6/3/2015
104	John Rhea to discuss code of conduct potential issues with RCWG and provide information to GECTF.	2/27/2015 meeting	John Rhea	6/3/2015	4/23: John Rhea met with the RCWG, they formed a task force and he is the chair. Jake to update GECTF at next meeting. 5/12: Jake is unable to attend this meeting.	Complete	6/3/2015
107	Determine if the IRC will submit comments on the FERC Order 206 (Gas Day) as a group.	4/23/2015 Meeting	SPP Staff (Sam)	5/12/2015	Discuss in the May GECTF meeting.	Complete	6/3/2015
108	Determine if there are changes to the timeline for DA Mkt actions and provide an update to the group for the Gas Day timeline discussion. (Include an SPP explanation of why the enhancements are needed for the timeline compression)	4/23/2015 Meeting	SPP Staff (Jodi)	5/12/2015	Discuss in the May GECTF meeting.	Complete	6/3/2015
109	Jodi Woods to provide performance numbers for DA Market solution time including system parameters (high/low load, high wind, season, etc...) that may be relevant.	5/12/2015 meeting	SPP Staff (Jodi)			Complete	6/3/2015
110	CJ Brown to provide performance numbers for DA RUC solution time including system parameters (high/low load, high wind, season, etc...) that may be relevant.	5/12/2015 meeting	SPP Staff			Complete	6/3/2015
111	Add to the agenda (Refining multi-day reliability commitment process), more rigor around the use and understanding of the process including timeframes for commitments and their interaction with other key scheduling items such as gas scheduling timelines as related to the MDRA.	5/12/2015 meeting	SPP Staff	6/25/2015	CJ: Provide a timeline of advance notice during MD RA's. Balancing act approach.	Complete	6/3/2015
112	GECTF members and interested parties to send issues related to the MD commitment process to Sam and Kathy in order for discussion prep work to be done.	5/12/2015 meeting	GECTF			Complete	6/3/2015
113	The recallable schedule required timeframe may need to be backed up, Sam and Jodi will discuss this with the Engineers.	5/12/2015 meeting	SPP Staff			Complete	6/3/2015
114	Provide an update on response provided to FERC for Questions related to the FERC Filing on Make Whole for de-commitments.	6/3/2015 meeting	SPP Staff			In Progress	
115	Provide update after each (MWG, RTWG, ORWG) for discussion of the Updated Strawman.	6/3/2015 meeting	SPP Staff			In Progress	

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116	Prepare recommendation for MOPC/BOD, updated marketplace timeline proposal.	6/3/2015 meeting	SPP Staff	7/1/2015 all, week prior to Jake and Amber		In Progress	
117	Review and prepare to discuss concerns related to ECC timing along with proposed Marketplace timing changes.	6/3/2015 meeting	SPP Staff	6/25/2015		In Progress	

GECTF Conference Calls and Meetings			
Date	Call/Meeting	Topic	Reference
1/25/2013			
3/8/2013	Call		
4/12/2013	Call		
5/10/2013	Call		
6/14/2013	Call		
10/4/2013	Call		
11/8/2013	Call		
2/7/2014	Call		
3/14/2014	Call		
4/21/2014	Call		
5/7/2014	Meeting	List of Issues, Winter Preparedness, NOPR	
5/21/2014	Meeting	Joint meeting with MWG	
6/18/2014	Meeting with ORWG	Don Shipley attended to discuss NOPR	
6/26/2014	Call		
7/15-16/2014	Meeting	MOPC	
7/23/2014	Meeting with MWG	Don Shipley to attend MWG for MPRR 189	
7/31/2014	Meeting	NOPR affects on Marketplace timeline	
8/25/2014	Call	Discuss comments to timeline.	
9/17/2014	Meeting	Face-to-face meeting in Dallas	
10/2/2014	Meeting	Conference Call to discuss MOPC presentation.	
11/6/2014	Meeting	Face-to-face meeting in Little Rock with ORWG	
11/14/2014	Meeting	Conference Call to discuss EOP Updates and NOPR Comments	
11/25/2014	Meeting	Conference Call to discuss/finalize NOPR Comments, Review remaining EOP sections, discuss charter revisions and new members	
1/29/2015	Meeting	Conference Call	
2/27/2015	Meeting	Conference Call 9 – noon	
3/27/2015	Meeting	CANCELLED Conference Call 9 – noon	
4/23/2015	Meeting	Conference Call 9 – noon	
5/12/2015	Meeting	Face-to-face meeting in Dallas	
6/3/2015	Meeting	Face to face meeting in Dallas	
6/25/2015	Meeting	Conference Call 1 - 4 pm	if required, include updates on other markets
7/30/2015	Meeting	Conference Call 9 - 11 am	MOPC and BOD meeting

GECTF Decision Log

NO.	Issue/Action/Motion	Date	Key discussion points	Vote
1	Go with proposed IM Timeline for the recommendation to MOPC.	9/17/2014	Although there are some concerns with the timeline, the group agreed, via a non-binding vote, to endorse the Strawman timeline that was sent to the ORWG, RTWG, and MWG for comments.	For, but not unanimous
2	Go with the updated Strawman Timeline as the first step in complying with the FERC Order.	6/3/2015	This is an acceptable first step allowing the use of the DA RUC which is not completed in a usable timeframe now for evening gas nominations. Additional changes to be requested in a phased approach that would allow the 1pm timely nom for gas purchases.	For won, with four(4) votes, also two (2) votes against, and two (2) abstaining from the vote. SPP is in favor of this but is not included in the vote.