

Southwest Power Pool, Inc.
CORPORATE GOVERNANCE COMMITTEE MEETING
SPP Corporate Office – Little Rock, AR

October 27, 2015

• M I N U T E S •

Agenda Item 1 – Call to Order

Committee Chair Nick Brown called the meeting to order at 2:31 p.m. and declared a quorum.

Members who participated were: Jim Eckelberger (Director), Jason Fortik (LES), John McClure (NPPD), Robert Janssen (Dogwood), Robert Harris (WAPA – UGPR), Jason Atwood (NTEC), Brett Leopold (ITC) and Denise Buffington (KCPL).

Also participating were: Paul Suskie, Carl Monroe, Susan Polk, Michael Riley, and Shaun Scott (SPP staff), Tom Blackburn (Schiff Hardin – attending on behalf of Mountrail-Williams Electric Cooperative and Central Power Electric Cooperative), Tom Meland and Nick Coulson (CPEC), Heather Starnes (MJMECU), Leah Johnson Ellis and Dale Haugen (Mountrail-Williams).

Agenda Item 2 – Membership Agreement Amendments

Michael Riley reported on the Membership Agreement Amendments for Mountrail Williams Electric Cooperative (MWEC) and Central Power Electric Cooperative (CPEW), (MWEC and CPEC Member Membership Agreement Amendments – Attachment 1). There are two proposed amendments to the membership agreements. These are similar amendments as were made for Basin Electric. These are both for Basin Electric members. Mountrail-Williams Electric Cooperative based in Willison, ND and Central Electric Power Cooperative based out of Minot, ND. Both of these cooperatives are imbedded within and integrated in the IS system. Both cooperatives do anticipate signing the currently effective SPP membership agreement but they are asking for these amendments. The proposed amendments are identical to each other. They are materially the same as the Basin agreement that the Board approved in 2014 and FERC in October 2014. There are three substantive issues:

- Dispute Resolution
- Withdrawal Rights
- Obligation to Build Conditions

Bob Harris moved to accept the membership agreements amendments for MWEC and CPEC. Jason Atwood seconded the motion. The motion passed unanimously.

Agenda Item 3 – Review/Approve Charters

Carl Monroe reported on the attached charter changes (CGC Charter Review – Attachment 2). There were some additional changes as the Committee requested to be made to the charters brought before the CGC at the last meeting. Those charters are here in addition to some charters that were under development. Once approved the charters will be presented at the Board meeting in December.

Brett Leopold moved to accept the revised charters. John McClure seconded the motion. The motion passed unanimously.

Denise Buffington would like the process of how open positions or seats on working groups are being advertised and companies are being notified. Along with that process, how is a company notified once a seat is filled. Carl said that issue will be addressed at the Chair and Staff Secretary training that is taking place in November.

Additional Agenda Items

Potential Expansion of the Strategic Planning Committee

Nick Brown took this opportunity to discuss the possible expansion of the Strategic Planning Committee (SPC) by two seats, one Transmission Owning (TO) and one Transmission Using (TU) seat. Currently there are eleven seats on the SPC. Per the Bylaws, there are four TO seats, four TU seats, and three director. A revision to this section of the Bylaws will require 30 days written notice to the Membership of the proposed modifications before Board approval.

John McClure moved to take action and expand the size of the Strategic Planning Committee. Jason Atwood seconded the motion. The motion passed unanimously.

Action Item: Paul Suskie will distribute to the CGC four items in preparation for the Board search:

- Bylaws requirements for Board of Directors
- NACD fiduciary duties
- FERC limits on Board of Directors
- Resumes of Current Board Members

Adjournment

Nick Brown thanked everyone for participating and adjourned the meeting at 3:27 p.m.

Respectfully Submitted,

Paul Suskie, Secretary



Southwest Power Pool, Inc.
CORPORATE GOVERNANCE COMMITTEE MEETING
October 27, 2015
SPP Corporate Offices, Little Rock, Arkansas

• **A G E N D A** •

3:30 p.m. – 4:30 p.m.

- 1. Call to Order and Administrative Items..... Nick Brown
- 2. Membership Agreement Amendments..... Mike Riley
 - a. Mountrail-Williams Electric Cooperative
 - b. Central Power Electric Cooperative
- 3. Review/Approval of Charters..... Carl Monroe
- 4. Future Meetings
 - November 17, 2015 (Executive Session) Kansas City, MO
 - TBD - Possible Meeting to discuss Surveys/Assessments/Rosters
 - December 15-16, 2015 (Executive Session) Dallas, TX
 - February 26, 2016 TBD
 - August 25, 2016 TBD

Relationship-Based • Member-Driven • Independence Through Diversity
Evolutionary vs. Revolutionary • Reliability & Economics Inseparable

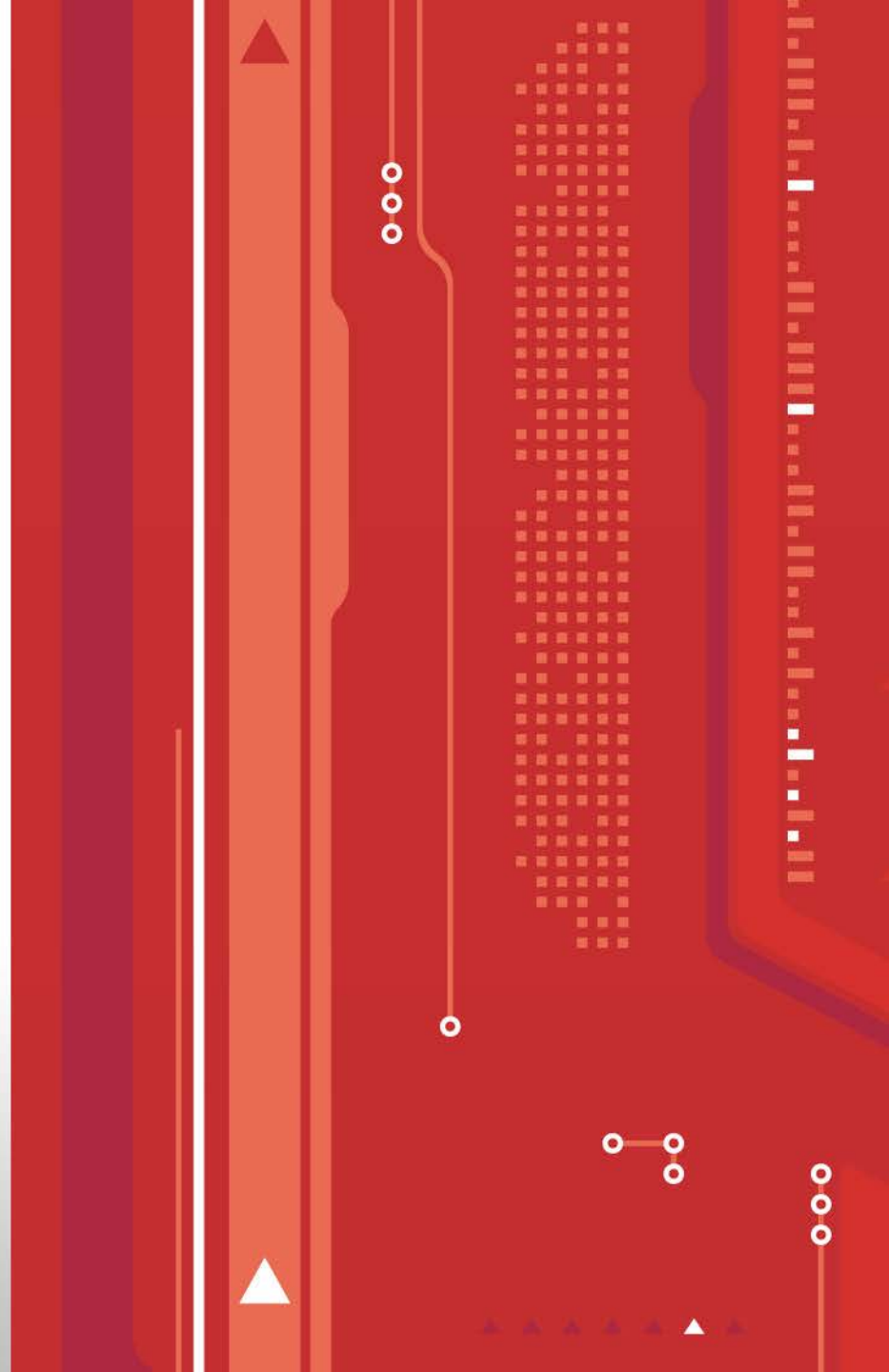
Corporate Governance Committee

October 27, 2015

Mike Riley

614-3372

Michael.b.riley@spp.org



Membership Agreement Amendments

- **Mountrail-Williams Electric Cooperative**
 - Williston, North Dakota
- **Central Power Electric Cooperative**
 - Minot, North Dakota
- **Both are Members of Basin Electric Power Cooperative**
- **Both cooperatives are imbedded within and integrated into the Integrated System (“IS”)**

Membership Agreement Amendments

- **Both Cooperatives anticipate signing the currently effective SPP Membership Agreement**

- **Proposed Membership Agreement Amendments**
 - **Identical to each other**
 - **Materially the same as the Basin Membership Agreement Amendment**
 - **SPP BOD approved Basin Amendment June 9, 2014**
 - **FERC approved on November 10, 2014**

Membership Agreement Amendments

- **Three Substantive Issues in the Amendments**

(1) Dispute Resolution

(2) Withdrawal Rights

(3) Obligation to Build Conditions

Membership Agreement Amendments

(1) Dispute Resolution

Any dispute arising under the MA or SPP Bylaws relating to the Cooperative's actions will be subject to binding resolution under Section 3.13 of the SPP Bylaws only with consent of the Cooperative's Board and subject to terms and conditions the Cooperative's Board may impose.

Membership Agreement Amendments

(2) Withdrawal Rights

Allows the Cooperative to terminate SPP Membership with less notice than prescribed in Section 4.2.2 of the MA if certain conditions occur:

- (a) Basin withdraws; or,
- (b) Western withdraws; or,
- (c) FERC finds SPP has not complied with the MA Amendments of the Cooperatives, Basin or Western; or,
- (d) SPP files and FERC approves a change to the Cooperative's MA Amendments without consent of the Cooperative and the change has a material adverse effect on the Cooperative.

If Basin or WAPA withdraws, the Cooperative's withdrawal is effective the same date.

Cooperatives are subject to financial withdrawal obligations of MA

Membership Agreement Amendments

(3) Obligation to Build Conditions

Cooperative's obligation to construct transmission facilities is subject to the discretionary authority of their respective Boards of Directors.

Cooperative Board will not replace any state regulatory authority over siting activities under state law.



Membership Agreement Amendments

Questions ?

AMENDMENTS TO SPP MEMBERSHIP AGREEMENT FOR CENTRAL POWER ELECTRIC COOPERATIVE

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by Central Power Electric Cooperative ("Central Power") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by Central Power's Board of Directors, and subject to the terms and conditions set by Central Power's Board of Directors.

A2. Withdrawal Rights

Central Power may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") or Basin Electric Power Cooperative ("Basin Electric") withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the Western-UGP Amendments, all of the Basin Electric Amendments or all of the Central Power Amendments; or (3) SPP files and FERC approves one or more changes to the Central Power Amendments without Central Power's consent, and such changes have a material adverse effect on Central Power. In such event, Central Power and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP or Basin Electric, Central Power's withdrawal will become effective on the same date as that of Western-UGP or Basin Electric. If Central Power exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

Central Power's Board of Directors shall have discretionary authority to decide whether Central Power will construct new transmission facilities. Central Power's Board of Directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, Central Power and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to Central Power's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon Central Power and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

**AMENDMENTS TO SPP MEMBERSHIP AGREEMENT FOR ~~MOUNTRAIL-WILLIAMS~~CENTRAL POWER
ELECTRIC COOPERATIVE**

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by ~~Mountrail-Williams~~Central Power Electric Cooperative ("~~Mountrail-Williams~~Central Power") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by ~~Mountrail-Williams~~Central Power's Board of Directors, and subject to the terms and conditions set by ~~Mountrail-Williams~~Central Power's Board of Directors.

A2. Withdrawal Rights

~~Mountrail-Williams~~Central Power may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") or Basin Electric Power Cooperative ("Basin Electric") withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the Western-UGP Amendments, all of the Basin Electric Amendments or all of the ~~Mountrail-Williams~~Central Power Amendments; or (3) SPP files and FERC approves one or more changes to the ~~Mountrail-Williams~~Central Power Amendments without ~~Mountrail-Williams~~Central Power's consent, and such changes have a material adverse effect on ~~Mountrail-Williams~~Central Power. In such event, ~~Mountrail-Williams~~Central Power and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP or Basin Electric, ~~Mountrail-Williams~~Central Power's withdrawal will become effective on the same date as that of Western-UGP or Basin Electric. If ~~Mountrail-Williams~~Central Power exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

~~Mountrail-Williams~~Central Power's Board of Directors shall have discretionary authority to decide whether ~~Mountrail-Williams~~Central Power will construct new transmission facilities. ~~Mountrail-Williams~~Central Power's Board of Directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, ~~Mountrail-Williams~~Central Power and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to ~~Mountrail-Williams~~Central Power's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon ~~Mountrail-Williams~~Central Power and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

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**AMENDMENTS TO SPP MEMBERSHIP AGREEMENT FOR MOUNTRAIL-WILLIAMS ELECTRIC
COOPERATIVE**

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by Mountrail-Williams Electric Cooperative ("Mountrail-Williams") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by Mountrail -Williams's Board of Directors, and subject to the terms and conditions set by Mountrail Williams's Board of Directors.

A2. Withdrawal Rights

Mountrail-Williams may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") or Basin Electric Power Cooperative ("Basin Electric") withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the Western-UGP Amendments, all of the Basin Electric Amendments or all of the Mountrail-Williams Amendments; or (3) SPP files and FERC approves one or more changes to the Mountrail-Williams Amendments without Mountrail-Williams's consent, and such changes have a material adverse effect on Mountrail-Williams. In such event, Mountrail-Williams and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP or Basin Electric, Mountrail-Williams's withdrawal will become effective on the same date as that of Western-UGP or Basin Electric. If Mountrail-Williams exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

Mountrail-Williams's Board of Directors shall have discretionary authority to decide whether Mountrail-Williams will construct new transmission facilities. Mountrail-Williams's Board of Directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, Mountrail-Williams and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to Mountrail-Williams's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon Mountrail-Williams and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

**AMENDMENTS TO SPP MEMBERSHIP AGREEMENT FOR ~~BASIN~~CENTRAL POWER
ELECTRIC ~~POWER~~ COOPERATIVE**

A1. Dispute Resolution

Notwithstanding any provisions in the Agreement or the SPP Bylaws to the contrary, any disputes arising under the Agreement or SPP Bylaws and relating to determinations, decisions, conduct and actions made or taken by ~~Basin~~Central Power Electric ~~Power~~ Cooperative ("~~Basin Electric~~Central Power") pursuant to its participation in SPP shall be subject to binding resolution under Section 3.13 of the SPP Bylaws only to the extent agreed upon by ~~Basin Electric's board~~Central Power's Board of ~~directors~~Directors, and subject to the terms and conditions set by ~~Basin Electric's board~~Central Power's Board of ~~directors~~Directors.

A2. Withdrawal Rights

~~Basin Electric~~Central Power may terminate this Agreement and withdraw as a member of SPP with less than the advance notice required by Section 4.2.2 of the Agreement in the event that (1) Western Area Power Administration-Upper Great Plains Region ("Western-UGP") or Basin Electric Power Cooperative ("Basin Electric") withdraws from SPP in accordance with its withdrawal rights; (2) FERC finds that SPP has not adhered to all of the ~~Federal Power Marketing Agency~~Western-UGP Amendments, all of the Basin Electric Amendments or all of the ~~Basin Electric~~Central Power Amendments; or (3) SPP files and FERC approves one or more changes to the ~~Basin Electric~~Central Power Amendments without ~~Basin Electric~~Central Power's consent, and such changes have a material adverse effect on ~~Basin Electric~~Central Power. In such event, ~~Basin Electric~~Central Power and SPP shall meet and confer to facilitate the withdrawal as soon as practicable or as necessary to ensure compliance with state or Federal law. In the event of a withdrawal by Western-UGP, or Basin Electric, Central Power's withdrawal will become effective on the same date as that of Western-UGP or Basin Electric. If ~~Basin Electric~~Central Power exercises its withdrawal rights under this provision, the financial obligations will be calculated under § 4.3 of this Agreement.

A3. Obligation to Build Conditions

~~Basin Electric~~Central Power's ~~board~~Board of ~~directors~~Directors shall have discretionary authority to decide whether ~~Basin Electric~~Central Power will construct new transmission facilities. ~~Basin Electric's board~~Central Power's Board of ~~directors~~Directors shall not replace any state regulatory authority with responsibility for siting activities under state law.

IN WITNESS WHEREOF, ~~Basin Electric~~Central Power and SPP have caused their duly authorized representatives to execute, on their respective behalves, these Amendments to ~~Basin Electric~~Central Power's Membership Agreement with SPP, which Amendments are fully applicable and incorporated into said Membership Agreement and together shall constitute one and the same instrument binding upon ~~Basin Electric~~Central Power and SPP.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

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**Southwest Power Pool
Change Working Group Charter
September 17, 2015**

Purpose

The Change Working Group (CWG) serves an implementation role needed by SPP, the Markets and Operations Policy Committee (MOPC) and the other working groups for market participant/member-facing and market participant/member-impacting efforts. The CWG is responsible for planning, coordinating, and monitoring these changes to SPP systems and processes.

A project is considered market participant/member-facing if:

- There are no changes market participant/member entities need to make to allow for SPP's change, but the change will be noticeable.

A project is considered market participant/member-impacting if:

- The change in the project will require changes to market participant/member system(s) or processes; and/or
- There are required system modifications or testing to be accomplished by market participants/members, without which their current systems will no longer work with this particular process.

Scope of Activities

In carrying out its purpose, the CWG will:

1. Define and develop processes and procedures to support the scope of CWG activities.
2. Review and propose additions and modifications to SPP systems and processes impacting SPP and SPP market participants and members.
3. Monitor and coordinate market participant/member-facing and –impacting projects related to items within CWG scope of activities.
4. Facilitate collaboration between SPP and SPP market participants and members to ensure readiness related to items within scope of CWG activities.
5. Coordinate with Staff and other SPP organizational groups to plan and prioritize activities.
6. Coordinate with other SPP organizational groups in the development of SPP Protocols and provide feedback on revision request system impact assessments where market participant/member-facing and/or - impacting changes are involved.

7. Provide input to project prioritization plans and review and provide comments to recommendations of proposed system changes.

Representation

The CWG is comprised of at least ten members up to one member for each SPP member, including the chairman and vice chair. The CWG expects to maintain a membership with diverse representation including Information Technology, Project Management, Operations and Business personnel.

Duration

Permanent.

Reporting

The CWG reports to the Markets and Operations Policy Committee (MOPC) for all activities. As necessary the CWG may appoint a member of the CWG as a liaison to other working groups for specific issues or actions items being coordinated.



Southwest Power Pool Change Working Group Charter September 17, 2015

Purpose

The Change Working Group (CWG) serves an implementation role needed by SPP, the [Markets and Operations Policy Committee \(MOPC\)](#) and the other working groups for market participant/member-facing and market participant/member-impacting efforts. The CWG is responsible for [recommendingplanning](#), coordinating, and monitoring these changes to SPP systems and processes.

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Duration

Permanent.

Reporting

The CWG reports to the Markets and Operations Policy Committee ([MOPC](#)) for all activities. As necessary the CWG may appoint a member of the CWG as a liaison to other working groups for specific issues or actions items being coordinated.



**Event Analysis Working Group
Charter
June, 2015**

PURPOSE

The Event Analysis Working Group (“EAWG”) will foster a culture of reliability excellence within the SPP region by reviewing all events and non-events analysis reports prepared by registered entities and SPP RC after a system disturbance event to ensure an appropriate root cause analysis has been performed and by sharing lessons learned within the SPP Region. For multi-entity NERC events and non-events within the region, the EAWG will prepare an event analysis report. The EAWG will provide an independent assessment using a team with expertise from each technical area within SPP.

SCOPE OF ACTIVITIES

In carrying out its purpose, the Event Analysis Working Group will:

1. Review all NERC event and non-event analysis report prepared by the affected entity after the system disturbance event is reported to ensure that it includes an appropriate root cause analysis, reaches sound conclusions and meets NERC guidelines.
2. For multi-entity NERC events and non-events within the region, perform a detailed technical assessment and prepare an event analysis report including appropriate root cause analysis meeting NERC guidelines.
3. Provide support to the entity(s) as needed to perform a compliance gap review related to NERC reliability standards and SPP criteria.
4. Work with the various working groups within SPP and coordinate with all Applicable Regional Entity (RE) staff and NERC event analysis team on requirements related to the event analysis report.
5. Collect and maintain all the technical data in support of the event analysis.
6. Assist in development and the issuance of any “lessons learned” as a result of completed event analysis reports.
7. Review and assist in development of any NERC standards and SPP Criteria related to event analysis.
8. Create recommendations to minimize the likelihood of similar events in the future.

Commented [CM1]: Added by CGC
RCWG REDLINE CHANGE

REPRESENTATION

The Working Group is comprised of five members, including a Chairman. Each of the members will be the chairman (or its appointee) of the following working groups:

- Critical Infrastructure Protection Working Group (CIPWG)
- Generation Working Group (GWG)
- Operating Reliability Working Group (ORWG)
- System protection and Controls working Group (SPCWG)
- Transmission Working Group (TWG)
- Reliability Compliance Working Group (RCWG)

DURATION

Permanent

REPORTING

The Working Group reports to the SPP Markets and Operations Policy Committee.



**Event Analysis Working Group
Charter
January/June, 2015**

PURPOSE

The Event Analysis Working Group (“EAWG”) will foster a culture of reliability excellence within the SPP region by reviewing ~~all non-events and~~ events and non-events analysis reports prepared by registered entities and SPP RC after a system disturbance event to ensure an appropriate root cause analysis has been performed and by sharing lessons learned within the SPP Region. For multi-entity ~~non-events and NERC~~ events and non-events within the region, the EAWG will prepare an event analysis report. The EAWG will provide an independent assessment using a team with expertise from each technical area within SPP.

SCOPE OF ACTIVITIES

In carrying out its purpose, the Event Analysis Working Group will:

1. Review ~~the all non-events and NERC~~ event and non-event analysis report prepared by the affected entity after the system disturbance event is reported to ensure that it includes an appropriate root cause analysis, reaches sound conclusions and meets NERC guidelines. ~~Work with entity to determine if report can be endorsed by the EAWG.~~
2. For multi-entity ~~non-events and NERC~~ events and non-events within the region, perform a detailed technical assessment and prepare an event analysis report including appropriate root cause analysis meeting NERC guidelines.
3. Provide support to the entity(s) as needed to perform a compliance gap review related to NERC reliability standards and SPP criteria.
4. Work with the various working groups within SPP and coordinate with ~~the SPP and~~ MRO all Applicable Regional Entity (-RE) staff and NERC event analysis team on requirements related to the event analysis report.
5. Collect and maintain all the technical data in support of the event analysis.
6. Assist in development and the issuance of any “lessons learned” as a result of completed event analysis reports.
7. Review and assist in development of any NERC standards and SPP Criteria related to event analysis.
8. Create recommendations to minimize the likelihood of similar events in the future.

Commented [CM1]: Added by CGC
RCWG REDLINE CHANGE

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- Critical Infrastructure Protection Working Group (CIPWG)
- Generation Working Group (GWG)
- Operating Reliability Working Group (ORWG)
- System protection and Controls working Group (SPCWG)
- [Transmission Working Group \(TWG\)](#)
- [Regional Reliability Compliance Working Group \(RCWG\)](#)

DURATION

Permanent

REPORTING

The Working Group reports to the SPP Markets and Operations Policy Committee.

Southwest Power Pool
Model Development Working Group
Charter
July 15, 2015

Purpose

The Model Development Working Group (MDWG) is responsible for the maintenance of transmission system models and applicable SPP Criteria related to (power flow, short circuit models, and associated stability database) which represents the current and planned transmission system of the Southwest Power Pool. It is also responsible to provide the Eastern Interconnection Reliability Assessment Group (ERAG) Multiregional Modeling Working Group (MMWG) with data that supports the development of inter-regional transmission system models.

Scope of Activities

In carrying out its purposes, the MDWG will:

1. Review and develop applicable SPP Criteria related to the development, maintenance, and coordination of models in support of: the SPP Transmission Expansion Planning (STEP), Generation Interconnection, Transmission Service Study, North American Electric Reliability Corporation (NERC) Compliance, and any other planning activities within SPP.
2. Determine the models that should be used in the RTO, basis for the models and how they are modified for their purpose.
3. Review and periodically monitor the NERC Reliability Standards impacts on Transmission System planning models within SPP. Identify applicable NERC Standards, SPP Regional Standards, and SPP Criteria. Coordinate response on behalf of SPP.
4. Maintain Transmission System planning models that represent the current and planned electric network of SPP.
5. Provide ERAG MMWG with the SPP portion of the Eastern Interconnection current and planned Transmission System planning models and coordinate incorporating ERAG MMWG models into the SPP system models.
6. Ensure that the Transmission System planning models adequately support the needs of SPP organizational groups.



Representation

The MDWG membership consists of a minimum of 8 and up to 14 representatives from the SPP membership, including the chair and vice-chair.

Duration

Permanent.

Reporting

The MDWG reports to the Transmission Working Group (TWG). As necessary the MDWG may appoint a member of the MDWG as a liaison to other working groups for specific issues or action items being coordinated.

Southwest Power Pool
Model Development Working Group
Charter
~~December 15, 2008~~ July 15, 2015

Purpose

The Model Development Working Group (MDWG) is responsible for the maintenance of transmission system models and applicable SPP Criteria related to (power flow, short circuit models, and associated stability database) which represents the current and planned transmission system of the Southwest Power Pool. It is also responsible to provide the Eastern Interconnection Reliability Assessment Group (ERAG) Multiregional Modeling Working Group (MMWG) with data that supports the development of inter-regional transmission system models.

Scope of Activities

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1. Review and develop applicable SPP Criteria related to the development, maintenance, and coordination of models in support of: the SPP Transmission Expansion Planning (STEP), Generation Interconnection, Transmission Service Study, North American Electric Reliability Corporation (NERC) Compliance, and any other planning activities within SPP.
2. Determine the models that should be used in the RTO, basis for the models and how they are modified for their purpose.
3. Review and periodically monitor the NERC Reliability Standards impacts on Transmission System planning models within SPP. Identify applicable NERC Standards, SPP Regional Standards, and SPP Criteria. Coordinate response on behalf of SPP.
4. Maintain Transmission System planning models that represent the current and planned electric network of SPP.
5. Provide ERAG MMWG with the SPP portion of the Eastern Interconnection current and planned Transmission System planning models and coordinate incorporating ERAG MMWG models into the SPP system models.
6. Ensure that the Transmission System planning models adequately support the needs of SPP organizational groups.



Representation

The MDWG membership consists of a minimum of 8 and up to [12-14](#) representatives from the SPP membership, including the chair and vice-chair.

Duration

Permanent.

Reporting

The MDWG reports to the Transmission Working Group (TWG). As necessary the MDWG may appoint a member of the MDWG as a liaison to other working groups for specific issues or action items being coordinated.

**Southwest Power Pool
Market Working Group
Charter
August 18, 2015**

Purpose

The Market Working Group (MWG) is responsible for the development and maintenance of the market protocols that define SPP administered wholesale market(s), including energy and operating reserve, congestion management, congestion hedging, demand response and market power mitigation consistent with direction from the Market and Operations Policy Committee, as well as proposing changes to the SPP OATT to implement suggested market changes. The MWG is also responsible for coordination of these markets both intra- and interregional.

Scope of Activities

In carrying out its purpose, the MWG will:

1. Develop and recommend the market protocols for the wholesale market, including energy and operating reserve, congestion management, congestion hedging, demand response, and market power mitigation.
2. Propose changes to the SPP OATT to implement or enhance the wholesale market(s).
3. Propose modifications to SPP processes necessary to implement any SPP administered wholesale market(s) to the Change Working Group and any other affected SPP Committees.
4. Participate in oversight of any ongoing market development process.
5. Coordinate with regulators and task forces in implementation of SPP administered wholesale market(s).
6. Coordinate with other committees and working groups, as appropriate, in the development of market protocols.
7. Propose modifications to the systems necessary for market monitoring and market power mitigation from the Internal and External Market Monitors.
8. Review and provide input to the NAESB standards development for wholesale markets.
9. Develop a recommendation of prioritization of market system changes to MOPC.
10. Work with other Working Groups to prioritize all MOPC approved system and process changes.

Representation

The MWG is comprised of at least eight and no more than eighteen members, including a chair and vice-chair. The MWG shall maintain a membership with balanced representation from the market participants.

Duration

Permanent.

Reporting

The MWG reports to the Market Operations Policy Committee for all activities. As necessary the MWG may appoint a member of the MWG as a liaison to other working groups for specific issues or action items being coordinated.

**Southwest Power Pool
Market Working Group
Charter**
~~January 29, 2013~~August 18, 2015

Purpose

The Market Working Group (MWG) is responsible for the development and maintenance of the market protocols that define SPP administered wholesale market(s), including energy [and operating reserve](#), congestion management, [congestion hedging, demand response](#) and market power mitigation consistent with direction from the Market and Operations Policy Committee, as well as proposing changes to the SPP OATT to implement suggested market changes. The MWG is also responsible for coordination of these markets both intra- and interregional.

Scope of Activities

In carrying out its purpose, the MWG will:

1. Develop and recommend the market protocols for the wholesale market, including energy [and operating reserve](#), congestion management, [congestion hedging, ~~ancillary services~~](#), demand response, and market power mitigation.
2. Propose changes to the SPP OATT to implement or enhance the wholesale market(s).
3. Propose modifications to SPP processes necessary to implement any SPP administered wholesale market(s) to the Change Working Group and any other affected SPP Committees.
4. Participate in oversight of any ongoing market development process.
5. Coordinate with regulators and task forces in implementation of SPP administered wholesale market(s).
6. Coordinate with other committees and working groups, as appropriate, in the development of market protocols.
7. Propose modifications to the systems necessary for market monitoring and market power mitigation from the Internal and External Market Monitors.
8. Review and provide input to the NAESB standards development for wholesale markets.
9. Develop a recommendation of prioritization of market system changes to MOPC.
10. Work with other Working Groups to prioritize all MOPC approved system and process changes.

Representation

The MWG is comprised of at least eight and no more than eighteen members, including a chair and vice-chair. The MWG shall maintain a membership with balanced representation from the market participants.

Duration

Permanent.

Reporting

The MWG reports to the Market Operations Policy Committee for all activities. As necessary the MWG may appoint a member of the MWG as a liaison to other working groups for specific issues or action items being coordinated.

Southwest Power Pool, Inc.

OPERATIONS TRAINING WORKING GROUP

Recommendation to the Markets and Operations Policy Committee

October 13-14, 2015

OTWG Charter Revision Recommendations

Organizational Roster

The following members represent the Operations Training Working Group (OTWG):

Denney Fales, KCPL, Chair
Robert Hirschak, CLECO, Vice-Chair
Stanley Winbush, AEP
Chris Dodds, WRI
Sheldon Hunter, SECI
Danny Johnson, Xcel

Mike Hood, AECC
Edgar Rivera, LUS
Michael Gaunder, OG&E
Russell Moore, CUS
Steve Tegtmeier, LES
Margaret Q. Adams, SPP Secretary

Background

During the July 14-15, 2015, meeting, the MOPC recommended the OTWG Charter for approval, based on this recommendation request:

“The OTWG recommends the MOPC approve the change to the OTWG Charter to increase the size of the OTWG from “not more than 11 members” to “not more than 15 members”. The OTWG also recommends Scope of Activities Item 1 be reworded from “1. Identify and manage training needs” to “1. Provide input to help SPP identify and manage training needs”.”

The Corporate Governance Committee (CGC) reviewed the OTWG Charter during the August 27, 2015, meeting. The CGC suggested the OTWG include information in the Scope to identify work/activity for proactively seeking stakeholder input on what training is necessary. The CGC also suggested the removal of anything covered in the SPP Bylaws.

Based on these suggestions, the OTWG made additional revisions to the OTWG Charter during the September 17, 2015, Face-to-Face meeting. Scope item 1 has been revised to state the OTWG will “1. Solicit feedback from SPP stakeholders to help SPP identify and manage training needs for operations personnel and market personnel among SPP stakeholders and determine the best and most cost-effective methods to meet those needs.” The OTWG has also removed the section entitled “Attendance and Proxy” from its Charter, since this item is covered in the SPP Bylaws.

Recommendation

The OTWG recommends the MOPC maintain its approval of the increase in size of the OTWG from “not more than 11 members” to “not more than 15 members”. The OTWG also recommends the MOPC approve the rewording of Scope of Activities Item 1 from “1. Identify and manage training needs” to “1. Solicit feedback from SPP stakeholders to help SPP identify and manage training needs”. Additionally, the OTWG recommends the MOPC approve the removal of the “Attendance and Proxy” section for the OTWG Charter.

Approved: Operations Training Working Group September 17, 2015
No opposition

Action Requested: Approve Recommendation



Operations Training Working Group
OTWG Charter

Revised: ~~October 1, 2013~~ September 17, 2015

Revision History

Date or Version Number	Author	Change Description	Comments
1/15/2004	Katie Duncan	Initial Document	Created according to the SPP Bylaws
2006 - 2010	Jim Gunnell	Reviewed	Approved
12/10/2012	Leslie Sink	Reviewed	
9/30/2013	Leslie Sink	Reviewed w/additions	Added Bylaw verbiage regarding attendance/proxy
<u>20150615</u>	<u>Margaret Q. Adams</u>	<u>Membership number and scope language revised.</u>	<u>OTWG voted to increase maximum to 15 and clarify language in Scope Item 1.</u>
<u>20150917</u>	<u>Margaret Q. Adams</u>	<u>Removed SPP Bylaws info regarding Attendance and Proxy. Enhanced scope item 1 to include input from all stakeholders.</u>	<u>Per CGC recommendation: Clarified scope and removed unnecessary SPP Bylaws information.</u>

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Purpose

The Operations Training Working Group (OTWG) is responsible for identifying and managing training activities for SPP stakeholders.

Scope of Activities

In carrying out its purpose, the OTWG will:

1. ~~Solicit feedback from SPP stakeholders to help SPP identify and manage training needs for operations personnel and market personnel among SPP stakeholders and determine the best and most cost-effective methods to meet those needs.~~
2. Direct the SPP Staff in the development, implementation, management, and maintenance of the SPP self-study training materials and SPP classroom training activities for SPP stakeholders.
3. Organize and conduct meetings and seminars for SPP stakeholders to present current training topics.
4. Review and develop any necessary SPP Criteria related to training.
5. Review and provide feedback on NERC-related training initiatives and requirements.
6. Provide general assistance to SPP stakeholders in their efforts to comply with NERC training standards and requirements.
7. Perform other duties as directed by the Markets and Operations Policy Committee.
8. Work with Staff and other SPP organizational groups to prioritize activities.

Representation

The OTWG shall be comprised of a minimum of 9 and not more than 15~~4~~ members, including the chair and vice chair. Members should be selected based on their exposure to system operator or market training. Desired responsibilities include those who provide training, supervise those who train, or system operators and market personnel who receive training.

~~**Attendance and Proxy:** If a representative does not attend three consecutive OTWG meetings, he/she will be considered to have resigned from the group. If a representative is unable to attend an OTWG meeting, he/she may in writing appoint a substitute representative who shall have such rights to participate and vote as the representative specifies. A representative may not grant a proxy for more than three consecutive meetings without the express consent of the chair of the OTWG. If a representative exceeds the proxy limit, he/she will be considered to have resigned from the OTWG.~~

Duration

Permanent

Reporting

The OTWG reports to the Markets and Operations Policy Committee (MOPC) as required on the activities, assignments, and recommendations requiring MOPC and Board of Directors approval. As necessary the OTWG may appoint a member of the OTWG as a liaison to other working groups for specific issues or action items being coordinated.

Southwest Power Pool, Inc.
RELIABILITY COMPLIANCE WORKING GROUP (RCWG)
Organizational Group Scope Statement
September 1, 2012

Purpose

The SPP Reliability Compliance Working Group (RCWG) will:

- Provide guidance on policy issues to SPP on reliability compliance activities of federal and/or regional regulators, committees, or companies.
- Provide expertise to other SPP Working Groups on SPP membership issues related to reliability compliance matters specific to execution, interpretation or implementation of federal or regional regulatory requirements.
- Provide a stakeholder forum to encourage SPP membership discussion of reliability compliance issues and provide a means to communicate collective SPP membership input to appropriate regulatory bodies, i.e., FERC¹, NERC, and all Applicable Regional Entity (RE) staff.
- Provide a membership forum to interface with SPP RTO Compliance staff on matters of NERC Reliability Standards Compliance on process, procedures.

Scope of Activities

In carrying out its purpose, the RCWG will:

- Receive input from and represent the SPP membership on reliability compliance issues arising via FERC¹, NERC, all Applicable Regional Entity (RE) staff or SPP RTO initiatives. These activities could include drafting “white papers”, advising SPP staff, Board, MOPC, and MOPC working groups and communicating back to regulatory or SPP membership entities as appropriate or directed by SPP stakeholders.
- Monitor reliability compliance matters from NERC Board and Committees; SPP Board and Committees; and SPP Working Groups to identify emerging issues and appropriately communicate these issues to SPP staff, MOPC and SPP membership. Provide guidance to SPP staff in review and submission of formal comments, responses, and balloting on any substantial federal and regional proposals where comments are invited.
- Serve as SPP membership liaison with Regional Entities on issues affecting the SPP RTO or members, to include audit processes, interpretations, Compliance Monitoring and Enforcement Program (CMEP) concerns, new and/or changing Rules of Procedure, and general reliability compliance guidance.
- Coordinate with the SPP RTO and all Applicable Regional Entity (RE) staff on stakeholder workshops to address existing and forthcoming important reliability compliance issues and experience/lessons learned.

- Provide timely input to working groups on existing and proposed changes to SPP Criteria and/or Regional Standards and SPP Tariff and SPP Business Practices as they potentially relate to NERC Reliability Standards.
- Meet with Regional Entities as needed to discuss reliability compliance concerns. Topics will include the Regional Entities expectations and interpretations of NERC standards that will improve compliance processes for SPP member companies.

NOTE: RCWG should not cover issues isolated to individual members, or basic, rudimentary issues that can be addressed via standard SPP Quarterly Compliance Forums and/or monthly compliance calls.

Representation

The RCWG is composed of at least seventeen, with no maximum, non-affiliated members, including the chair and vice chair. The members will reasonably represent the various NERC Registered functions of the SPP membership. RCWG encourages representation with personnel directly responsible for member's reliability compliance activities and programs.

Duration

The term of the Chair shall coincide with the two-year term of the Chair of the Board of Directors. No Chair shall serve more than 2 consecutive terms unless otherwise approved by the SPP Corporate Governance Committee.

Reporting

The RCWG reports to the SPP Markets and Operations Policy Committee (MOPC) for reliability compliance matters related to FERC¹, NERC, Regional Reliability Standards and SPP Criteria. The RCWG collaborates with other SPP Committees or Working Groups for those activities assigned to the RCWG by the MOPC, Board of Directors, and other Board committees.

¹FERC, for definition purposes in this document, will be considered as actions and issues resultant from the Office of Electric Reliability, Office of Energy Infrastructure Security and Office of Enforcement specific to Electric Reliability rules.



Revision History:

Original Creation:

September 1, 2012

Annual Review and RCWG Approval:

February 27, 2014

Annual Review and RCWG Approval:

April 23, 2015

Annual Review and MOPC Approval:

July 14, 2015

Annual Review and CGC Approval:

Annual Review and BOD Approval:

Southwest Power Pool, Inc.

REGIONAL

RELIABILITY COMPLIANCE WORKING GROUP (RCWG)

Organizational Group Scope Statement

September 1, 2012

Purpose

The SPP ~~Regional~~Reliability Compliance Working Group (RCWG) will:

- Provide guidance on policy issues to SPP on reliability compliance activities of federal and/or regional regulators, committees, or companies.
- Provide expertise to other SPP Working Groups on SPP membership issues related to ~~regional~~reliability compliance matters specific to execution, interpretation or implementation of federal or regional regulatory requirements.
- Provide a stakeholder forum to encourage SPP membership discussion of ~~regional~~reliability compliance issues and provide a means to communicate collective SPP membership input to appropriate regulatory bodies, i.e., ~~FERC~~FERC¹, NERC, and all Applicable Regional Entity (RE Staff, etc) staff.
- Provide a membership forum to interface with SPP RTO Compliance staff on matters of NERC Reliability Standards Compliance on process, procedures.

Scope of Activities

In carrying out its purpose, the RCWG will:

- Receive input from and represent the SPP membership on reliability compliance issues arising via ~~FERC~~FERC¹, NERC, all Applicable Regional Entity (RE) staff or SPP RTO initiatives. These activities could include drafting "white papers", advising SPP staff, Board, MOPC, and MOPC working groups and communicating back to regulatory or SPP membership entities as appropriate or directed by SPP stakeholders.
- Monitor reliability compliance matters from NERC Board and Committees; SPP Board and Committees; and SPP Working Groups to identify emerging issues and appropriately communicate these issues to SPP staff, MOPC and SPP membership. Provide guidance to SPP staff in review and submission of formal comments, responses, and balloting on any substantial federal and regional proposals where comments are invited.
- Serve as SPP membership liaison with Regional Entities on issues affecting the SPP RTO or members, to include audit processes, interpretations, Compliance Monitoring and Enforcement Program (CMEP) concerns, new and/or changing Rules of Procedure, and general reliability compliance guidance.
- Coordinate with the SPP RTO, ~~SPP RE, MRO~~, and ~~SERC~~all Applicable Regional Entity (RE) staff on stakeholder workshops to address existing and forthcoming important reliability compliance issues and experience/lessons learned.

- Provide timely input to working groups on existing and proposed changes to SPP Criteria and/or Regional Standards and SPP Tariff and SPP Business Practices as they potentially relate to NERC Reliability Standards.
- Meet with Regional Entities as needed to discuss reliability compliance concerns. Topics will include the Regional Entities expectations and interpretations of NERC standards that will improve compliance processes for SPP member companies.

NOTE: RCWG should not cover issues isolated to individual members, or basic, rudimentary issues that can be addressed via standard SPP Quarterly Compliance Forums and/or monthly compliance calls.

Representation

The ~~Reliability Compliance Working Group~~ RCWG is composed of ~~fifteen~~ at least seventeen, with no maximum, non-affiliated members, including the chair and vice chair. The members will reasonably represent the various NERC Registered functions of the SPP membership. RCWG encourages representation with personnel directly responsible for member's reliability compliance activities and programs. ~~The RCWG meetings will be open in accordance with SPP practices and may allow for an executive session as called by the chair.~~

Duration

The term of the Chair shall coincide with the two-year term of the Chair of the Board of Directors. No Chair shall serve more than 2 consecutive terms unless otherwise approved by the SPP Corporate Governance Committee.

Reporting

The RCWG reports to the SPP Markets and Operations Policy Committee (MOPC) for ~~those activities related to~~ reliability compliance matters related to ~~FERC~~ FERC¹, NERC, Regional Reliability Standards and SPP Criteria. The RCWG collaborates with other SPP Committees or Working Groups for those activities assigned to the RCWG by the MOPC, Board of Directors, and other Board committees.

¹FERC, for definition purposes in this document, will be considered as actions and issues resultant from the Office of Electric Reliability, Office of Energy Infrastructure Security and Office of Enforcement specific to Electric Reliability rules.

Revision History:

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