

**Southwest Power Pool, Inc.**  
**HOLISTIC INTEGRATED TARIFF TEAM**  
**SPP Holistic Integrated Tariff Team Meeting**  
**Dallas, TX**  
**May 16, 2018**  
**• M E E T I N G M I N U T E S •**

**1. Call to Order and Administrative Items**

Chair Tom Kent (NPPD) called the meeting to order at 9:00 am.

The meeting minutes from the April 24-25, 2018 meeting were approved with a minor edit. (Mike Risan (BEPC) made the motion to approve; Denise Buffington (KCPL) seconded the motion that was approved unanimously)

**2. Welcome & Introductions**

Kent and Rob Janssen (Dogwood) welcomed participants to the meeting.

Proxies: Jim Jacoby (AEP) for Richard Ross (AEP); Wes Berger (Xcel) for Bill Grant (Xcel) and John Krajewski (NPRB) for Dennis Grennan (NPRB).

See attached attendance list for all meeting participants.

**3. HITT Prioritizations/Topics/Approaching the Elephant**

Paul Suskie (SPP) briefly reviewed the comments submitted by the stakeholders. Comments were submitted by Southern Power, NPPD, ETEC/NTEC, AWEA, and Sunflower.

Kent suggested that the group review the HITT tasks called for in the charter document and define a problem statement for each item, then determine a priority for each.

After significant discussion, the Team developed a proposed list of "problem statements" for each item of task for the HITT. Below is the list of draft problem statements that group reached consensus on during the meeting.

**Item #1** - SPP's transmission planning and study processes, including, but not limited to, Generation Interconnections (GI); the GI queue; Aggregate Studies; Energy Resource Interconnection Service (ERIS) and Network Resource Interconnection Service (NRIS); capacity requirements, including more attributes than energy; and related FERC planning requirements.

**Problem Statement:** Planning processes created prior to markets; how should we change the planning process, operating process and market/tariff products to get the right results? Are we developing the right projects with the right entities paying?

**Item #2** - Transmission cost allocation issues, including, but not limited to, Highway/Byway, directly assigned costs, Attachment Z2 credits, cost allocation impacts on transmission

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.

pricing zones with large wind resources, and state by state supply resource mix requirements and/or goals.

Problem Statement: Given the guidance we developed for #1 we will review the transmission cost allocation methodologies to potentially make recommendations to enhance processes to ensure that just and reasonable principles are followed and are sent to the RSC/CAWG.

**Item #3** - Integrated Marketplace impacts related to a changing resource mix, access to lower cost generation, potential changes in production tax credits, approach of using market-based compensation for varying attributes of different types of generators, etc.

Problem Statement: Understanding product needs of the customer base and looking at design to see if enhancements could be made to get correct products in place and incented. Need to understand essential services and see if design should be changed to get mechanisms in place. Need to look at impacts to resource adequacy planning processes.

**Item #4** - Disconnects or potential synergies between transmission planning and real-time reliability and economic operations.

Problem Statement: NO detailed problem statement was defined in the meeting, but the group agreed that as disconnects or synergies are found in the other conversations these need to be captured and documented. Problem Statement #1 should also be updated to include this item.

**Item #5** - Additional areas and/or issues as appropriate and reasonably related to its scope of work.

Problem Statement: Evaluate improvements to AQ process to drive load growth in the footprint.

The group recommended that these items be prioritized as follows: 1 & 2 be worked together and then 3 and 4 can be worked on simultaneously. The above problem statements will be refined and sent out to the Team for agreement on the work for the HITT before the teams next meeting.

#### **4. HITT Requests for Information**

##### **a. SPPT Parking Lot issues (RFI 5)**

Suskie detailed the five additional items that SPPT recommended that should be resolved:

1. SPP staff should aggressively address and engage other neighboring operating authorities on "seams issues" for integrated planning and cost allocation purposes and provide a regular report to the Strategic Planning Committee.

2. SPP staff and the RTWG should work in parallel with the development of the IPP and the cost allocation methodology and be ready to file with FERC as soon as practical after BOD approval.

3. SPP staff should present to the RSC and the BOD at the October 2009 meetings a set of materials and methods to communicate the benefits and preliminary costs, of this robust transmission system, particularly the impact on typical residential customers and on a \$/kwh basis.

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.

4. SPP staff should work with the RSC to discuss the procedures needed to site interstate transmission and develop a whitepaper on issues, concerns, or policies that may need to be addressed.

5. The RSC should assess whether the "highway-byway" cost allocation methodology should be applied to existing facilities within the SPP footprint and not just facilities approved under the IPP process.

Suskie noted that items 2-4 had been completed and items 1 and 3 were still unresolved.

b. Rates By Zone/Balance Portfolio/Planning Data (RFI 1, 3, & 4)

Charles Locke (SPP) provided a detailed analysis of the zonal rates in SPP, including the impacts of the Balanced Portfolio transfer payments.

c. Wind Data (RFI 18 & 21)

This topic was pushed to the next meeting due to time constraints.

d. Market/Operational Data (RFI 14, 15, 17 & 24)

This topic was pushed to the next meeting due to time constraints.

e. FERC Orders 841, 844 & 845 (RFI 19)

This topic was pushed to the next meeting due to time constraints.

**5. Presentation on CAWG's Wind-Rich Zone efforts**

Krajewski presented the same slides that were presented to the RSC in April. These slides detailed the CAWG's recommended study scope that was approved by the RSC in April. CAWG intends for their study work to occur at the same time the HITT process is underway. CAWG has provided a data request to SPP staff regarding the information needed for the RSC approved study.

**6. Next Educational Topics**

- Wind Data (RFI 18 & 21)
- Market/Operational Data (RFI 14, 15, 17 & 24)
- FERC Orders 841, 844 & 845 (RFI 19)
- Day in the Life of an Interconnection Customer
- Presentation on GIITF Efforts

**7. Review / Update of the RFI list and parking lot items**

Suskie reviewed the ten new items added to the RFI list during this meeting. See attached.

**8. Other Items**

**9. Next Meetings**

**2018 HITT Team Meetings**

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.

- June 8, 2018 - Dallas, TX
- July 9, 2018 - Dallas, TX
- July 31, 2018 - Omaha, NE
- August 1, 2018 - Omaha, NE
- August 21, 2018 - Dallas, TX
- August 22, 2018 - Dallas, TX
- September 5, 2018 - Dallas, TX
- November 6, 2018 - Dallas, TX
- December 5, 2018 – TBD

#### **10. Adjournment**

Kent adjourned the meeting at 2:46 pm.



### **HITT Team Members Attendance**

Tom Kent, Chair (NPPD)  
Rob Janssen (Dogwood Energy)  
Shari Albrecht (KCC)  
John Krajewski (NPRB, proxy for Dennis Grennan)  
Jim Eckelberger (SPP Director)  
Graham Edwards (SPP Director)  
Denise Buffington (KCPL)  
Holly Carias (NextEra)  
Dennis Florum (LES)  
Wes Berger (Xcel SPS, proxy for Bill Grant)  
Jim Jacoby (AEP, proxy for Richard Ross)  
Al Tamimi (Sunflower)  
Mike Wise (GSEC)  
Greg McAuley (OGE)

### **SPP Staff Attendance**

Paul Suskie, Staff Secretary  
Lanny Nickell  
Antoine Lucas  
Richard Dillon  
Tessie Kentner  
Charles Locke  
Luke Hill  
Ben Bright

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.

**Meeting Participants via Webex**

Aaron Vander Vorst (Tradewinds)  
Alfred Busbee (GDS)  
Ben Bright (SPP)  
Bernie Liu (Xcel)  
Betsy Beck (AWEA)  
Bill Dowling (MIDW)  
Blaine Erhardt (BEPC)  
Brett Hooton (SCMCN)  
Brian Johnson (AEP)  
Brian Rounds (AESL)  
Carrie Dixon (Xcel)  
Chris Cranford (SPP)  
David Kays (OG&E)  
David Mindham (ITC)  
Dennis Reed (Midwest Regulatory Consulting)  
Derek Sunderman (Tradewinds)  
Dirk Shulund (WAPA)  
Dori Quam (NWE)  
Ella Caillouette (Northwestern Energy)  
Gayle Freier (SPP)  
Greg Garst (OPPD)  
Greg Sorenson (SPP MMU)  
Heather Starnes (MJMEUC/KMEA)  
J.P. Maddock (BEPC)  
James Hotovy (NPPD)  
Jason Mazigian (BEPC)  
Jeff Knottek (CUS)  
Jim Krajecki (CES)  
Joel Dagerman (NPPD)  
John Stephens (CUS)  
John Varnell (TNSK)  
Jon Sunneberg (NPPD)  
Justin Hinton (SPP)  
Kenny Hale (SPRM)  
L. Larson (Balch)  
Lee Elliott (SPP)  
Marisa Choate (SPP)  
Maurice Moss (CUS)  
Meena Thomas (Consultant)

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.



Michael Moffet (Sunflower)  
Mo Awad (Westar)  
Natasha Henderson (GSEC)  
Pam Bonrud (NWE)  
Paul Malone (NPPD)  
Ray Bergmeier (SEPC)  
Robert Pick (NPPD)  
Robert Safuto (Customized Energy Solutions)  
Robert Tallman (OGE)  
Ron Chartier (SECI)  
Ron Thompson (NPPD)  
Ruth Sakya (SPS)  
Sam Enfield  
Sam Loudenslager (SPP)  
Scott Bents (IUB)  
Shawn Geil (KEPCo)  
Shawnee Claiborn-Pinto (PUCT)  
Steve Gaw (Wind Coalition)  
Terri Gallup (AEP)  
Tim Brown (GRDA)  
Traci L Bender (NPPD)  
Walt Cecil (MOPSC)  
Zack Wineinger (OPPD)

**Antitrust:** SPP strictly prohibits use of participation in SPP activities as a forum for engaging in practices or communications that violate the antitrust laws. Please avoid discussion of topics or behavior that would result in anti-competitive behavior, including but not limited to, agreements between or among competitors regarding prices, bid and offer practices, availability of service, product design, terms of sale, division of markets, allocation of customers or any other activity that might unreasonably restrain competition.