The regional and national electric grid is rapidly evolving. A changing generation mix, new technologies, and federal and state regulations are impacting how we do business. Demand is leveling off overall, while new economic development opportunities are occurring throughout the region. SPP and its members must prepare to meet these challenges.

In 2018, the SPP Board of Directors and Members Committee created the Holistic Integrated Tariff Team to review SPP’s cost allocation model, transmission planning processes, Integrated Marketplace services and disconnects or synergies between reliability and economic operations. The HITT agreed on a set of high-level recommendations that represent consensus-based solutions to improve many of SPP’s critical functions, with the principal goal of reliably providing the lowest-cost electricity to end-use customers.

### Holistic Integrated Tariff Team Recommendations

**Reliability**
- Essential & other reliability services (ERS/ORS)
- ERS/ORS compensation model
- Marketplace enhancements
- Uncertainty market product
- Additional operational tools

**Planning & Cost Allocation**
- NRIS/ERIS modifications
- Uniform Sch. 9 local planning criteria
- New load addition modifications
- Three-phase GI process effectiveness
- B/C ratio for economic projects
- Decouple Sch. 9 & 11 pricing zones
- Byway cost allocation review process
- Eliminate Z2 revenue crediting
- Cost allocation for transmission storage

**Marketplace**
- Congestion hedging improvements
- Offer requirements for variable resources
- Mitigation of unduly low offers that create uneconomic dispatch
- Economic evaluations of reliability

**Strategic**
- Add tech advances to strategic plan
- Keep seams a priority in strategic plan
- Create storage white paper
The regional generation mix has changed dramatically, creating new opportunities and challenges.

1. In 2011, coal served 63% of load and wind 6%. In 2018, coal decreased to 42% while wind increased to 23%.
2. Intermittent generation can change drastically hour-to-hour, day-to-day.
3. The amount of installed wind generation in SPP has grown from 80 MW in 2001 to 20,600 MW in 2018.
4. SPP has requests to connect even more renewable generation to the grid, including more than 50,000 MW of wind. Solar and battery storage are rapidly increasing as well.