SOUTHWEST POWER POOL

ECONOMIC STUDIES WORKING GROUP MEETING

September 29, 2021

Net Conference

SUMMARY OF MOTIONS AND ACTION ITEMS

- Approved September 1-2, 2021 ESWG meeting **minutes**.
- Approved **RR 466**
- **Action Item 199** was marked complete
- Approved **2023 ITP wind and solar projections**

SOUTHWEST POWER POOL
ECONOMIC STUDIES WORKING GROUP MEETING
September 29, 2021
Net Conference

MINUTES

AGENDA ITEM 1 – ADMINISTRATIVE ITEMS

Economic Studies Working Group (ESWG) Chair Alan Myers called the meeting to order at 8:00 a.m. The following members were in attendance or represented by proxy:

Al Tamimi, SUNC
Alan Myers, ITC
Anita Sharma, AEP
Bennie Weeks, Xcel
Calvin Daniels, WFEC
Derek Brown, Evergy
Gayle Nansel, WAPA
Jeremy Severson, BEPC
Jody Holland, SCMCN
Kurt Stradley, LES
Kyle McKinney, GSEC
Randy Collier, CUS
Steve Gaw, APA
Steve Hohman, OPPD
Tim Owens, NPPD
Zac Hager, OGE

Proxies:
Moses Rotich for Jody Holland

(Attachment 1 – Attendance) (Attachment 2 – Proxy)

Joshua Norton confirmed there was a quorum and provided the antitrust statement. Alan Myers reviewed the agenda for any changes. (Attachment 3 – Agenda)

> **Kurt Stradley made a motion, seconded by Tim Owens to approve the agenda. The motion was approved unanimously.**

AGENDA ITEM 2 – CONSENT AGENDA

The consent agenda included the following items:

- September 1-2 Meeting Minutes (Attachment 4 – ESWG Minutes 2021-09-01)
- RR 466: TOSP Governing Documents Clean-up (Attachment 5 – RR 466 Recommendation Report) (Attachment 6 – RR 466 presentation)

The consent agenda was approved.

AGENDA ITEM 3 – REVIEW OF PAST ACTION ITEMS

Joshua Norton reviewed past action items. **Action item 199 was marked complete**. (Attachment 7 – Action Items)

AGENDA ITEM 4 – ITP QUARTERLY REPORT

Dara Solomon presented the ITP Quarterly Report. Steve Gaw expressed the desire to find out what could be done to complete all scoped ITP work instead of cutting items. (Attachment 8 – ITP Quarterly Report Presentation)

AGENDA ITEM 5 – SUMMIT DEBRIEF

Joshua Norton opened the floor for questions to be asked of staff regarding discussions from the Planning Summit held the two days prior. Staff noted that feedback can be sent through RMS by the end of the week preferably. Anita Sharma pointed out that low B/C-ratio projects were in the portfolio and asked if they passed screening. Kirk Hall responded that all projects pass screening on an individual basis and he clarified the screening criteria. Kelsey Allen added that only one round of subtraction runs has occurred before summit and that usually there are 3-4 rounds. Jeremy Severson asked whether conceptual or study costs go into the B/C ratio and Kelsey Allen replied that the costs get updated as study estimates are completed. Stakeholders expressed interest in sharing RMS submissions and responses if not confidential.

AGENDA ITEM 6A – 2023 ITP: SCOPE DEVELOPMENT – FUTURES

Sherri Maxey gave a recap of previous discussions and provided information on the Futures. Anita Sharma spoke about her support for numbers based on the GI Queue. (Attachment 9 – 2023 ITP Scope Futures presentation)

Anita Sharma made a motion, seconded by Derek Brown, to make Wind in F1 Y10 to be 41GW and Wind in F2 Y10 to be 46GW. The motion failed with 6 votes for, 7 against, and 2 abstentions.

After the vote, members discussed the wind projections.

Al Tamimi made a motion, seconded by Zac Hager, to approve staff recommendation for 2023 ITP wind and solar amounts. The motion failed with 6 votes for, 8 against, and 1 abstention.

Discussion on Interconnection Agreements continued. Zac Hager proposed the idea of adding Resource Addition Requests to the Year 2 amounts for Wind as a starting point and adding incremental amounts for each year.

Zac Hager made a motion, seconded by Jeremy Severson to use the following for wind:

- **Existing + RARs +4GW for F1 Y05**
- **Existing + RARs +7GW for F1 Y10**
- **Existing + RARs +4GW for F2 Y05**
- **Existing + RARs +12GW for F2 Y10**

The motion was approved with 13 votes for, 2 against, and 0 abstentions.

The RAR window and Gen review timeline was discussed. Following some discussion on wind, the group reviewed staff's solar recommendation.

Jeremy Severson made a motion, seconded by Steve Hohman, to approve staff's recommendation for Solar. The motion was approved unanimously.

AGENDA ITEM 7A – 2022 ITP: MITIGATION PLAN

Nick Parker presented goals, history, analysis and results of recent mitigation efforts and presented ideas for mitigating the 2022 ITP. He presented next steps and requested feedback from the group. (Attachment 10 – 2022 ITP Mitigation Plan)

AGENDA ITEM 7B – 2022 ITP: GENERATOR OUTLET FACILITIES (GOF) REVIEW

Discussion on this item was cut due to lack of time. Attendees were encouraged to provide feedback via email. (Attachment 11 – GOFs Update)

AGENDA ITEM 8 – BP7650: DPP QUALIFYING CRITERIA

Brian Johnson reviewed the work being performed by the Transmission Owner Selection Process Task Force and presented proposed modifications to BP 7650. He reviewed the status for areas of improvement and next steps. (Attachment 12 – TOSPTF BP7650 DPP Criteria Revisions document) (Attachment 13 – TOSPTF BP7650 DPP Criteria Revisions presentation)

AGENDA ITEM 9 – 2022 MEETING SCHEDULE

Joshua Norton gave a short overview of the schedule and encouraged feedback to be sent via email. (Attachment 14 – 2022 ESWG Meeting Schedule)

AGENDA ITEM 15 – CLOSING ITEMS

There were no action items taken.

EMAIL ITEMS

A motion was solicited to approve the use of the Year 2 MEM in the Benchmarking milestone on September 1, 2021.

> **Tim Owens made a motion, seconded by Jeremy Severson, to approve the use of the 2022 Year 2 MEM, as posted on 8/31/2021, in the Benchmarking milestone for the 2022 ITP assessment. The motion was approved unanimously.**

A motion was solicited to approve RR 454 changes submitted by SPS with the exception of the 15 Calendars Days and approve RR 454 staff recommended 21 Calendar Days on September 8, 2021.

> **Derek Brown made a motion, seconded by Kyle McKinney, to approve the RR 454 changes submitted by SPS with the exception of the 15 Calendars Days and approve RR 454 staff recommended 21 Calendar Days. The motion was approved unanimously.**

Respectfully Submitted,

Joshua Norton

Secretary

Name	Company/Email	Attendance
aaron dingmann	aaron.p.dingmann@xcelenergy.com	Webex
Aaron Shipley	ashipley@spp.org	Webex
Adam Bell	abell@spp.org	Webex
Ahmed Alazzawi	aalazzawi@spp.org	Webex
Al Tamimi	atamimi@sunflower.net	Webex
Alan Myers	amyers@itctransco.com	Webex
Anita Sharma	asharma@aep.com	Webex
Bennie Weeks	bennie.weeks@xcelenergy.com	Webex
Bill Leung (NPRB	bleung@bjleung.com	Webex
Brian Johnson	bajohnson1@aep.com	Webex
Brian Rounds	brian.rounds@aeslconsulting.com	Webex
Britt Runion	brunion@spp.org	Webex
Brooke Keene	bkeene@spp.org	Webex
Calvin Daniels (WFEC)	calvin.daniels@wfec.com	Webex
Casey Cathey	ccathey@spp.org	Webex
Charlton Hill	chill@spp.org	Webex
Chris Colson (WAPA)	colson@wapa.gov	Webex
Chris Cranford	ccranford@spp.org	Webex
Chris Jamieson	cjamieson@spp.org	Webex
Chris Matthes AEP	camatthes@aep.com	Webex
Christopher Davis	cdavis@spp.org	Webex
Clifford Franklin	clifford.franklin@sunflower.net	Webex
Conner Sweet	conner.sweet@cityutilities.net	Webex
Dara Solomon	dsolomon@spp.org	Webex
DAVID BUSSE	david.busse@libertyutilities.com	Webex
Derek Brown	derek.brown@evergy.com	Webex
Eddie Watson	ewatson@spp.org	Webex
Gayle Freier	gfreier@spp.org	Webex
Gayle Nansel (WAPA)	nansel@wapa.gov	Webex
Greg Lampley	glampley@spp.org	Webex
Ian Wren	iwren@spp.org	Webex
JACOB PANNELL	jpannell@spp.org	Webex
James Bailey	jbailey@spp.org	Webex
Jason Atwood (Hitachi ABB)	jason.atwood@hitachi-powergrids.com	Webex
Jason Mazigian	jmazigian@bepc.com	Webex
Jason Shook	jason.shook@gdsassociates.com	Webex
Jeremy Severson	jseverson@bepc.com	Webex
Jim Jacoby (AEP)	jwjacoby@aep.com	Webex
Jodi Woods	jwoods@spp.org	Webex
Joe Fultz (GRDA)	jfultz@grda.com	Webex

JOE RICHARDSON	joseph.m.richardson@xcelenergy.com	Webex
John Boshears	john.boshears@cityutilities.net	Webex
John Turner	john.turner@wfec.com	Webex
John Varnell	jvarnell@tnsk.com	Webex
Jordan Schmick	jordan.h.schmick@xcelenergy.com	Webex
Joshua Pilgrim	jpilgrim@spp.org	Webex
Josie Daggett	daggett@wapa.gov	Webex
Kelseyn Allen	kallen@spp.org	Webex
Kirk Hall	khall@spp.org	Webex
Krishada Watson	kwatson@spp.org	Webex
Kristin Stuart	kstuart@spp.org	Webex
Kurt Stradley	kstradley@les.com	Webex
Kyle Combes	kyle.combes@1898andco.com	Webex
Kyle McKinney	kmckinney@gsec.coop	Webex
Lane Sisung	lane@sisung.com	Webex
Loren Ditsch	ljditsch@oppd.com	Webex
Malcolm Ainspan	malcolm.ainspan@nrg.com	Webex
Maurisa Hughes	mghughes@spp.org	Webex
Michael Wegner (ITC)	mwegner@itctransco.com	Webex
Moses Rotich	moses.rotich@gridliance.com	Webex
Nathan Pearce	nathan.pearce@sunflower.net	Webex
Neeya Toleman	neeya.toleman@nexteraenergy.com	Webex
Nick Parker (SPP)	nparker@spp.org	Webex
Pat Hayes	phayes@lspower.com	Webex
Randy Collier	randy.collier@cityutilities.net	Webex
Raul Perez	raul.perez@nexteraenergy.com	Webex
Ryan Benton	rbenton@mwenergy.com	Webex
Ryan Yokley	ryokley@sunflower.net	Webex
Sean Rogers	sean.m.rogers@xcelenergy.com	Webex
Sherri Maxey	smaxey@spp.org	Webex
Spencer Magby	smagby@spp.org	Webex
Steve Gaw	rsgaw1@gmail.com	Webex
Steve Hohman (OPPD)	shohman@oppd.com	Webex
Sunny Raheem	sraheem@spp.org	Webex
Talina Mathews	tmathews@spp.org	Webex
Tim Owens	tjowens@nppd.com	Webex
Travis Hancock (Sunflower)	travis.hancock@sunflower.net	Webex
Tyler Baxter	tyler.baxter@cbpower.coop	Webex
Tyler Fletcher	tjfletcher@burnsmcd.com	Webex
Zac Hager	hagerzc@oge.com	Webex

Proxy Statements

Proxy	Member	Note
Moses Rotich	Jody Holland	

Alan and Josh,

Please accept Moses as my proxy for this meeting. Thanks.

Jody Holland

GridLiance | NextEra Energy Transmission

Executive Director, Transmission Planning

SOUTHWEST POWER POOL, INC.
ECONOMIC STUDIES WORKING GROUP MEETING
September 29-30, 2021
Net Conference

AGENDA

Wednesday, 8:00a.m – 12:00p.m.
Thursday, 8:00a.m – 12:00p.m.

1. Administrative Items .... Alan Myers 15
   A. Call to Order, Introductions .... Alan Myers
   B. Receipt of Proxies .... Joshua Norton
   C. Review of Agenda[1] .... Alan Myers
   D. Antitrust Reminder .... Joshua Norton
2. Consent Agenda[1]
   A. September 1-2 ESWG minutes
   B. RR 466: TOSP Governing Documents Clean-up
3. Review of Action Items[1] .... Joshua Norton 10
4. ITP Quarterly Report[1] .... Dara Solomon 20
5. Summit Debrief .... Joshua Norton 10
6. 2023 ITP
   A. Scope Development – Futures (Approval)[1] .... Sherri Maxey 30
7. 2022 ITP
   A. Mitigation Plan[1] .... Nick Parker 30
   B. Generator Outlet Facilities (GOFs) Review[1] .... Greg Lampley 10

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[1] Background Material Included

A. Summary of Action Items

B. Upcoming Meeting Agenda Items

C. Future Meetings

i) November 3-4, 2021: Net Conference

ii) December 8-9, 2021: Net Conference

iii) January TBD

SOUTHWEST POWER POOL
ECONOMIC STUDIES WORKING GROUP MEETING

September 1-2, 2021
Net Conference

SUMMARY OF MOTIONS AND ACTION ITEMS

General:

- Approved August ESWG meeting **minutes**.
- Approved 2023 ITP Scope language for **Wind Curtailment Price methodology**.
- Approved the following exception request for the 2022 ITP:
    - GEN-2016-003 in all scenarios
    - GEN-2016-037 in all but the F1 Y5 scenario

SOUTHWEST POWER POOL
ECONOMIC STUDIES WORKING GROUP MEETING
September 1-2, 2021
Net Conference

MINUTES

AGENDA ITEM 1 – ADMINISTRATIVE ITEMS

Economic Studies Working Group (ESWG) Chair Alan Myers called the meeting to order at 8:00 a.m. The following members were in attendance or represented by proxy:

Al Tamimi, SUNC
Alan Myers, ITC
Anita Sharma, AEP
Bennie Weeks, Xcel
Calvin Daniels, WFEC
Derek Brown, Evergy
Gayle Nansel, WAPA
Jeremy Severson, BEPC
Jody Holland, SCMCN
Kurt Stradley, LES
Kyle McKinney, GSEC
Michael Watt, OMPA
Randy Collier, CUS
Steve Gaw, APA
Steve Hohman, OPPD
Tim Owens, NPPD
Zac Hager, OGE

Proxies:
Matt McGee or Jim Jacoby for Anita Sharma

(Attachment 1 – Attendance) (Attachment 2 – Proxy)

Joshua Norton confirmed there was a quorum and provided the antitrust statement. Alan Myers reviewed the agenda for any changes. It was noted that item 8A would not be up for approval in this meeting. (Attachment 3 – Agenda)

> **Kurt Stradley made a motion, seconded by Jeremy Severson to approve the agenda. The motion was approved unanimously.**

AGENDA ITEM 2 – CONSENT AGENDA

The consent agenda included the following items:

Meeting Minutes – August 4-5, 2021 (Attachment 4 – August 4-5 2021 ESWG Minutes)

The consent agenda was approved.

AGENDA ITEM 3A – 2023 ITP: SCOPE CURTAILMENT PRICE METHODOLOGY

Brooke Keene presented a change to the treatment of wind unit curtailment prices and repowers in the ITP. She answered questions and presented staff's recommendation to approve the 2023 ITP Scope language on slide 5. (Attachment 5 – 2023 ITP Scope – Curtailment Price Methodology)

Al Tamimi made a motion, seconded by Calvin Daniels to approve staff's recommendation to add the 2023 ITP Scope language on slide 5: ("The curtailment price of wind will be set in accordance with IRS production tax credits. An automatic repower for all wind units will be assumed after the expiration of the original production tax credit (10 years). The repower will consist of the renewal of the PTCs that were originally issued based on the unit's construction start date."). The motion was approved unanimously.

AGENDA ITEM 3B – 2023 ITP: LOAD AND GENERATION REVIEW

Brooke Keene reviewed the schedule for the 2023 ITP Load and Generation Review milestone and pointed out due dates. (Attachment 6 – 2023 ITP Load and Generation

AGENDA ITEM 4 – REVIEW OF PAST ACTION ITEMS

Joshua Norton reviewed past action items. (Attachment 7 – Past Action Items)

AGENDA ITEM 5 – RR FOR STORAGE AS TRANSMISSION-ONLY ASSET (SATOA)

Joshua Pilgrim gave a review focused on the ITP Manual and Attachment O changes due to an upcoming revision request for SATOA. Steve Hohman pointed out that the solution evaluation language for SATOA is more qualitative than the current quantitative language. Chris Colson pointed out similarities between SATOA and RAS solutions. Alan noted that this revision request will be back for approval in an upcoming meeting. (Attachment 8 – SATOA RR)

AGENDA ITEM 6A – 2021 ITP: SCHEDULE

Dara Solomon reviewed the 2021 ITP schedule. (Attachment 9 – 2021 ITP Schedule)

AGENDA ITEM 6B – 2021 ITP: PORTFOLIO UPDATE

Chris Davis reviewed the DPP Technical Validation and Solution Evaluation status. He presented the project summaries by area and opened up discussion. (Attachment 10 – Portfolio Development Update)

AGENDA ITEM 7A – 2022 ITP: SCHEDULE

Dara Solomon reviewed the 2022 ITP schedule. (Attachment 11 – 2022 ITP and 20-Year Assessment Schedules)

AGENDA ITEM 7B – 2022 ITP: Y2 MARKET ECONOMIC MODEL

Charlton Hill reviewed the MEM build flowchart and next steps. (Attachment 12 – 2022 ITP MEM Build Update)

AGENDA ITEM 7C –2022 ITP: SITING PLAN

Joshua Norton presented corrections to the preliminary wind siting plan and the impacts to the plan if the exceptions in this meeting get approved. (Attachment 13 – 2022 ITP Wind Siting Plan Corrections & Exceptions Impact) (Attachment 14 – Siting Plan presentation)

AGENDA ITEM 7DI – 2022 ITP: WIND SITING PLAN EXCEPTIONS: ENEL REQUESTS

Anthony Cook and Aaron Vander Vorst presented Enel exceptions for GEN-2016-003 (POI Badger-Woodward 345kV) and GEN-2016-037 (POI Chisholm-Gracemont 345kV). (Attachment 15 – Enel Exceptions Requests)

> **Derek Brown made a motion, seconded by Calvin Daniels to approve the exception request for GEN-2016-003 in all scenarios. The motion was approved with one abstention: Steve Gaw.**
>
> **Derek Brown made a motion, seconded by Tim Owens to approve the exception request for GEN-2016-037 in all but the F1 Y5 scenario. The motion was approved with two abstentions: Steve Gaw and Matt McGee (proxy for Anita Sharma).**

AGENDA ITEM 8A – 2023 ITP: SCOPE DEVELOPMENT

Sherri Maxey gave a recap of the August meeting scope discussion and presented data that staff collected since then. She presented GI Queue analyses and showed comparisons of scope trajectories for GI Queue, historical trends, 20-year Assessment and the staff recommendation. (Attachment 16 – 2023 ITP Scope and futures development)

AGENDA ITEM 8B – 2023 ITP: AEP SCOPE PRESENTATION

Jim Jacoby presented AEP IRP comparisons to the ITP futures and discussed concerns with conventional additions and capacity accreditation in the ITP. (Attachment 17 – AEP Renewable Goals)

AGENDA ITEM 9 – CLOSING ITEMS

There were no action items taken.

EMAIL ITEMS

REVISION REQUEST FOR HITT T3

The ESWG waived review of a revision request for HITT T3

Respectfully Submitted,

Joshua Norton

Secretary

SPP Southwest Power Pool

Revision Request Recommendation Report

RR #: 466	**Date:** 9/16/2021
RR Title: TOSP Governing Documents Clean-up	

SUBMITTER INFORMATION

Name: Aaron Shipley on behalf of TOSPTF	**Company:** Southwest Power Pool
Email: ashipley@spp.org	**Phone:** 501-482-2197

EXECUTIVE SUMMARY AND MOTION FOR RECOMMENDED MOPC/BOD ACTION

(Executive summary is high-level explanation of what the revision request will accomplish and should include a summary of voting records and opposition. The motion for recommended MOPC/BOD action should be written such that the organization group "recommends" the action needed.)

OBJECTIVE OF REVISION

(Ensure the objective has been updated to reflect the intent of the revisions presented for approval)

Objectives of Revision Request:
Describe the problem/issue this revision request will resolve.

The governing documents overseeing the Transmission Owner Selection Process ("TOSP") have not been updated over time as the process has been implemented. Attachment Y and Business Practices 7600 and 7700 include the majority of information for the TOSP. Several clean-up items have been identified that more accurately capture the intent and execution of the TOSP. Currently the governing documents do not accurately capture all parts of the TOSP and without being brought current the TOSP risk having inconsistent or unclear guidelines for the process.

Describe the benefits that will be realized from this revision.

This RR will bring the TOSP governing documents up-to-date with process improvements that have been made and accurately reflect how the TOSP is implemented. Moving forward with updating these items ensures the TOSP governing documents provide accurate and clear direction on requirements and expectations of the TOSP.

SPP STAFF COMMENTS

SPP staff supports this revision request.

IMPACT ANALYSIS

(See RR Impact Analysis Form for complete impact details)

System Changes ☒ No ☐ Yes

Process Changes? ☒ No ☐ Yes

Impact Analysis Required? ☒ No ☐ Yes | **If no, but system or process changes are expected please explain why an Impact Analysis will not be performed** (e.g. FERC Order, work included in another Impact Analysis for a related RR):

Estimated Vendor Cost: N/A *ROM based on information available at the time of the estimate* ***Cost Categories: A>0-20k, B>20-60k, C>60-100k, D>100-300k, E>300k – 600k, F>600k – 1mm, *G>1mm*** **If greater than 1mm an upper limit will also be provided.*	**Estimated Implementation Staff Hours:** N/A *ROM based on information available at the time of the estimate*
Estimated Implementation Time: N/A *ROM based on information available at the time of the estimate*	**Primary Working Group Priority:**

SPP DOCUMENTS IMPACTED		
☐ **Market Protocols**	**Protocol Section(s):**	**Protocol Version:**
☐ **Operating Criteria**	**Criteria Section(s):**	**Criteria Date:**
☐ **Planning Criteria**	**Criteria Section(s):**	**Criteria Date:**
☒ **Tariff (OATT)**	**Section(s):** Attachment Y Section III.1(a)(ii); Attachment Y Section III.1(a)(iii); Attachment Y Section III.1(d)(i); Attachment Y Section III.1(d)(ii); Attachment Y Section III.1(e); Attachment Y Section III.2(b)(iii); Attachment Y Section III.2(b)(iv); Attachment Y Section III.2(d)(i); Attachment Y Section III.2(d)(vi); Attachment Y Section III.2(d)(vii)	
☒ **Business Practice**	**Business Practice Number:** BP7060; BP7600; BP7700	
☐ **Integrated Transmission Planning (ITP) Manual**	**Section(s):**	
☐ **Revision Request Process**	**Section(s):**	
☐ **Minimum Transmission Design Standards for Competitive Upgrades (MTDS)**	**Section(s):**	
☐ **Reliability Coordinator and Balancing Authority Data Specifications (RDS)**	**Section(s):**	
☐ **SPP Communications Protocols**	**Section(s):**	

ORGANIZATIONAL GROUP ACTION *(Action = Approved, Approved Unanimously, or Rejected)*	
Primary Working Group: RTWG	**Date:** 9/16/2021 **Motion:** To approve RR 466 as modified at the September 16, 2021 RTWG meeting **Action:** Approved unanimously
Reason for Abstention/Opposition:	
MOPC	**Date:** **Motion:** **Action:** **Abstained:** **Opposed:**
Reason for Abstention/Opposition:	

PROPOSED REVISION(S) TO SPP DOCUMENTS
SPP Tariff (OATT)

Attachment Y

III. TRANSMISSION OWNER SELECTION PROCESS FOR COMPETITIVE UPGRADES

1) Application and Qualification Process

a) Application

Any entity that desires to participate in the Transmission Owner Selection Process outlined in this Section III must submit an application and supporting materials to demonstrate that it satisfies the qualification criteria set forth in this Section III. The Transmission Provider will evaluate the Applicant's application and supporting materials to determine whether the Applicant satisfies the qualification criteria to be a QRP and participate in the Transmission Owner Selection Process in accordance with the timeline set out in Section III.1(c) of this Attachment Y.

i) Any entity wishing to participate in the Transmission Owner Selection Process, whether a current Transmission Owner or another entity, must submit an application to the Transmission Provider in the form provided on the Transmission Provider's website. The initial application must be received no later than June 30 of the year prior to the calendar year in which the Applicant wishes to begin participation in the Transmission Owner Selection Process. The Applicant shall submit an application fee with its application equal to the amount of the SPP annual membership fee. If the Applicant is a Member of SPP and is current in payment of its annual membership fee, then no application fee shall be required. The amount of the application fee shall be posted on the Transmission Provider's website as part of the application form.

~~ii) After the Transmission Provider determines that the entity is qualified to be a QRP, the entity shall remain a QRP for the five calendar years starting January 1 subsequent to that determination, subject to the annual certification process in Section III.1(d) of this Attachment Y and termination process set forth in Section III.1(e) of this Attachment Y. To be considered for continuation of QRP status for the subsequent five (5) year period, the QRP must submit a full application package in accordance~~

~~with Section III.1(a)(i) of this Attachment Y by June 30 of the fifth year of the current period. The Transmission Provider shall evaluate the application in accordance with Section III.1(c) of this Attachment Y.~~

~~iii) Any application from an Applicant will be posted on the Transmission Provider's website no later than July 15 of each year, subject to any applicable confidentiality protections.~~

b) Qualification Criteria

An Applicant must demonstrate that it meets the following qualification criteria:

i) SPP Membership Criterion

An Applicant must be a Transmission Owner or be willing to sign the SPP Membership Agreement as a Transmission Owner if the Applicant is selected as part of the Transmission Owner Selection Process.

ii) Financial Criteria

An Applicant must demonstrate that it meets one of the following financial criteria:

(1) A senior unsecured investment grade rating or an issuer rating of BBB- or equivalent from a "nationally recognized statistical rating organization" as defined in Attachment X of this Tariff. If an Applicant maintains a rating from all three approved nationally recognized statistical rating organizations, it must maintain at least two ratings in the investment grade range. If an Applicant maintains a rating from two of the approved nationally recognized statistical rating organizations, it must maintain at least one of those ratings in the investment grade range.

(2) If the Applicant does not satisfy the requirement set forth in (1) above, the Applicant may submit to the Transmission Provider a Guaranty from its parent or affiliated organization that possesses an investment grade rating or an issuer rating of BBB- or equivalent from a "nationally recognized statistical rating organization" as defined in Attachment X of this Tariff. A Guaranty obligates the Guarantor to satisfy the obligations of the guarantee entity. Parent Guaranties are acceptable where the Applicant is a subsidiary, joint venture, or affiliate of the parent Guarantor. The Guaranty may be cancelled at any time that the Applicant establishes an investment grade rating as discussed in Section III.1(b)(ii)(1) of this Attachment Y. The Guaranty will be in a form consistent with Appendix D of Attachment X of this Tariff and must satisfy the following requirements:

(a) Be duly authorized by the Guarantor and signed by an officer of the Guarantor;

(b) State a minimum effective period of five (5) years, or provide for automatic renewal subject to cancellation with no less than sixty (60) days notice, provided that in all events the Guaranty is effective for all obligations of the Applicant undertaken prior to cancellation;

(c) Include a certification by the corporate secretary of the Guarantor that the execution, delivery, and performance of the Guaranty have been duly authorized;

(d) Certify that the Guaranty does not violate other undertakings or requirements applicable to the

Guarantor and is enforceable against the Guarantor in accordance with its terms;

(e) Obligate the guarantor to submit a representation letter annually indicating any material changes from the information provided in the Applicant's application related to the Guarantor and Guaranty, and representing that the Guarantor continues to satisfy the financial criteria;

(f) Secure all obligations of the Applicant under or in connection with this Tariff and other agreements with the Transmission Provider;

(g) Be supported by adequate consideration and be otherwise binding as a matter of law; and

(h) Include as an attachment a resolution of the board of directors or other governing body of the Guarantor authorizing the Guaranty.

(3) If the Applicant does not satisfy the requirements set forth in (1) or (2) above, the Applicant may submit to the Transmission Provider a formal letter of reference from a commercial bank evidencing an existing line of credit from commercial banks (or access to an existing line of credit through Inter-company agreements with a Parent or Affiliate), or bonding indication letter from an insurance or surety company either of which indicate a willingness to extend credit to the Applicant in an amount of at least $25,000,000 (for bank) or willingness to provide a surety bond in the amount of at least $25,000,000 (for an insurance or surety company). Commercial bank reference letters acceptable to the Transmission Provider must be issued by a financial institution organized under

the laws of the United States or any state of the United States or the District of Columbia or a branch or agency of a foreign commercial bank located in the United States, with a minimum corporate debt rating of A- or equivalent from a "nationally recognized statistical rating organization" as defined in Attachment X of this Tariff and total assets of at least $10 billion. Bonding indication letters acceptable to the Transmission Provider must be issued by an insurance or surety company with a minimum financial strength rating of A- and a minimum financial size category of X from the A.M. Best Company.

(4) If the Applicant is a municipality, a cooperative, or other Not-For-Profit entity, the Applicant may satisfy the financial criteria requirement by providing evidence of direct rate-setting authority or taxing authority. The Applicant must possess this authority and cannot rely on an affiliation with another entity that possesses rate-setting or taxing authority.

iii) Managerial Criteria

An application must show that the Applicant has requisite expertise by describing its capability, experience, and process to address the following areas:

(1) Transmission Project Development

(a) engineering, permitting, environmental, equipment and material procurement, project management (including cost control, scope, and schedule management), construction, commissioning of new facilities, new or emerging technologies; and

(b) routing, surveying, rights-of-way, eminent domain, and real estate acquisition, including process for obtaining easements.

(2) Internal safety program, contractor safety program, safety performance record and program execution.

(3) Transmission Operations: control center operations, NERC compliance process and compliance history, registration or the ability to register for compliance with applicable NERC Reliability Standards, storm/outage response and restoration plan, record of past reliability performance, statement of which entity will be operating completed transmission facilities, staffing, equipment, and crew training.

(4) Transmission Maintenance: staffing and crew training, transmission facility and equipment maintenance, record of past maintenance performance, NERC compliance process and history, statement of which entity will be performing maintenance on completed transmission facilities.

(5) Ability to comply with Good Utility Practice, SPP Criteria, and industry standards.

(6) Ability to comply with or demonstration of how the Applicant plans to be able to comply with NERC Reliability Standards.

(7) Any other relevant project development experience that the Applicant believes may demonstrate its expertise in the above areas.

An Applicant can demonstrate that it meets the managerial criteria either on its own or by relying on one or more entities to satisfy any of the managerial criteria ("Alternate Qualifying Entity (ies)"). If the Applicant seeks to satisfy the managerial criteria in whole or in part by relying on one or more Alternate Qualifying Entity(ies), the Applicant must submit: materials demonstrating to the Transmission Provider's satisfaction that the Alternate Qualifying Entity(ies) meet(s) the managerial criteria for which the Applicant is relying upon the Alternate Qualifying Entity(ies) to satisfy.

c) Determination of Qualifications

i) Upon receiving an application, the Transmission Provider shall review the application to determine whether the Applicant satisfies the qualification criteria set forth in Section III.1(b) of this Attachment Y. The Transmission Provider shall notify each Applicant of its determination no later than September 30 of the year in which the application was submitted.

ii) If the Transmission Provider determines that the Applicant fails to satisfy one or more of the qualification criteria, the Transmission Provider shall inform the Applicant of such deficiency(ies), and the Applicant shall be allowed to cure any deficiency(ies) within thirty (30) calendar days of notice from the Transmission Provider by providing any additional information that the Applicant believes cures the deficiency(ies). The Transmission Provider shall review the information provided by the Applicant and render a final determination of whether the Applicant satisfies the qualification criteria within forty-five (45) calendar days of the Transmission Provider's receipt of the additional information. If, after attempting to cure the deficiency(ies), the Applicant still has not satisfied the qualification criteria, the Applicant shall be disqualified from the Transmission Owner Selection Process for the following year.

iii) Upon the Transmission Provider's determination that an Applicant satisfies the qualification criteria, the Transmission Provider shall notify the Applicant that it has been determined to be a QRP and can participate in the Transmission Owner Selection Process effective January 1 of the following calendar year. By December 31 of each year, the Transmission Provider shall post on its website a list of all QRPs that are eligible to participate in the following calendar year for any Competitive Upgrade.

d) Annual Recertification Process and Reporting Requirements

i) By June 30 of each year, each QRP must submit to the Transmission Provider a ~~notarized~~ letter signed by an authorized officer of the QRP certifying that the QRP continues to meet the current qualification criteria or indicating any material changes to the information provided in its application. The QRP shall pay an annual certification fee equal to the amount of the SPP annual membership fee. If the QRP is a Member of SPP and is current in payment of its annual membership fee, then no certification fee will be required.

ii) If at any time there is a material change to the information provided in its application, a QRP shall be required to inform the Transmission Provider within seven (7) calendar days of such change so that the Transmission Provider may determine whether the QRP continues to satisfy the qualification criteria. Upon notification of any such change, the Transmission Provider shall have the option to: (a) determine that the change does not affect the QRP's status; (b) suspend the QRP's eligibility to participate in the Transmission Owner Selection Process until the QRP has cured any deficiency in its qualifications to the Transmission Provider's satisfaction; (c) allow the QRP to continue to participate in the Transmission Owner Selection Process for a limited time period, as specified by the Transmission Provider, while the QRP cures the deficiency to the Transmission Provider's satisfaction; or (d) terminate the QRP status in accordance with Section III.1(e) of this Attachment Y.

e) Termination of QRP Status

The Transmission Provider may terminate a QRP's status if the QRP: (1) fails to submit its annual certification letter; (2) fails to pay the applicable fee as required by Section III.1(d) of this Attachment Y; (3) experiences a change in its qualifications and the Transmission Provider determines that it may no longer be a QRP; or (4) informs the Transmission Provider that it no longer desires to be a QRP; or (5) fails to notify the Transmission Provider of a change to the information provided in its application in accordance with Section III.1(d) of this Attachment Y. In the event the Transmission Provider terminates a QRP's status based on any of the aforementioned criteria, the Transmission Provider will provide the QRP notice of termination to be effective immediately.

f) Dispute Resolution

If the Applicant or QRP ("Affected Party") disagrees with the Transmission Provider's determination regarding its qualifications under Section III.1 of this Attachment Y, the Affected Party may initiate dispute resolution procedures. Any such dispute shall first be referred to a designated senior representative of the Transmission Provider and a senior representative of the Affected Party for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) calendar days (or such other period upon which the Transmission Provider and the Affected Party may agree) by mutual agreement, such dispute may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth in Sections 12.2 through 12.5 of this Tariff.

2) Transmission Owner Selection Process

Once a Competitive Upgrade has been approved by the SPP Board of Directors, the Transmission Provider shall issue a Request for Proposals ("RFP") for the Competitive Upgrade as specified in this Section III of Attachment Y. RFP Proposals may be sponsored by one or more entities. If an RFP Proposal involves more than one sponsoring entity, at least one of the sponsoring entities must be a QRP. RFP Proposals with more than one sponsoring entity shall comply with all of the requirements set forth in Section III.2(a) of this Attachment Y that are applicable to such entity (whether an RFP Respondent or a CU Participant); otherwise the RFP Proposal shall be deemed incomplete and the Transmission Provider shall follow the process for incomplete RFP Proposals set forth in Section III.2(d)(iv) of this Attachment Y.

a) RFP Proposals Involving More Than One Entity

i) Joint RFP Proposal

(1) An RFP Proposal may be submitted jointly by more than one QRP ("Joint RFP Proposal") for the purposes of identifying more than one DTO for a Competitive Upgrade.

(2) Each RFP Respondent for a Joint RFP Proposal must be a QRP at the time that the Joint RFP Proposal is submitted and at all times during the Transmission Owner Selection Process during which the Joint RFP Proposal is pending. If at any time during the Transmission Owner Selection Process set forth in this Section III one or more of the RFP Respondents involved in the submission of a Joint RFP Proposal ceases to be a QRP, the Joint RFP Proposal shall be disqualified from further consideration.

ii) Multi-Owner RFP Proposal

(1) An RFP Proposal or a Joint RFP Proposal may include one or more CU Participants ("Multi-Owner RFP Proposal"). A Multi-Owner RFP Proposal must include at least one QRP that will serve as the RFP Respondent and the DTO for the Competitive Upgrade if the Multi-Owner RFP Proposal is selected by the Transmission Provider.

(2) Except as provided in Sections III.2(c)(v), (vi), (x), and (xvi) and Sections III.2(f)(iii)(4) and (5) of this Attachment Y, in reviewing a Multi-Owner RFP Proposal, the Transmission Provider shall evaluate only the capabilities of the QRP(s) that will serve as the DTO(s) for the Competitive Upgrade.

(3) A Multi-Owner RFP Proposal that identifies more than one proposed DTO shall also be classified as a Joint RFP Proposal and shall satisfy all RFP requirements applicable to Joint RFP Proposals.

iii) For purposes of this Attachment Y, any reference to an RFP Proposal shall also include a Joint RFP Proposal and a Multi-Owner RFP Proposal, and any reference to an RFP Respondent shall mean the QRPs involved in the submission of a Joint RFP Proposal or a Multi-Owner RFP Proposal both individually and collectively.

b) Industry Expert Panel

i) On an annual basis, the Oversight Committee or its successor shall identify a pool of candidates to serve as industry experts on one or more Industry Expert Panel(s) ("IEP") to evaluate proposals that are submitted in response to any RFP issued by the Transmission Provider pursuant to this Section III of Attachment Y. IEP candidates shall have documented expertise on file with the Transmission Provider in one or more of the following areas: (1) electric transmission engineering design; (2) electric transmission project management and construction; (3) electric transmission operations; (4) electric transmission rate design and analysis; and (5) electric transmission finance.

ii) Each industry expert must disclose to the Oversight Committee any affiliation with any SPP stakeholder or any QRP. In the event an affiliation exists, the Oversight Committee will evaluate whether the affiliation may adversely impact an industry expert's ability to independently evaluate RFP Proposals, and the Oversight Committee may disqualify that industry expert.

iii) The Oversight Committee shall present its recommended pool of IEP candidates to the SPP Board of Directors for approval. The name and qualifications of each recommended candidate shall be posted on the Transmission Provider's website prior to SPP Board of Directors approval.

~~Approval of the IEP candidate pool shall be made prior to the meeting in which a Competitive Upgrade is to be approved.~~

iv) The Oversight Committee shall create an IEP from the IEP candidate pool to evaluate proposals resulting from the RFPs. The IEP shall consist of three (3) to five (5) industry experts such that the IEP will have expertise in all five (5) areas listed in Section III.2(b)(i) of this Attachment Y. ~~Upon SPP Board of Directors approval, t~~The Oversight Committee may create additional IEPs~~.~~ Each IEP member must sign a confidentiality agreement prior to participating in the Transmission Owner Selection Process.

v) If a member of a designated IEP becomes affiliated with a stakeholder or QRP, the IEP member shall immediately notify the Transmission Provider and the Oversight Committee. The Oversight Committee shall evaluate whether any affiliation between a member of a designated IEP and a stakeholder or QRP may adversely impact the IEP member's ability to independently evaluate RFP Proposals reviewed by that IEP. In such event, the Oversight Committee may remove the IEP member from that IEP. If necessary, the Oversight Committee may designate a replacement IEP member from the IEP candidate pool.

vi) The Transmission Provider shall facilitate the IEP's efforts to develop recommendations to the SPP Board of Directors. The IEP will evaluate all aspects of each proposal submitted for its review. Once all evaluations are complete, the IEP will develop a single recommendation for the SPP Board of Directors consisting of its recommended RFP Proposal and an alternate RFP Proposal for each Competitive Upgrade.

c) Request for Proposals

The Transmission Provider shall issue an RFP for each Competitive Upgrade, which shall contain information including, but not limited to:

i) An overview of the purpose for the RFP including the need for the Competitive Upgrade, regulatory context and authority, and other necessary information.

ii) The minimum RFP Proposal submission requirements.

iii) Minimum design specifications.

iv) The date regulatory approvals are required to be completed as determined by the Transmission Provider.

v) Identification of information that will not be treated as confidential shall be in the RFP.

vi) A requirement that the RFP Proposal provide the following information specific to the Competitive Upgrade:

(1) financial information, including but not limited to demonstration of financing (including a reasonable contingency); detailed engineering and construction cost estimate; itemized revenue requirement calculations for each RFP Respondent and CU Participant that proposes to have revenue requirements under this Tariff; and financial and business plans, including the nature of any FERC incentives any RFP Respondent or CU Participant intends to request;

(2) engineering information, including but not limited to engineering design of the project and technical requirements;

(3) construction information, including but not limited to anticipated project timeline including timeline for all necessary regulatory approvals, equipment acquisition, description of applicable rights-of-way and real estate acquisition, description of routing,

description of permitting, description of outage clearance(s), and identification of the party responsible for construction;

(4) operations and maintenance information, including but not limited to demonstration of operations, statement of which entity will be operating and maintaining the transmission facility, storm and outage response plan, maintenance plan, staffing, equipment, crew training, and record of past maintenance and outage restoration performance;

(5) safety information, including but not limited to identification of the internal safety program, contractor safety program, and safety performance record;

(6) for a Multi-Owner RFP Proposal, such information with respect to CU Participants as is required for evaluation of the RFP Proposal under the criteria set forth in Sections III.2(c)(v)(2) - (5) of this Attachment Y given the proposed percentage share of ownership or interest in the Competitive Upgrade by each RFP Respondent and CU Participant; and

(7) identification of information in the RFP Proposal that the RFP Respondent considers to be confidential.

vii) A requirement that the RFP Proposal demonstrate that each RFP Respondent (and, in the case of a Multi-Owner RFP Proposal, the CU Participants as set forth below) possesses the necessary financial strength by providing one of the following:

(1) demonstration that each RFP Respondent continues to satisfy the financial criteria set forth in Section III.1(b)(ii)(1) or (2) of this Attachment Y and that the Competitive Upgrade does not exceed

30% of the total capitalization of the RFP Respondent or its parent Guarantor;

(2) demonstration of conclusive evidence of the ability to obtain a performance bond in an amount equal to the total cost of the Competitive Upgrade, including financing costs and a 20% contingency, from an insurance or surety company with an A.M. Best “Financial Strength Rating” of Superior (A++, A+) or Excellent (A, A-) and an adjusted “Policy Holder Surplus” of $500,000,000 or more; or

(3) demonstration of conclusive evidence of the ability to obtain a letter of credit in an amount equal to the total cost of the Competitive Upgrade, including financing costs and a 20% contingency, from a financial institution that satisfies the requirements set forth in Attachment X Section 7.1.3.2 of this Tariff.

For purposes of this requirement, “conclusive evidence” shall mean a letter from a bonding agent or bank indicating approval of or willingness to provide the required performance bond or letter of credit to the RFP Respondent.

In the case of a Joint RFP Proposal, the financial obligations shall be met by each RFP Respondent based upon the portion of the facility to be owned and operated by each RFP Respondent. In the case of a Multi-Owner RFP Proposal, the financial obligations can either be met by the identified RFP Respondents or by a combination of RFP Respondents and CU Participants based upon the proposed share of ownership of or interest in the Competitive Upgrade. In either case, such allocation of ownership or interest and each RFP Respondent’s and/or CU Participant’s share of financial responsibility shall be set forth in detail in the RFP Proposal.

viii) Information exchange requirements including but not limited to, identification of data required to be provided to the Transmission Provider in accordance with NERC reliability standards and CEII requirements.

~~viii~~ix) A description of the proposal evaluation procedure, including the statement of proposal evaluation methodology and criteria for acceptable proposals.

~~i~~x) A requirement that the each RFP Respondent agrees to pay, as outlined in Section III.2(e) of this Attachment Y: (1) a deposit for each RFP Proposal submitted for the RFP Proposal's share of the Transmission Provider's costs to administer the Transmission Owner Selection Process; and (2) any additional costs that are assessed after the completion of the Transmission Owner Selection Process.

xi) A requirement that each RFP Respondent, and in the case of a Multi-Owner RFP Proposal, each CU Participant, disclose any credit rating changes, bankruptcies, dissolutions, mergers, or acquisitions within the past five (5) years of the RFP Respondent or CU Participant or its parent, controlling shareholder, or entity providing a Guaranty pursuant to Section III.1(b)(ii)(2) of this Attachment Y.

xii) A requirement that each RFP Respondent provide its Internal Revenue Service Tax Identification Number.

xiii) A requirement that the RFP Respondent declare whether it may seek to assign the Competitive Upgrade to an Affiliate pursuant to Section III.2(d)(xi) of this Attachment Y if selected as the DTO for the Competitive Upgrade, along with a description of such Affiliate.

xi~~ii~~v) A requirement that a Joint RFP Proposal:

(1) Clearly and specifically identify each RFP Respondent's respective roles and responsibilities (as well as each RFP Respondent's

respective percentage of responsibility) for finance, construction, ownership, operation, maintenance, and restoration of the Competitive Upgrade in such a manner that one hundred (100) percent of the responsibilities for the Competitive Upgrade are identified;

(2) Specify each RFP Respondent's qualifications and responsibilities for satisfying the requirements set forth in Sections III.2(c)(v) and III.2(c)(vi) of this Attachment Y; and

(3) Provide as part of the Joint RFP Proposal submission any agreements between or among the RFP Respondents governing the division of roles and responsibilities.

x~~i~~v) A requirement that each RFP Respondent participating in a Joint RFP Proposal acknowledges and agrees that:

(1) Each RFP Respondent shall be jointly and severally liable for all aspects of finance and construction of the Competitive Upgrade, such that, if the Joint RFP Proposal is selected by the Transmission Provider, the other RFP Respondent(s) shall be liable for the defaulting RFP Respondent's(s') obligations in the event that one or more RFP Respondent(s) defaults on its obligations; or

(2) In the event that each RFP Respondent does not agree to be jointly and severally liable as set forth in Section III.2(c)(xiv)(1) of this Attachment Y, if the Joint RFP Proposal is selected by the Transmission Provider, the Transmission Provider shall reevaluate the entire Competitive Upgrade pursuant to Section III.2(g) of this Attachment Y if one or more RFP Respondent(s) defaults on its obligations with respect to the Competitive Upgrade.

xvi) A requirement that a Joint RFP Proposal identify a single point of contact for the Joint RFP Proposal, who will represent all RFP Respondents in any communications with the IEP or the Transmission Provider with respect to the Joint RFP Proposal.

xvii) A requirement that each Multi-Owner RFP Proposal shall provide sufficient detail to enable a thorough evaluation of the RFP Proposal including information regarding:

(1) the identity of each RFP Respondent and CU Participant;

(2) any division of ownership of or interest in the Competitive Upgrade;

(3) any agreements between or among the RFP Respondents and CU Participants regarding the ownership of or interest in the Competitive Upgrade sufficient to establish the ability of the RFP Respondent(s) to perform the obligations of a DTO; and

(4) the timing of any such transfer of ownership or interest.

xviii) A requirement that the RFP Respondent acknowledges and agrees that notwithstanding any defaults of any CU Participant on its obligations under any participation agreements, the RFP Respondent is responsible for all aspects of the Competitive Upgrade. Further, if the Multi-Owner RFP Proposal is also a Joint RFP Proposal, the proposal must specify which RFP Respondent will be responsible for any CU Participant default.

xix~~viii~~) A requirement that:

(1) Each RFP Respondent agree to execute the SPP Membership Agreement as a Transmission Owner if the RFP Proposal is selected by the Transmission Provider, if it has not already done so; and

(2) Each CU Participant in a Multi-Owner RFP Proposal shall agree in writing to execute the SPP Membership Agreement as a Transmission Owner at such time that the entity is first eligible to execute the Membership Agreement as a Transmission Owner, if it has not already done so.

x~~i~~x) Subject to any modifications resulting from Attachment Y, Section VIII.3(b), the deadline for all RFP Proposal submissions shall be one hundred eighty (180) calendar days from the date the RFP is issued ("RFP Response Window"). The Transmission Provider may reduce the RFP Response Window to no less than ninety (90) days based on, but not limited to, the Competitive Upgrade's need date or scope. If the final day of the RFP Response Window falls on a weekend or a holiday recognized by the Transmission Provider, the due date for RFP Proposals shall be the next Business Day.

In the event that the Transmission Provider determines the need for a re-evaluation of a Competitive Upgrade in accordance with Section VIII of this Attachment Y, the SPP Board of Directors may suspend the Transmission Owner Selection Process for that RFP as necessary for that Competitive Upgrade pending a final determination by the SPP Board of Directors of the re-evaluation. Notice of a suspension shall be sent to all QRPs within three (3) Business Days.

d) RFP Process and Timeline

i) The Transmission Provider shall issue each RFP by or before the later of: (1) thirty~~seven~~ (~~7~~30) calendar days after approval of the Competitive Upgrade by the SPP Board of Directors; or (2) eighteen (18) months prior to the date that anticipated financial expenditure is needed for a Competitive Upgrade. The RFP shall be issued only to QRPs.

ii) Each RFP Respondent shall submit a complete proposal in response to the RFP within the RFP Response Window as defined in Section III.2(c)(xix) of this Attachment Y.

iii) The Transmission Provider shall not disclose any information contained in any RFP Proposal, except to the IEP, until the issuance of the IEP reports in accordance with Section III.2(d)(vi)(2) of this Attachment Y.

iv) Upon receipt of an RFP Proposal, the Transmission Provider shall immediately review the proposal for completeness, and shall promptly notify the RFP Respondent if the RFP Proposal is incomplete. The RFP Respondent(s) may submit information in order to complete the proposal if such submittal is made within the RFP Response Window. Any RFP Respondent that fails to submit a complete RFP Proposal within the RFP Response Window will be deemed to have waived its right to respond to the RFP, the RFP Proposal shall be disqualified from further consideration, and the Transmission Provider shall refund a portion of the Transmission Owner Selection Process deposit in accordance with Section III.2(e) of this Attachment Y.

v) If the Transmission Provider does not receive any complete proposals in response to an RFP, the Transmission Provider shall inform the SPP Board of Directors and shall select the DTO in accordance with the process set forth in Section IV of this Attachment Y. If all of the RFP proposals for a Competitive Upgrade include cost estimates that exceed the cost estimate determined by the Transmission Provider at the time the Competitive Upgrade was approved for construction by thirty (30) percent or more, the Transmission Provider shall inform the SPP Board of Directors, and the SPP Board of Directors shall decide whether to proceed with the IEP review of the RFP responses, or whether to withdraw the RFP and reevaluate the Competitive Upgrade. If the SPP Board of Directors withdraws the RFP, each RFP Proposal shall be entitled to a partial refund of its Transmission

Owner Selection Process deposit as set forth in Section III.2(e)(iv) of this Attachment Y.

vi) Upon the closing of the RFP Response Window, the Transmission Provider shall provide the RFP Proposals to the IEP. The IEP shall review, score, and rank all RFP Proposals and submit its recommendation to the SPP Board of Directors based upon selection criteria outlined in Section III.2(f) of this Attachment Y. The identity of RFP Respondents that submitted the RFP Proposals shall not be disclosed to the SPP Board of Directors as part of the IEP's recommendation. The IEP's recommendation shall be submitted to the ~~SPP Board of Directors~~ Transmission Provider within ~~sixty~~ ninety (~~6~~90) calendar days of the initiation of the IEP's review ("Review Period"). ~~Upon IEP request, the Oversight Committee may extend the Review Period an additional thirty (30) calendar days. Notification of such extension shall be provided to the SPP Board of Directors and posted on the Transmission Provider's website.~~

(1) During its review, the IEP may initiate communication with RFP Respondents to obtain answers to any additional questions about proposals, and any such communications shall be documented by the IEP. Lobbying of the IEP by, or on behalf of, any RFP Respondent or CU Participant is prohibited, and may result in the Transmission Provider disqualifying the RFP Respondent and the RFP Proposal from the RFP process. The IEP shall score and rank each RFP Proposal in a non-discriminatory manner based upon the information supplied in the RFP Proposal and information, if any, obtained during the Review Period.

(2) The IEP shall compile an internal report for the Transmission Provider detailing the process, data, results of its deliberations, and its recommended RFP Proposal and an alternate RFP Proposal for each Competitive Upgrade. The Transmission Provider shall be responsible for producing two redacted versions of the internal

report, a Board of Directors report and a public report. The Board of Directors report shall exclude the names of the RFP Respondents. The public report shall exclude the names of RFP Respondents and any confidential information obtained during the Transmission Owner Selection Process. No later than fourteen (14) calendar days prior to the SPP Board of Directors meeting during which the SPP Board of Directors will consider the IEP recommendation, the public report shall be posted on the Transmission Provider's website and the Board of Directors report shall be provided to the SPP Board of Directors.

vii) Except as provided in Sections III.2(d)(vii)(a) and III.2(d)(vii)(b) of this Attachment Y, the SPP Board of Directors shall select an RFP Proposal ("Selected RFP Proposal") and an alternate RFP Proposal for each Competitive Upgrade based primarily on the information provided by the IEP. The Transmission Provider shall notify each RFP Respondent that was involved in the submission of the Selected RFP Proposal that it has been chosen by the SPP Board of Directors to become the DTO for the Competitive Upgrade ("Selected RFP Respondent(s)") ~~and the Transmission Provider shall issue~~by issuing an NTC(s) for the Competitive Upgrade pursuant to Section V of this Attachment Y. For a Joint RFP Proposal, each NTC shall specify the applicable roles and obligations of each Selected RFP Respondent based on the information provided in the Selected RFP Proposal. To become the DTO(s) for the Competitive Upgrade, each Selected RFP Respondent must, within seven (7) calendar days of receiving such notice: (1) sign any necessary agreement(s) to assume all of the responsibilities of a Transmission Owner related to the Competitive Upgrade pursuant to the SPP Membership Agreement and this Tariff; (2) submit to the Transmission Provider a deposit in accordance with Section III.2(d)(xii) of this Attachment Y; and (3) provide written notification to the Transmission Provider that it accepts the NTC. For a Joint RFP Proposal, each Selected RFP Respondent must fulfill these requirements within seven (7) calendar days.

a. If the Board of Directors accepts the IEP's recommendation, pursuant to Section III.2(f)(i) of this Attachment Y, resulting in all RFP Proposals being eliminated from consideration due to a low score in any evaluation category, the DTO for the Competitive Upgrade will be identified as follows:

1. If the Competitive Upgrade qualifies under Section I.3 of this Attachment Y, the DTO will be identified as set forth in Section I.3 of this Attachment Y.

2. If the Competitive Upgrade does not meet the conditions set forth in Section III.2(d)(vii)(a)(1) of this Attachment Y, the Transmission Provider shall reevaluate the Competitive Upgrade to determine what action to take, including: (a) resubmission of the Competitive Upgrade for DTO selection under Section III of this Attachment Y; (b) modification of the Competitive Upgrade and resubmission of the Competitive Upgrade for DTO selection under Section III of this Attachment Y; or (c) cancellation of the Competitive Upgrade.

b. If a Competitive Upgrade was previously resubmitted, pursuant to Section III.2(d)(vii)(a) of this Attachment Y, for selection of a DTO under Section III of this Attachment Y and no DTO was selected, the Transmission Provider will identify the DTO pursuant to Section IV of this Attachment Y.

viii) A Selected RFP Respondent shall be deemed to have waived its right to become the DTO if, within seven (7) calendar days of receiving such notice, the Selected RFP Respondent: (1) does not respond to such notice from the Transmission Provider; (2) notifies the Transmission Provider that it is no longer willing to become the Transmission Owner for the Competitive

Upgrade; (3) fails to sign the necessary agreement(s); (4) fails to provide a deposit in accordance with Section III.2(d)(xii) of this Attachment Y; or (5) fails to provide written notification to the Transmission Provider that it accepts the NTC. For Joint RFP Proposals, if one or more of the Selected RFP Respondents fails to fulfill these requirements within seven (7) calendar days, all Selected RFP Respondents for the Joint RFP Proposal shall be deemed to have waived their rights. In the event that one or more Selected RFP Respondents has been deemed to have waived its rights, the Transmission Provider shall notify the SPP Board of Directors.

ix) If a Selected RFP Respondent has waived its rights pursuant to Section III.2(d)(viii) of this Attachment Y, the Transmission Provider shall notify each RFP Respondent involved in the submission of the alternate RFP Proposal that it has been chosen by the SPP Board of Directors to become the DTO for the Competitive Upgrade, and the Transmission Provider shall issue an NTC(s) for the Competitive Upgrade pursuant to Section V of this Attachment Y. For a Joint RFP Proposal, each NTC shall specify the applicable roles and obligations of each RFP Respondent that submitted the alternate RFP Proposal, based on the information provided in the alternate RFP Proposal. To become the DTO(s) for the Competitive Upgrade, each RFP Respondent that submitted the alternate RFP Proposal must, within seven (7) calendar days of receiving such notice: (1) sign any necessary agreement(s) to assume all of the responsibilities of a Transmission Owner related to the Competitive Upgrade pursuant to the SPP Membership Agreement and this Tariff; (2) submit to the Transmission Provider a deposit in accordance with Section III.2(d)(xii) of this Attachment Y; and (3) provide written notification to the Transmission Provider that it accepts the NTC. For a Joint RFP Proposal, each RFP Respondent that submitted the alternate RFP Proposal must fulfill these requirements within seven (7) calendar days.

x) An RFP Respondent that submitted the alternate RFP Proposal shall be deemed to have waived its right to become the DTO if, within seven (7) calendar days of receiving such notice, the RFP Respondent that submitted the alternate RFP Proposal: (1) does not respond to such notice from the Transmission Provider; (2) notifies the Transmission Provider that it is no longer willing to become the Transmission Owner for the Competitive Upgrade; (3) fails to sign the necessary agreement(s); (4) fails to provide a deposit in accordance with Section III.2(d)(xii) of this Attachment Y; or (5) fails to provide written notification to the Transmission Provider that it accepts the NTC. For Joint RFP Proposals, if one or more of the RFP Respondents for the alternate Joint RFP Proposal fails to fulfill these requirements within seven (7) calendar days, all RFP Respondents for the alternate Joint RFP Proposal shall be deemed to have waived their rights to become a DTO. In the event that an RFP Respondent for the alternate RFP Proposal has been deemed to have waived its rights, the Transmission Provider shall notify the SPP Board of Directors, and the Transmission Provider shall determine the DTO in accordance with the process set forth in Section IV of this Attachment Y.

xi) A DTO for a Competitive Upgrade cannot assign the Competitive Upgrade to another entity, except to an Affiliate of the DTO subject to requirements set forth in Section VII of this Attachment Y. The Transmission Provider's selection of an RFP Proposal that includes a declaration of intent to assign as the Selected RFP Proposal does not constitute Transmission Provider approval of the assignment.

xii) When accepting the responsibilities of being a DTO for a Competitive Upgrade, the Selected RFP Respondent(s) shall provide the following to the Transmission Provider:

(1) a cash deposit representing 2% of the estimated cost of the Selected RFP Proposal; and

(2) a firm capital commitment acceptable to the Transmission Provider that is sufficient to complete the Competitive Upgrade, including one of the following:

a. A binding commitment letter from lenders and/or equity providers;

b. Cash held in escrow;

c. A performance and payment bond;

d. Surety bond;

e. Existing balance sheet liquidity; or

f. Demonstrated history of ability to obtain adequate capital to support the project.

The cash deposit shall be held in escrow by the Transmission Provider. Upon reaching the 50% completion milestone of the Competitive Upgrade, as determined by the Transmission Provider, the Transmission Provider shall refund the deposit, plus any interest the deposit accrued while in escrow, to the DTO(s). If the DTO(s) fail(s) to reach the 50% completion milestone of the Competitive Upgrade in accordance with Section III.2(g) of this Attachment Y, then the DTO(s) shall forfeit the deposit and any accrued interest. The Transmission Provider shall then select a new DTO in accordance with Section III.2(g) and apply the deposit and accrued interest to reduce the final cost of the Competitive Upgrade. If the Transmission Provider cancels the Competitive Upgrade through no fault of the DTO(s), then the Transmission Provider shall refund the deposit and accrued interest to the DTO(s).

xiii) A DTO for a Competitive Upgrade that resulted from a Multi-Owner RFP Proposal may convey an interest in the Competitive Upgrade to a CU Participant identified in the Multi-Owner RFP Proposal in a manner consistent with and on no less favorable terms than those specified in the Multi-Owner RFP Proposal; however, such DTO may not assign its responsibilities as the DTO as part of such conveyance.

e) Transmission Owner Selection Process Deposit and Cost Calculation

i. Each RFP Proposal shall pay its share of the Transmission Provider's total cost incurred to administer the Transmission Owner Selection Process for each Competitive Upgrade, as calculated pursuant to this Section III.2(e). At the time of submission of each RFP Proposal, each RFP Respondent (or for a Joint RFP Proposal, the RFP Respondents collectively) shall submit a Transmission Owner Selection Process deposit for each RFP Proposal, which shall be determined as follows (based on the value of the Competitive Upgrade as identified in the SPP Transmission Expansion Plan approved by the SPP Board of Directors):

Small Project (less than $10 million):	$10,000 deposit
Medium Project (between $10 million and $100 million):	$25,000 deposit
Large Project (greater than $100 million):	$50,000 deposit

The Transmission Provider shall hold each RFP Proposal's Transmission Owner Selection Process deposit in a segregated interest-bearing account in the name(s) of the RFP Respondent(s) tied to the RFP Respondent's(s') Internal Revenue Service Tax Identification Number(s).

ii. The Transmission Provider shall determine the actual Transmission Owner Selection Process costs at the completion of the process, and all RFP

Respondents will make additional payments or obtain refunds based on the reconciliation of Transmission Owner Selection Process deposits collected and actual Transmission Owner Selection Process costs. The Transmission Owner Selection Process costs shall include the Transmission Provider's staff and administrative costs associated with administering the Transmission Owner Selection Process for the Competitive Upgrade and all costs associated with administering the IEP process for the Competitive Upgrade, including the identification, recruiting, hiring, and retention of industry experts to serve on the IEP(s). The costs shall be allocated to each RFP Proposal on a pro-rata share basis, calculated by taking the total Transmission Owner Selection Process costs for each Competitive Upgrade and dividing by the number of RFP Proposals submitted for that Competitive Upgrade. The Transmission Provider shall refund any unused deposit amounts with interest earned on such deposits.

iii. If an RFP proposal is disqualified from further consideration pursuant to Section III.2(d)(iv) of this Attachment Y, the Transmission Provider shall refund to the RFP Respondent that submitted the disqualified RFP Proposal ninety (90) percent of its Transmission Owner Selection Process deposit and such disqualified RFP Proposal shall not be subject to the true-up adjustment calculated by the Transmission Provider in accordance with Section III.2(e)(ii) of this Attachment Y.

iv. If the SPP Board of Directors withdraws an RFP pursuant to Section III.2(d)(v) of this Attachment Y, the Transmission Provider shall refund to each RFP Proposal submitted in response to the withdrawn RFP ninety (90) percent of its Transmission Owner Selection Process deposit.

f) Transmission Owner Selection Criteria and Scoring

i) The IEP will develop a final score for each RFP Proposal and provide its recommended RFP Proposal and an alternate RFP Proposal to the SPP Board of Directors for each Competitive Upgrade. The IEP evaluation and recommendation shall not be administered in an unduly discriminatory manner. The RFP Proposal with the highest total score may not always be recommended. The IEP may recommend that any RFP Proposal be eliminated from consideration due to a low score in any individual evaluation category.

ii) The IEP may award up to one thousand (1000) base points for each RFP Proposal. Additional details on each evaluation category are provided in the Transmission Provider's business practices. An additional one hundred (100) points shall be available to provide an incentive for stakeholders to share their ideas and expertise to promote innovation and creativity in the transmission planning process.

iii) **Base Points:** The evaluation categories and maximum base points for each category are listed below.

(1) Engineering Design (Reliability/Quality/General Design), 200 points: Measures the quality of the design, material, technology, and life expectancy of the Competitive Upgrade. Criteria considered in this evaluation category shall include, but not be limited to:

(a) Type of construction (wood, steel, design loading, etc.);
(b) Losses (design efficiency);
(c) Estimated life of construction; and
(d) Reliability/quality metrics.

(2) Project Management (Construction Project Management), 200 points: Measures an RFP Respondent's expertise in implementing construction projects similar in scope to the Competitive Upgrade that is the subject of the RFP. Criteria considered in this evaluation category shall include, but not be limited to:

(a) Environmental;

(b) Rights-of-way acquisition;

(c) Procurement;

(d) Project scope;

(e) Project development schedule (including obtaining necessary regulatory approvals);

(f) Construction;

(g) Commissioning;

(h) Timeframe to construct; and

(i) Experience/track record.

(3) Operations (Operations/Maintenance/Safety), 250 points: Measures safety and capability of an RFP Respondent to operate, maintain, and restore a transmission facility. Criteria considered in this evaluation category shall include, but not be limited to:

(a) Control center operations (staffing, etc.);

(b) Storm/outage response plan;

(c) Reliability metrics;

(d) Restoration experience/performance;

(e) Maintenance staffing/training;

(f) Maintenance plans;

(g) Equipment;

(h) Maintenance performance/expertise;

(i) NERC compliance-process/history;

(j) Internal safety program;

(k) Contractor safety program; and

(l) Safety performance record (program execution).

(4) Rate Analysis (Cost to Customer), 225 points: Measures an RFP Respondent's and, if applicable, a CU Participant's cost to construct, own, operate, and maintain the Competitive Upgrade over a forty

(40) year period. Criteria considered in this evaluation category shall include, but not be limited to:

(a) Estimated total cost of project;
(b) Financing costs;
(c) FERC incentives;
(d) Revenue requirements;
(e) Lifetime cost of the project to customers;
(f) Return on equity;
(g) The quantitative cost impact of material on hand, assets on hand, rights-of-way ownership, control, or acquisition; and
(h) Cost certainty guarantee.

(5) Finance (Financial Viability and Creditworthiness), 125 points: Measures an RFP Respondent's and, if applicable, a CU Participant's ability to obtain financing for the Competitive Upgrade. Criteria considered in this evaluation category shall include, but not be limited to:

(a) Evidence of financing;
(b) Material conditions;
(c) Financial/business plan;
(d) Pro forma financial statements;
(e) Expected financial leverage;
(f) Debt covenants;
(g) Projected liquidity;
(h) Dividend policy; and
(i) Cash flow analysis

iv) **Incentive Points:** Each RFP Respondent or CU Participant that submitted a detailed project proposal ("DPP") in accordance with Attachment O Section III.6 of this Tariff that was selected and approved for construction as a Competitive Upgrade shall receive one hundred (100) incentive points in the Transmission Owner Selection Process for that Competitive Upgrade, which shall be added to the total base points awarded by the IEP. To demonstrate eligibility for the incentive points, the RFP Respondent must document in its RFP Proposal that it or one of the CU Participants participating in a Multi-Owner RFP Proposal submitted a DPP for that Competitive Upgrade. The eligibility for the incentive points may only be awarded to the RFP Proposal if the DPP was submitted during the Integrated Transmission Planning Assessment from which the Competitive Upgrade was approved. The Transmission Provider shall confirm such eligibility in accordance with Attachment O Section III.6 of this Tariff and inform the IEP. An RFP Proposal will be entitled to no more than one hundred (100) incentive points regardless of how many entities involved in the submission of the RFP Proposal may individually be eligible for incentive points.

g) Failure of a Transmission Owner to Complete the Competitive Upgrade

(i) If, after accepting the NTC, a DTO cannot or is unwilling to complete the Competitive Upgrade as directed by the Transmission Provider (the "Defaulting DTO"), the Transmission Provider shall evaluate the status of the Competitive Upgrade and may designate a new DTO for the Competitive Upgrade in accordance with Section V.4 of this Attachment Y, except as provided in Section III.2(g)(ii) of this Attachment Y for Joint RFP Proposals. If the Transmission Provider has determined that there is sufficient time for the Transmission Owner Selection Process to be completed and the Competitive Upgrade placed in service prior to the required need date as determined by the Transmission Provider, the process described in Section III of this Attachment Y shall be used to designate another entity to become the DTO for the Competitive Upgrade. If sufficient time is not available, the Transmission Provider shall designate a new DTO for the Competitive Upgrade in accordance with Section IV of this Attachment Y.

(ii) If the Competitive Upgrade was the result of a Joint RFP Proposal and the DTOs agreed to be jointly and severally liable for the Competitive Upgrade pursuant to Section III.2(c)(xiv)(1) of this Attachment Y, the Transmission Provider shall issue a modified NTC to each DTO that is not the Defaulting DTO, specifying each DTO's responsibility to fulfill the obligations of the Defaulting DTO. If each of the DTOs involved in the submission of a Joint RFP Proposal did not agree to be jointly and severally liable pursuant to Section III.2(c)(xiv)(1) of this Attachment Y, the Transmission Provider shall follow the process set forth in Section III.2(g)(i) of this Attachment Y.

SPP Business Practices

1.1 7060 NOTIFCATION TO CONSTRUCT AND PROJECT COST ESTIMATING PROCESSES EFFECTIVE JANUARY 1, 2012

Business Practice

8.8 Present Value of Revenue Requirements

The **Present Value of Revenue Requirements (PVRR)** is an estimate of total costs to customers for a Competitive Project and is provided in the RFP response. This estimate is required as part of the Transmission Owner Selection Process (TOSP), but is not used in the Project Tracking process. The PVRR represents 40 years of estimated annual revenue requirements for the Competitive Project. It is calculated based on the RFP Response Estimate, and considering the respondent's cost of borrowing, estimated operating and maintenance costs, and the time value of money.

1.2 7600 ORDER 1000: TRANSMISSION OWNER SELECTION PROCESS

Business Practice

The process and timeline for application and qualification for the Transmission Owner Selection Process ("TOSP") for Competitive Upgrades is detailed in Attachment Y, Section III.1 of the SPP OATT.

Application / Recertification Process

For an entity to qualify to participate in the TOSP, it must submit to the Southwest Power Pool a Qualified RFP Participant ("QRP") Application no later than June 30th of the year prior to period the entity wishes to participate ("Applicant"). The Southwest Power Pool Qualified RFP Participant Application will be available on www.spp.org. Completed applications must be submitted to SPP along with any support information via the SPP Request Management System (RMS).The SPP RMS tool can be accessed at the following address: https://spprms.issuetrak.com/login.asp

SPP shall complete its review of the submitted QRP applications no later than September 30th of each year. By no later than September 30, SPP will notify each Applicant whether it has met the qualifications to participate in the TOSP or if its application is deficient. If SPP determines there are deficiencies in the QRP application, the Applicant shall have thirty (30) calendar days to submit the missing information. SPP will have up to forty-five (45) calendar days following the receipt of the additional information to determine if the Applicant satisfies the qualification criteria. If, after attempting to cure the deficiency, the Applicant still has not satisfied the qualification criteria, SPP will consider the application withdrawn and the entity will not be eligible to participate in the RFP process for the next year.

Once SPP has determined that an Applicant has met the qualification criteria, it will notify the Applicant that it has determined the Applicant to be a Qualified RFP Participant and is eligible to participate for any Competitive Upgrade authorized starting January 1 of the next calendar year. SPP will post on its website all QRPs for the next calendar year.

All QRP related communications, including responses to deficiencies and disputes by entities, must be made through the SPP RMS tool as described above.

Once an entity becomes a QRP, ~~it is not required to submit the detailed qualification criteria for the next four years; however~~ each QRP is required to submit a ~~notarized~~ letter that no material changes have occurred to the information submitted in the QRP Application by June 30th of each year.

Should any material changes to the information supplied by a QRP occur at any time, the QRP is required to notify SPP within 7 days. SPP will make a determination of their QRP status as required by the tariff.

Application Fee

Initial application and annual renewal ~~The application~~ fees ~~is~~are required to be paid by June 30 each year, prior to the application package or renewal being accepted as specified in Attachment Y of the Tariff. ~~Application f~~Fees shall be paid by check or by electronic funds transfer. Applications will not be reviewed until the fee is paid.

Qualification Criteria

Each application will be reviewed by SPP Staff to determine QRP qualification status. Specific qualification criteria are listed in the tariff.

Important Dates for the QRP Process

QRP Applications Due	June 30
QRP Recertification Letters Due	June 30
QRP Determinations Completed	September 30
Final QRP List Posted	December 31

7700 ORDER 1000: COMPETITIVE UPGRADE REQUEST FOR PROPOSAL (RFP) PROCESS

Business Practice

The purpose of this business practice is to describe the process and timeline for the creation and issuance of a Request for Proposal ("RFP") for a Competitive Upgrade as outlined in Attachment Y, Section III of the SPP Tariff. The RFP process is part of the larger Transmission Owner Selection Process ("TOSP"), which is the process of determining the Transmission Owner(s) ("TO(s)") for a Competitive Upgrade in accordance with Attachment Y, Section III of the Tariff. A RFP(s) will be issued for each Competitive Upgrade approved for construction by the SPP Board of Directors ("BOD") **after January 1, 2015**.

Competitive Upgrades are those upgrades as defined in Attachment Y, Section I of the Tariff or an upgrade for which SPP must select a replacement TO pursuant to Attachment Y, Section IV of the Tariff.

Overview of Supporting Documents

Below is a list of documents that impact the RFP process and should be considered when reviewing or responding to a RFP. RFP Responses should be based on the version of each supporting document that is in effect at the time the RFP is issued, except with the approval of the BOD in conjunction with changes to an RFP. See each item for a brief description:

a. Tariff – Refers to the SPP Tariff, specifically Attachment Y, which directly impacts the RFP process. If a conflict exists between this Business Practice and the Tariff, the Tariff shall rule.
b. Business Practices ("BPs") – The rules and processes used by SPP to implement the Tariff. BP 7700, as well as BP 7060, have direct impacts on the RFP process. Business Practice 7060 describes the cost estimation process, including those stages of the process that apply to Competitive Projects.
c. Request For Proposal ("RFP") – The document that will be issued by SPP which shall include a description of the Competitive Upgrade sufficient for the development of a RFP Response by a Qualified RFP Participant ("QRP"), including any information required for the coordination of interconnecting the Competitive Upgrade with existing transmission facilities.
d. RFP Response forms ~~– An Excel t~~Templates created by SPP to be used by a QRP to complete and submit along with any supporting documentation to serve as an official RFP Response.
~~e. RFP Instruction Document – This document is for use by a RFP Respondent to aide in completing a RFP Response. It provides further definitions, examples, and instructions on how to complete an acceptable RFP Response. It is intended purely for informational use by a RFP Respondent.~~
~~f.~~e. Minimum Transmission Design Standards for Competitive Upgrades ("MTDS") – This document serves as the minimum design standards and performance criteria that a RFP Response must meet. If the RFP issued for a specific project defines elements and/or parameters different than that shown in the MTDS, the requirements stated in the RFP shall

become the minimum standards for that project and what the RFP Respondent shall use in its RFP Response.

g. Interconnection requirements – The standards for interconnection used by an existing TO(s) where the Competitive Upgrade is to interconnect with existing facilities.

~~h.~~ SPP Criteria – The SPP Criteria was developed to supplement NERC documents where more detail was required to meet the specific needs of SPP. This Criteria is considered as the policies, standards or principles of conduct by which the coordinated planning and operation of the interconnected electric system is achieved.

h. IEP Direction to Respondents Document – This document explains the scoring criteria and details specific areas of emphasis the IEP will consider during their evaluations of RFP Responses.

i. Transmission Planning Documents and Reports – This links to the SPP Transmission Planning page where copies of the study scopes and reports related to the Competitive Upgrade(s) can be found.

j. Competitive Upgrade Transmission Report – A report issued by SPP no later than seven (7) calendar days following the approval of one (1) or more Competitive Upgrade by the BOD which shall provide general information regarding the approved Competitive Upgrades.

RFP Issuance Process and Timeline

The process and timeline for RFPs is specified in Attachment Y, Section III of the Tariff. The Tariff requires that "SPP staff will issue the RFP by or before the later of (1) thirty (30)~~seven (7)~~ calendar days after approval of the Competitive Upgrade by the SPP BOD; or (2) eighteen (18) months prior to the date that anticipated financial expenditure is needed for the Competitive Upgrade." SPP will determine the schedule for releasing RFPs based on staffing requirements, availability of the industry experts and the estimated time needed to complete the Competitive Upgrade. Once the final RFP issue date has been determined, QRPs will be notified by email and public announcement on the SPP website. The anticipated financial expenditure date will be developed by SPP during the portfolio development stage and will be communicated in the Competitive Upgrade Transmission Report. RFPs ~~are~~shall be posted to spp.org and ~~only~~ issued to QRPs through email distribution. Email distribution will be made to the contacts provided by the QRP. It is the QRP's responsibility to update SPP through the Request Management System ("RMS") of any changes to the QRPs contact name or information.

QRPs will have 180 calendar days (the "RFP Response Window") to submit a RFP Response. SPP may shorten the RFP Response Window to no less than ninety (90) calendar days based on collaboration with stakeholders prior to the issuance of the RFP. The RFP Response Window duration will be stated in the RFP. All RFP Responses by a QRP to a RFP must be submitted to SPP utilizing RMS. Refer to Business Practice 7060 for more detail on SPP's required structure and accuracy of cost estimates. The information required for a RFP Response is included in the RFP and RFP r~~R~~esponse forms~~, with additional information provided by the supporting RFP Instruction document~~. The RFP Response form must be used when submitting the RFP Response to SPP.

RFP Issuance Determination

SPP will issue a RFP for each Competitive Upgrade approved by the BOD. SPP may issue more than one (1) RFP, if SPP determines a project needs to be segmented, and SPP will post an explanation for why segmentation was required. SPP will also identify any non-competitive portions of projects associated with the Competitive Upgrade in the RFP.
The RFP shall include language requiring the negotiation with the owner of any facility for any interconnection work required to construct the Competitive Upgrade by the Designated Transmission Owner ("DTO") following the acceptance of a RFP Response by the BOD.

RFP Timeline

The RFP issued by SPP shall include, at a minimum, the following timeline:

- RFP Issued Date – Date RFP is issued by SPP (RFP Response Window begins from this date)
- Date of the pre-response meeting. The pre-response meeting is an open meeting to allow QRPs and other interested parties to ask questions and receive feedback prior to submitting an RFP Response. The meeting will be scheduled no later than thirty (30) calendar days after the RFP Issued Date. A notice of the meeting will be posted at least ten (10) calendar days prior to the meeting and published on the SPP calendar. The Q&A from the meeting will be publicly posted to SPP.org within seven (7) calendar days following the meeting.
- The date SPP will stop accepting questions related to the RFP and project scope. QRPs may submit questions through RMS to SPP up to thirty (30)~~fifteen (15)~~ calendar days prior to the end of the RFP Response Window. Procedural questions/clarifications to the RFP response forms may still be submitted past the 30 day deadline. SPP will respond to questions within ten (10) calendar days. All questions and responses will be posted publicly.
- The date SPP will request from QRPs their intent to submit a RFP Response. Such notice shall be non-binding upon the QRP and will be used by SPP to assist in estimating the amount of resources required to evaluate the RFP Responses. This date will be approximately halfway through the RFP Response Window.
- RFP Response Deadline – The date and time that all RFP Response information, supporting documents, and deposits are to be submitted to SPP.

RFP Receipt and Response

For a RFP Response to be considered complete, the QRP must submit the following required information:

- A completed RFP Response, including all signed RFP acknowledgments
- Supporting documents
- Required Deposit

Upon receipt of a RFP Response, SPP shall have up to ten (10) Business Days, within the RFP Response Window, to review the proposal for completeness, and notify the RFP Respondent if its proposal is incomplete via RMS. The RFP Respondent may re-submit a RFP Response and supporting documents in order to complete the proposal, if such submittal is made within the RFP Response Window. Any RFP Respondent that fails to submit a complete RFP Response within the RFP Response Window will be deemed to have waived its right to respond to the RFP. Each RFP Response, including any updates, shall include a full RFP Response and supporting documents. When re-submitting a RFP Response, the RFP Respondent must use the same RMS request. Replacement of a previously submitted RFP Response does not constitute a disqualification of the previously submitted RFP Response.

The BOD may withdraw the RFP as described in the Tariff~~. Once a RFP has been issued for a Competitive Upgrade, the RFP (*i.e.*, project description, designs, etc.) cannot be modified except with the approval of the BOD~~. ~~Additionally, ~~RFP Responses to the issued RFPs cannot be modified after the close of the RFP Response Window. Responses to requests for clarification by the IEP shall not be considered a modification to the RFP Response so long as such responses are not inconsistent with the RFP or RFP Response.

RFP Deposits and Cost Calculations

The TOSP deposit and cost calculation ("true-up") are outlined in Attachment Y, Section III of the Tariff. The TOSP Deposit is required with each RFP Response, and is required to be paid by electronic funds transfer or by check. SPP will hold each RFP Respondent's TOSP deposit in a segregated interest-bearing account in the name of the RFP Respondent tied to the RFP Respondent's Internal Revenue Service Tax Identification Number. At the completion of the TOSP, SPP will determine the actual costs to administer the TOSP (detailed in Section III) and each RFP Respondent will make additional payments or obtain refunds based on the reconciliation of the TOSP deposits collected and the actual TOSP costs. The costs will be allocated to each RFP Response on a pro-rata share basis, calculated by taking the total TOSP costs for each Competitive Upgrade and dividing by the number of complete RFP Responses submitted for that Competitive Upgrade. Any unused deposit amounts will be refunded with interest earned on such deposits.

The actual deposit amount will be based on the Study Estimate provided by SPP in the RFP as follows:

1. Small Projects (less than $10 million) - $10,000 deposit
2. Medium Projects (between $10 million and $100 million) - $25,000 deposit
3. Large Projects (over $100 million) - $50,000 deposit

Components of the true-up cost calculation include: the TOSP deposit (revenue), Industry Expert Panel ("IEP") costs (retainer costs, training costs, hourly rate costs, and expenses for travel and meetings and other costs associated the panels completion of their assigned work), TOSP development costs (as detailed in Attachment Y), and any SPP administrative work that is completed in administering the RFP. Figure 1 shows a sample calculation, assuming a small (less than $10 million) Competitive Upgrade where a total of twenty (20) bids are submitted. The sample scenario also assumes a ten (10) person industry expert pool, one (1) Competitive Upgrade using a five (5) member industry expert panel where each member bills a total of ten (10) hours per RFP Response at a rate of $200 per hour. In the example, the net result shows expenses greater than total deposits and requires each bidder to submit additional payment to cover the total costs of the TOSP for this project.

Figure 1: Sample TOSP deposit and true-up cost calculation

Assumptions		**Revenue**	
IEP Pool Members	10	TOSP Deposits	$200,000
IEP Monthly Retainer Amount	$1,000		
IEP Training Payment	$4,000	**Expenses**	
IEP Panels	1	IEP Fixed Costs	$160,000
IEP Panel Members	5	IEP Hourly Costs	$200,000
IEP Hourly Rate	$200	IEP Expenses	$30,000
Competive Upgrades	1	TOSP Development Costs	$0
TOSP Deposit Amount per bid	$10,000	SPP Admin Costs	$50,000
Number of RFP Bids	20	Total Expenses	$440,000
Hours per bid	10		
TOSP Development cost per bid	$0	**Net Amount**	($240,000)
		Allocation to Bidders	($12,000)

After a DTO has been selected for a Competitive Upgrade, SPP will make every effort to reconcile the true-up calculation within sixty (60) calendar days of the BOD decision on the selected DTO.

TOSP Deposit Refunds

Refunds related to a TOSP deposit may occur and are described in Attachment Y, Section III of the Tariff. Once a refund has been determined to be required, SPP will calculate the refunds and issue the refunds to the appropriate RFP Respondent within sixty (60) calendar days.

Confidential Information

During the evaluation of the RFP Responses, SPP shall consider all information received in a RFP Response to be confidential. Upon the completion of the evaluation of the RFP Responses by the IEP, SPP may be required to release certain information provided when developing the IEP report, the BOD report, and the public report. SPP shall only release that information required to meet its Tariff obligations, as described in Attachment Y, Section III of the Tariff. A declaration of confidentiality by a RFP Respondent may not be honored for that information required to be released in the public report. The RFP Response selected by the BOD for a Competitive Upgrade may be subject to further release of information.

Interconnection Requirements

For the purposes of the Competitive Upgrade process, SPP will request existing TOs to provide to SPP a link to or the document containing their interconnection requirements for use in the RFP to be included in the requirements for RFP Responses. SPP will post the interconnection requirements for each RFP on

OASIS. In the RFP, SPP will note the specific document title that must be used in the completion of the RFP Response. Only the interconnection requirements posted on OASIS at the time the RFP is issued shall be used, and subsequent updates by the TO shall not affect the evaluation of the RFP.

Present Value Revenue Requirement ~~Annual Transmission Revenue Requirements~~ ("~~AT~~PVRR") Template

For the purposes of meeting requirements in Attachment Y, Section III of the Tariff, RFP Respondents are required to use the SPP ~~ATRR~~ PVRR template (found on tabs ~~6~~3 of the RFP Excel Response form).~~, unless they have a FERC-approved rate template or are in the process of developing a template to be filed at FERC (such non-FERC approved template shall be subject to approval by SPP prior to being accepted as a substitute for the standard template). Any modifications submitted by a RFP Respondent in its proposal to an existing rate template, pending template or SPP template must be approved by SPP. RFP Respondents that utilize the SPP template must provide all supporting documentation to detail any and all assumptions made in the calculation of an ATRR by the RFP Respondent.~~ If selected, the RFP Respondent is required to file a rate template utilizing the same terms and conditions specified in its RFP Response (i.e., Return on Equity, capital structure, etc.).
~~A RFP Respondent that utilizes an approved FERC rate template is required to file the same rate template used in their RFP Response for the selected Competitive Upgrade identified in the RFP.~~ Upon the selected DTO's filing of the formula rate to FERC, SPP will verify that the conditions stipulated in the winning bid and associated ATRR are consistent with the formula rate filing submitted. Filings at FERC that differ from what was provided in the RFP Response may be subject to protest.

Notification of Detailed Project Proposals ("DPPs") in Approved Final Integrated Transmission Plan ("ITP") Portfolio

When the BOD approves an ITP portfolio of projects, SPP will identify which Competitive Upgrade(s) have associated DPP(s) in the Competitive Upgrade Transmission Report.

Confidential Information Treatment

In accordance with Attachment Y, Section III.2.d.iii of the SPP Tariff, SPP will not disclose the information contained in any RFP Proposal, except to the IEP, until the issuance of the IEP reports in accordance with Attachment Y, Section III.2.d.vi.2 of the SPP Tariff.

The following information within a RFP Proposal shall not be treated as confidential and may be disclosed by SPP as part of the public version of the IEP report:

- RFP Proposal Conductor Selection;
- RFP Proposal Response Estimate ("RRE")(non-itemized);
- Present Value Revenue Requirement ("PVRR");
- Type of Cost caps/guarantees provided by RFP Proposal;
- In service date for project

Except for the information identified above, any information identified by the Respondent as confidential in the RFP will be redacted from the public version of the IEP report.

TOSPTF
RR 466 – TOSP GOVERNING DOCUMENT CLEAN-UP

SPP

PURPOSE

- Today the TOSPTF is seeking approval from the ESWG on RR466. This RR provides governing document clean-up to Attachment Y and Business Practices 7060, 7600, and 7700.
- In October the TOSPTF intends to seek approval of RRs from the MOPC and SPC that implement the approved modifications to the Transmission Owner Selection Process ("TOSP"). RR466 is one of these RRs.

TASK FORCE MEMBERS

Task Force Member	Company
Brian Johnson, Chair	American Electric Power-OK Transmission Co.
Pat Hayes, Vice Chair	LS Power
Marcos Mora	NextEra Energy Transmission, LLC
Tom Hestermann	Sunflower Electric Power Corporation
Daryl Huslig	Oklahoma Gas & Electric Co.
Brenda Prokop	ITC Great Plains
Joe Richardson	Xcel Energy

HISTORY & BACKGROUND

- What's happened to this point?
  - Stakeholders and Staff submitted 35 process improvement/issues (November/December 2020)
    - Topics combined to 10 key areas due to the common intention of the feedback
  - SPP held public review meetings on the submitted items (December 2020)
  - TOSPTF was established in January 2021 following a presentation of improvement opportunities to MOPC
  - TOSPTF has reviewed, priority ranked, and gained consensus on policy recommendations for submitted topics

KEY AREAS FOR IMPROVEMENT

10 Key Areas Identified for Improvement
1 - Detailed Project Proposal ("DPP") process enhancements
2 - TOSP Incentive Points
3 - Consistent scoring methodology for evaluations
4 - Treatment of confidential information from Request for Proposals ("RFP")
5 – Costs terms and cost estimates used in the TOSP
6 – TOSP Timeline
7 - Industry Expert Panel's ("IEP") Direction to Bidders Document
8 - Governing document updates - Tariff and Business Practice ("BP")
9 – Attachment Y Section VIII Review
10 - Minimum Transmission Design Standards ("MTDS") updates

GOVERNING DOCUMENT UPDATES

TOSPTF Seeking SPC Approval

TOSPTF RECOMMENDATION ON TOSP GOVERNING DOCUMENTS MODIFICATIONS

TOSP Governing Document Clean-up Issue:

- Staff identified that governing documents impacting the TOSP are in need of clean up modifications to be brought current and consistent with the process. Updates required to Attachment Y and BPs.

TOSPTF Analysis:

- Attachment Y and TOSP BPs were created prior to implementing a TOSP. While updates to the process have been made they have not been updated in the BPs as the process naturally evolved. There are also items in Attachment Y that would benefit from modification based on process evolution and adjustment to implementation requirements.

TOSPTF RECOMMENDATION ON TOSP GOVERNING DOCUMENTS MODIFICATIONS

Governing Documents Impacted:

- Attachment Y
- BP7060
- BP7600
- BP7700

Policy Change:

- No policy change

TOSPTF RECOMMENDATION ON TOSP GOVERNING DOCUMENTS MODIFICATIONS

Attachment Y Modifications
Removal of full QRP renewal application every 5 years in Section III.1.a.ii
Removal of the requirement to post Applicant application to the SPP Website in Section III.1.a.iii
Clarify that if SPP determines QRP status should be terminated such termination shall be effective immediately
Delete – "Approval of the IEP candidate pool shall be made prior to the meeting in which a Competitive Upgrade is to be approved" in Section III.2.b.iii as not needed.
Give Oversight Committee authority to create additional IEPs in Section III.2.b.iv
Add that identification of information that will not be treated as confidential shall be in the RFP
Increase RFP issuance time from 7 to 30 calendar days in Section III.2.d.i
Change IEP Internal Report delivered from SPP BOD to SPP Staff & -Increase IEP evaluation standard timeframe from 60 to 90 days (remove 30 day extension request)
Clarify that issuance of an NTC is the notice that an entity is the DTO for a competitive upgrade.

TOSPTF RECOMMENDATION ON TOSP GOVERNING DOCUMENTS MODIFICATIONS

Business Practice 7060, 7600 and 7700 Modifications
BP7060 Add definition for Present Value Revenue Requirement (“PVRR”)
BP7600 clarify the Application Fee section for submittal date required.
BP7700 add reference to BP definition that BP7060 describe the cost estimation process including stages that apply to Competitive Projects.
BP7700 delete the RFP Instruction Document definition
BP7700 Add definition or IEP Direction to Respondents Document
BP7700 amend the 7 calendar days to issue the RFP to 30 calendar days
BP7700 RFP Timeline section amend last day SPP will accept questions in the RFP Response Window from 15 calendar days to 30 calendar days, will accept process based questions after 30 days.
BP7700 remove requirement that SPP Board approve all modifications to a RFP once issued
BP7700 ATTR Section, amend title to PVRR and update references in the current RFP Excel Response Template.
BP7700 Add new section defining Confidential Information Treatment of RFP Responses

NEXT STEPS

NEXT STEPS

- TOSPTF begin implementation phase:
  - Continue to hold task force meetings
  - Prepare RRs, debate implementation language, and work to gain required stakeholder working group approvals
  - Goal to hit October 2021 MOPC/SPC meetings for approval
- File RRs with FERC that require this step
- Implement approved modifications for 2022 ITP

APPENDIX

Information TOSPTF presented to SPC in July 2021

TREATMENT OF CONFIDENTIAL INFORMATION IN RFP PROPOSALS

TOSPTF RECOMMENDATION ON TREATMENT OF CONFIDENTIAL INFORMATION IN RFP PROPOSALS

Confidential information Issue:

- Lack of transparently disclosed information, in the IEP Public Report, such as proposal costs, caps, guarantees and other basic information inhibits the ability to understand the TOSP selection process that was implemented and why a recommendation was made.

TOSPTF Analysis:

- Attachment Y requires that RFP Proposals indicate what information and parts of their proposal are to be considered confidential. This has led to many proposals indicating the entire proposal should be considered confidential and Staff has been very conservative in what information they elect to reveal or not make subject to redaction in the IEP Public Report.
- Other RTOs have Tariff or BP defined items in RFP Proposals that will not be considered confidential by the RTO when producing the public report. SPP does not have any such parameters established.
- Developing a list of information and details that SPP will be able to include in the IEP Public Report
  - Respondent's identity will be masked
  - High-level details, no specifics (e.g. RRE Cost but not itemized costs)
  - Selected DTO will have additional information identified

TOSPTF RECOMMENDATION ON TREATMENT OF CONFIDENTIAL INFORMATION IN RFP PROPOSALS

TOSPTF Results:

TOSPTF believes a list of information and details that SPP will be able to include in the IEP Public Report should be established. (*June 14, 2021 Meeting Minutes*)

- Respondent's identity will be masked
- High-level details, no specifics (e.g. RRE Cost but not itemized costs)
- Selected DTO will have additional information identified

TOSPTF unanimously passed the following motion with one abstention at the June 14, 2021 meeting(*June 14, 2021 Meeting Minutes*):

- Confidential information language as presented on what items will be treated as confidential and what items will be made public should be developed and included in BP7700.

TOSPTF Recommendation:

- TOSPTF recommends the SPC approve the TOSPTF continued work to create and modify governing document language detailing what types of information will not be treated as confidential by SPP when developing the IEP Public Report.

TOSPTF RECOMMENDATION ON TREATMENT OF CONFIDENTIAL INFORMATION IN RFP PROPOSALS

Governing Documents Impacted:

- Tariff Attachment Y
- BP7700

Policy Change:

- Impacts current position and Tariff language on treatment of confidential information as identified by the RFP Respondent
- Increases transparency in SPPs TOSP

COST TERMS AND COST ESTIMATES USED IN TOSP

TOSPTF Seeking SPC Approval

TOSPTF RECOMMENDATION FOR COST TERMS AND COST ESTIMATES IMPROVEMENTS

TOSP Cost Terms and Estimates Issue:

- The TOSP contains various cost terms and cost estimates that are not easily correlated or currently defined in governing document language.

TOSPTF Analysis:

- Attachment Y, BP7060, BP7700, the RFP Template, and the RFP Response Forms all contain various cost terms and cost estimates.
- These cost terms and cost estimates are undefined or are spread across multiple documents, making it difficult to determine how the terms interact or what role they have in the TOSP.

TOSPTF RECOMMENDATION FOR COST TERMS AND COST ESTIMATES IMPROVEMENTS

TOSPTF Results:

TOSPTF reviewed various governing documents that impact the TOSP and concluded that updates should be made to improve the documentation of cost estimates and terms used in the TOSP.

TOSPTF unanimously passed the following motion at the June 1, 2021 meeting (*June 1, 2021 Meeting Minutes*):

- Approve modifications to BP7060 and 7700 along with modifications to the Request for Proposal Template to add clarity and consistency for correlation of cost estimates in the Transmission Owner Selection Process.

TOSPTF Recommendation:

- TOSPTF recommends the SPC approve the TOSPTF continued work to create and modify governing document language to add clarity and consistency for correlating cost terms and cost estimates in the TOSP.

TOSPTF RECOMMENDATION FOR COST TERMS AND COST ESTIMATES IMPROVEMENTS

Governing Documents Impacted:

- BP7060
- BP7700
- RFP Templates and Response Forms

Policy Change:

- No identified policy impact.

TOSP TIMELINE

TOSPTF Seeking SPC Approval

TOSPTF RECOMMENDATION ON TOSP TIMELINE

Efficient use of overall TOSP timeline Issue:

- Staff has expressed concern for the Tariff required TOSP timeline. Due to the nature of the evolving ITP process that many times requires late in process modifications and/or approvals.

TOSPTF Analysis:

- Once an RFP is issued, the TOSP is a one year process from beginning to end.
- In most cases, SPP is required to issue an RFP within 7 days of Board approval of a project. Previous TOSP process improvements now require seating the IEP at the start of the process and require an IEP Direction to Bidders document be published. The nature of the ITP process, impacts the ability and quality of RFP, that Staff is able to publish in order to meet the current RFP issuance requirement.
- After review it is unlikely a TOSP can be completed in less than one year, what is the most efficient way to use the time?

TOSPTF RECOMMENDATION ON TOSP TIMELINE

TOSPTF Results:

TOSPTF agrees with Staff that modifying the RFP issuance timeline will not impact the ability to complete the TOSP in one year from RFP issuance. A modification to the RFP issuance timeline will allow the IEP Bidder Guidance document to be published earlier in the RFP Response Window increasing its value to the process.

As part of a package of Attachment Y modifications, TOSPTF unanimously passed a motion modifying the RFP issuance requirement from 7 calendar days to 30 calendar days at the May 3, 2021 meeting (*May 3, 2021 Meeting Minutes*).

TOSPTF Recommendation:

- TOSPTF recommends the SPC approve the modification to the RFP issuance timeline once it is deemed required from 7 calendar days to 30 calendar days.

TOSPTF RECOMMENDATION ON TOSP TIMELINE

Governing Documents Impacted:

- Attachment Y

Policy Change:

- No policy change

SOUTHWEST POWER POOL, INC.
ECONOMIC STUDIES WORKING GROUP

Action Items Status Report
September 1-2, 2021

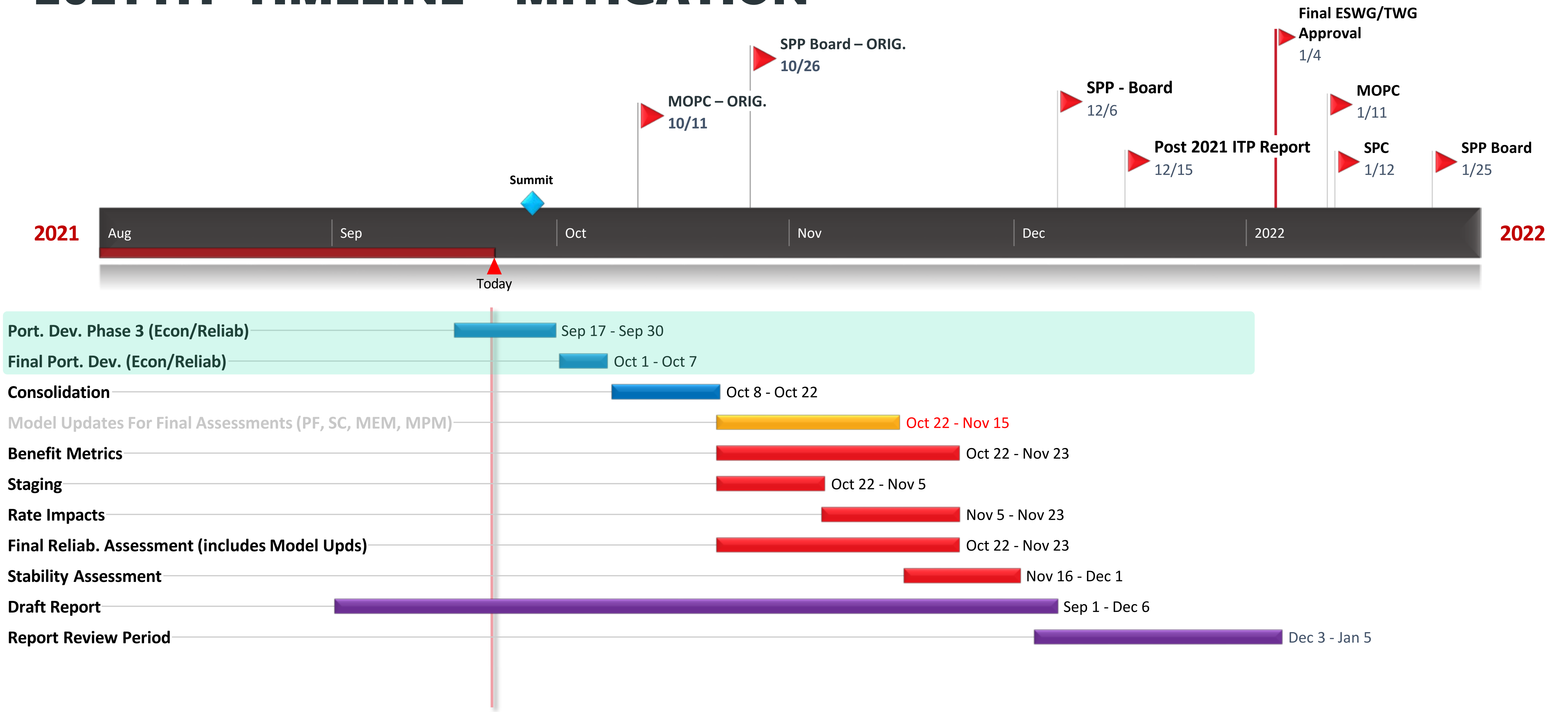
	ACTION ITEM	DATE ORIGINATED	STATUS	COMMENTS
190	Utilize the results from RCAR III to determine the ratio of APC benefit to Transmission Outages benefit to be applied in the ITP assessments.	10/12/17	On Hold	Working with SPP operations on additional APC benefit with outages included. Mar: Ops is planning to perform after RCAR III and Value of Transmission study. **Sept 29:** Estimated start date is 2022 Q2
199	How we inform our Siting Plan: Research the appropriateness of relying on the GI Queue for Siting of renewables and battery storage and looking into other available information	04/01/19	In Progress	Goal: to complete and implement for the 2021 ITP Assessment Continue discussing the battery storage piece May: Battery Survey in progress June: Discuss Survey results July: Review recommended changes August: Review staff recommendation on battery mix
201	Review the interchange methodology	07/01/19	In Progress	Goal: To complete for the 2021 ITP Assessment Mar: 2021 portion considered complete. Outstanding long-term items: • Transactions between simulated and non-simulated regions • Benchmarking of pseudo-ties
210	Create list of 20YA items to review	01/07/21	In Progress	June: Continue review of list and discussion of items
211	Revisit the SPP Other bucket and how we use those resources in Resource Plan Phase II Accreditation	05/19/21	In Progress	July: Review process in upcoming meeting **Sept 29:** Resource Accreditation is being discussed as part of 2023 ITP Scope.

ITP QUARTERLY REPORT

DARA SOLOMON

OCTOBER 2021

2021 ITP TIMELINE – MITIGATION



MITIGATION PLAN SUCCESS

Mitigation reduced schedule by approximately 40 days

SCE sent & received incrementally

Technical Validation, Solution Evaluation & Portfolio Development executed concurrently

DEPENDENCIES

Follow staff's current mitigation plan

Monitor re-baselined schedule and complete outstanding milestones on time

Effectively and efficiently utilize consultants within approved budget

Timely stakeholder review and feedback

RISKS

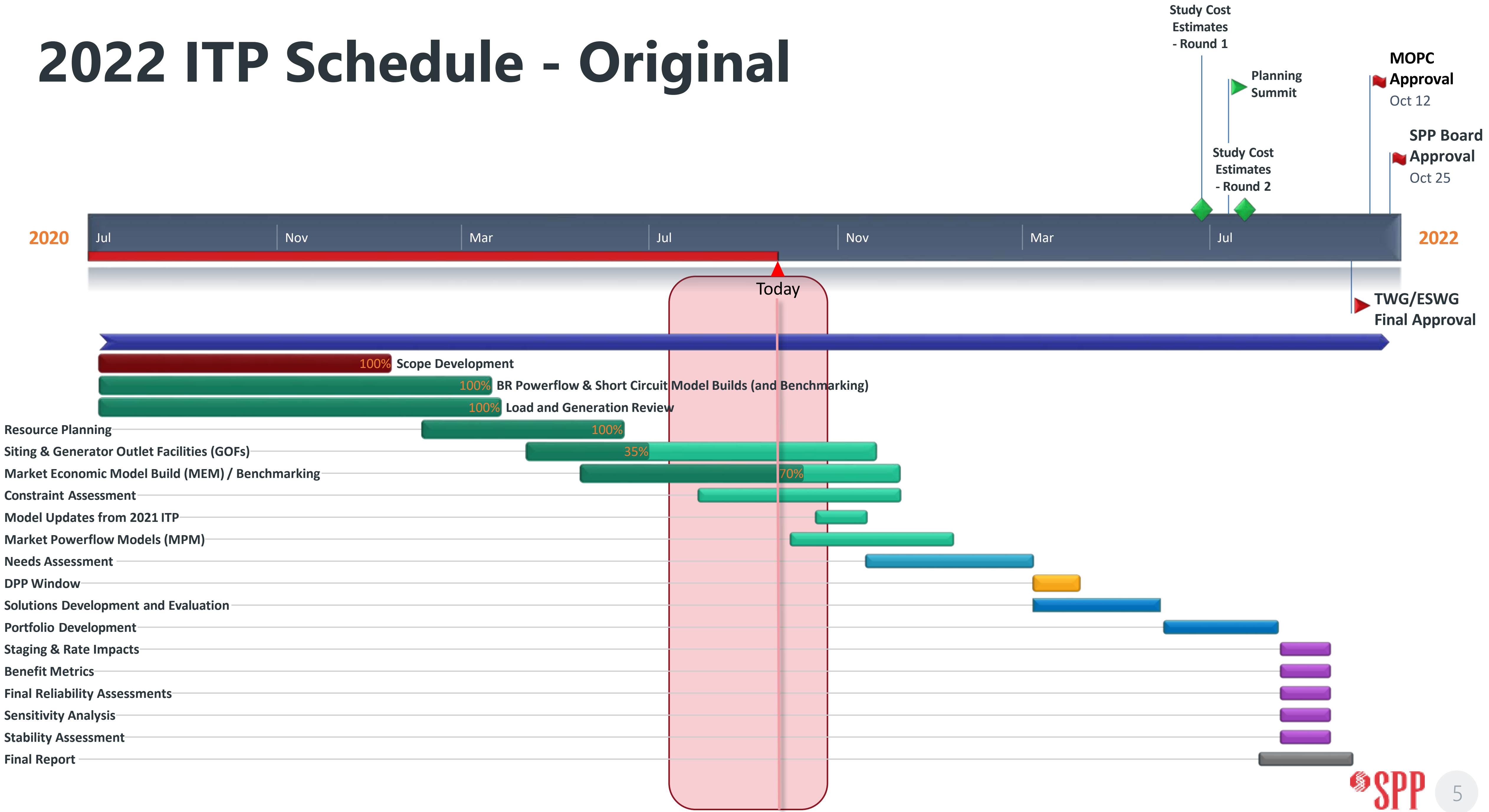
Staff availability due to overlapping studies and initiatives

Unplanned data issues that may lead to rework on milestones

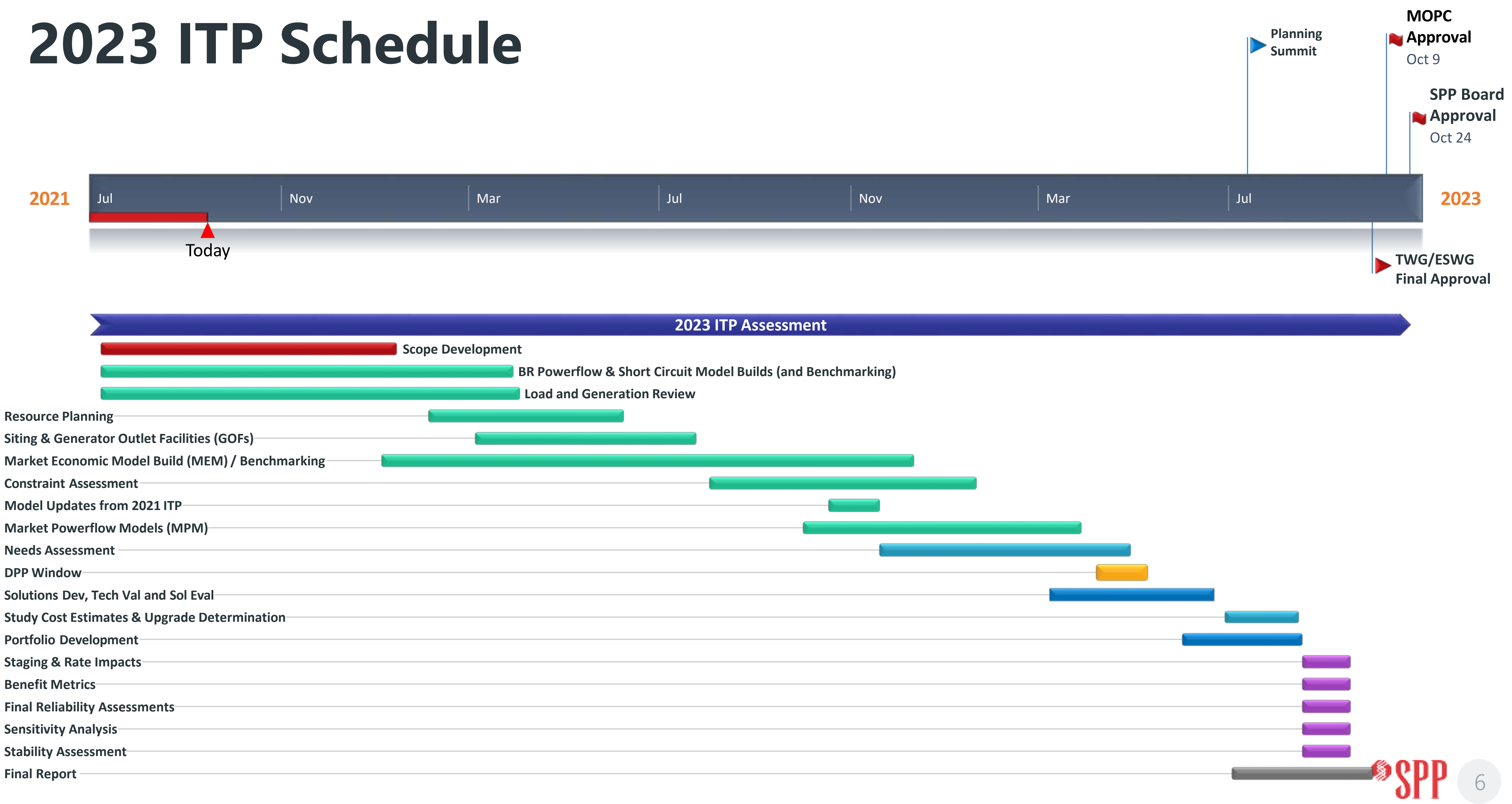
Tariff/ ITP Manual/Compliance concerns

Report completion in time for December approvals

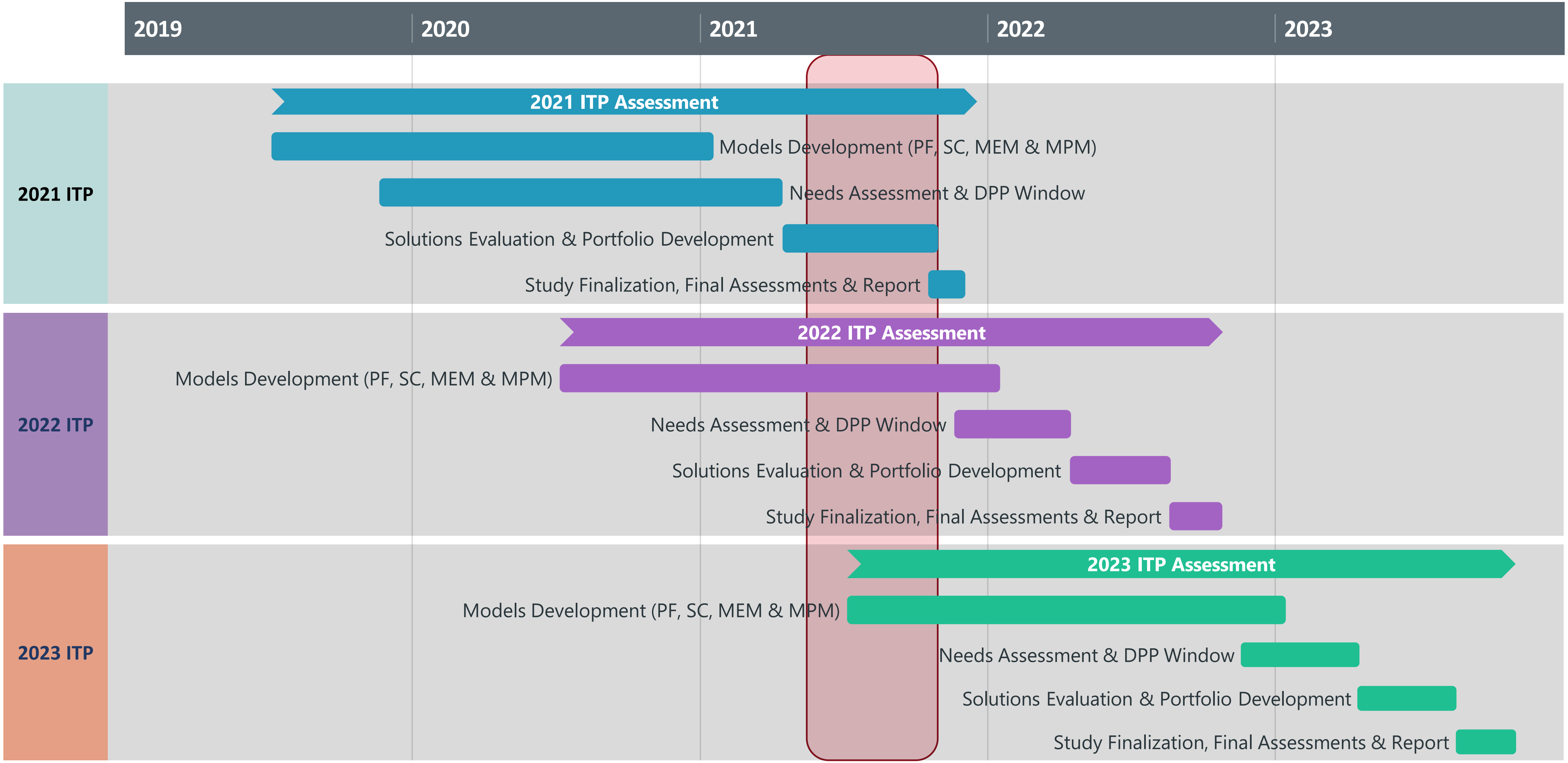
2022 ITP Schedule - Original



2023 ITP Schedule



ITP Study Overlaps



A-HA! MOMENTS

Innovations

Mitigation Activities:

- Waive the requirements in the ITP manual to build and assess the MPMs during the 2021 ITP Reliability Needs Assessment
- Approve the 2021 ITP Scope modification to allow schedule adjustments within the 2021 ITP
- Extension of the 20-Year Assessment due date to 2023

CONTACT INFO

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2023 ITP – SCOPE AND FUTURES DEVELOPMENT

SHERRI MAXEY

SEPTEMBER 29-30, 2021 ESWG

OBJECTIVE

- Recap September Meeting
- Additional language to clarify Model Reduction effort
- Futures Discussion
- Recommendation
- Appendix

MODEL REDUCTION EFFORT

- Recommended Scope language to be added for 2023 ITP

As a result of the approved Total Base Planning Model Reduction Recommendation white paper,[1] the 2023 ITP Year One defined year is changed from 2024 to 2023. The change is per NERC Year One definition. The 2023 ITP seasonal models for the 2023 ITP years two, five, and ten are listed below for the Year One change.

2023 ITP & TPL Assessment Proposed Change	
ITP & TPL Assessment (Study Year)	No Change (2023)
Assessment Start	No Change (2022)
Assessment Complete	No Change (2023)
Year One	2024 → 2023
Year two	2025 → 2024
Year five	2028 → 2027
Year ten	2033 → 2032

[1] https://spp.org/documents/65137/11%20-%20total%20base%20planning%20model%20reduction%20recommendations.pdf

2023 ITP – PROPOSED FUTURES

- Items in black approved at Aug. ESWG

KEY ASSUMPTIONS	DRIVERS				
	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
	2	5	10	5	10
Peak Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Energy Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		*Increase due to electric vehicle growth**	
Natural Gas Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Coal Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Emissions Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Fossil Fuel Retirements	Current forecast	Coal age-based 56+, Gas/Oil age-based 50+, subject to generator owner (GO) review		Coal age-based 52+, Gas/Oil age-based 48+, subject to GO review and ESWG approval	
Environmental Regulations	Current regulations	Current regulations		Current regulations	
Demand Response[1]	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Distributed Generation (Solar)	As submitted in load forecast	As submitted in load forecast		+300 MW	+500 MW
Energy Efficiency	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Storage	Existing + RARs	20% of projected solar		35% of projected solar	
Total Renewable Capacity					
Solar (GW)	Existing + RARs	7.8	11.8	10.2	16.2
Wind (GW)	Existing + RARs	33.6	36.6	38.8	42.8

[1] As defined in the SPP Model Development Procedure Manual

* EV Numbers to be approved by ESWG at a later date

HOW WAS INITIAL RECOMMENDATION FOR WIND/SOLAR CALCULATED?

2022 ITP & 20YA (GW)

KEY ASSUMPTIONS	Year2	Future 1 - Reference Case			Future 2 - Emerging Technologies			Future 3 - Accelerated Decarbonization
YEAR	2	5	10	20	5	10	20	20
Total Renewable Capacity								
Solar (GW)	Existing + RARs (.37)	7	11	19	9	15	27	48
Wind (GW)	Existing + RARs (30.4)	33	36	41	38	42	50	65

Calculated per year increment for 2022 ITP from year 5 to year 10 following 2022 ITP trajectory:

Solar – Future 1: (11-7)/5 = **.8 GW** increment per year → **7.8** and **11.8**
Solar – Future 2: (15-9)/5 = **1.2 GW** increment per year → **10.2** and **16.2**

Wind – Future 1: (36-33)/5 = **.6 GW** increment per year → **33.6** and **36.6**
Wind – Future 2: (42-38)/5 = **.8 GW** increment per year → **38.8** and **42.8**

2023 ITP (GW)

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	7.8	11.8	10.2	16.2
Wind (GW)	Existing + RARs	33.6	36.6	38.8	42.8

INITIAL RECOMMENDATION - UPDATED FOR WIND/SOLAR CALCULATION

2022 ITP & 20YA (GW)

KEY ASSUMPTIONS	Year2	Future 1 - Reference Case			Future 2 - Emerging Technologies			Future 3 - Accelerated Decarbonization
YEAR	2	5	10	20	5	10	20	20
Total Renewable Capacity								
Solar (GW)	Existing + RARs (.37)	7	11	19	9	15	27	48
Wind (GW)	Existing + RARs (30.4)	33	36	41	38	42	50	65

Calculated per year increment for 2022 ITP for years 3 to 10 following 2022 ITP trajectory starting with 2022 ITP Gen Review **Year 2 value in 2024**:

Solar – Future 1: (11-.37)/8 = **1.3 GW** increment per year → **4.4** and **11.0**
Solar – Future 2: (15-.37)/8 = **1.8 GW** increment per year → **5.9** and **15.0**

Wind – Future 1: (36-30.4)/8 = **.7 GW** increment per year → **32.5** and **36.0**
Wind – Future 2: (42-30.4)/8 = **1.5 GW** increment per year → **34.7** and **42.0**

2023 ITP (GW)

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	4.4	11	5.9	15.0
Wind (GW)	Existing + RARs	32.5	36	34.7	42

WIND/SOLAR CALCULATION - COMPARISON

2022 ITP & 20YA (GW)

KEY ASSUMPTIONS	Year2	Future 1 - Reference Case			Future 2 - Emerging Technologies			Future 3 - Accelerated Decarbonization
YEAR	2	5	10	20	5	10	20	20
Total Renewable Capacity								
Solar (GW)	Existing + RARs (.37)	7	11	19	9	15	27	48
Wind (GW)	Existing + RARs (30.4)	33	36	41	38	42	50	65

2023 ITP (GW)

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	**7.8**	**11.8**	**10.2**	**16.2**
Wind (GW)	Existing + RARs	**33.6**	**36.6**	**38.8**	**42.8**

2023 ITP (GW) **NEW**

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	**4.4**	**11**	**5.9**	**15.0**
Wind (GW)	Existing + RARs	**32.5**	**36**	**34.7**	**42**

CHANGE

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	**-3.4**	**-0.8**	**-4.3**	**-1.2**
Wind (GW)	Existing + RARs	**-1.1**	**-0.6**	**-2.6**	**-0.8**

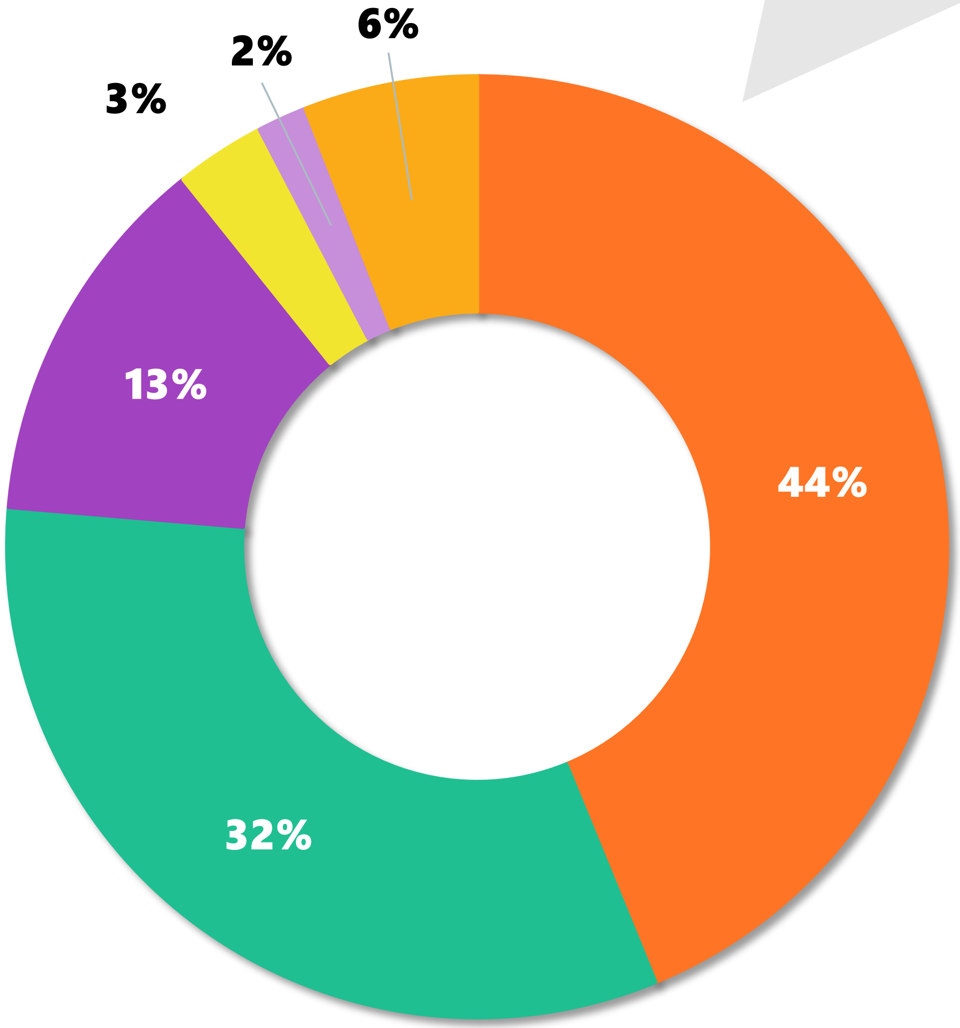
ADDITIONAL INFORMATION REQUESTED

- Compare proposed trajectory for 2023 ITP as it relates to
  - Generator Interconnection (GI) Queue analysis
  - 20YA trajectory extrapolation for 2023 ITP F1/F2 Years 5 and 10
    - 20YA F1/F2
      - 20YA **F1** numbers → 2023 ITP F1
      - 20YA **F2** numbers → 2023 ITP F2
    - 20YA F2/F3
      - 20YA F2 numbers → 2023 ITP F1
      - 20YA F3 numbers → 2023 ITP F2
  - Extrapolation for solar based on GI Queue
  - Trend line based on historical wind capacity values

GENERATOR INTERCONNECTION REQUESTS UNDER STUDY (BY FUEL TYPE*): 101,579/ MW TOTAL

Wind, Solar, Storage and Hybrid requests makes up 94% of the current GI Queue

- Solar (44,501 MW)
- Wind (33,048 MW)
- Storage (13,115 MW)
- Hybrid: Renewable capacity (3,140 MW)
- Storage AC-coupled with Hybrid (1,740 MW)
- Gas/Thermal (6,035 MW)



** Hybrid requests in queue are currently solar + storage only and Hybrid request amount does not include storage capacity, but that amount is shown above (1,740 MW)*

20YA F1/F2 - WIND/SOLAR CALCULATION

2022 ITP & 20YA (GW)

KEY ASSUMPTIONS	Year2	Future 1 - Reference Case			Future 2 - Emerging Technologies			Future 3 - Accelerated Decarbonization
YEAR	2	5	10	20	5	10	20	20
Total Renewable Capacity								
Solar (GW)	Existing + RARs (.37)	7	11	**19**	9	15	**27**	48
Wind (GW)	Existing + RARs (30.4)	33	36	**41**	38	42	**50**	65

Calculated per year increment for 2022 ITP from year 5 to year 10 following 2022 ITP trajectory starting with 2022 ITP **Year 2 value in 2024**:

Solar – Future 1: (19-.37)/18 = **1.0 GW** increment per year → **3.5** and **8.7**
Solar – Future 2: (27-.37)/18 = **1.5 GW** increment per year → **4.8** and **12.2**

Wind – Future 1: (41-30.4)/18 = **.6 GW** increment per year → **32.2** and **35.1**
Wind – Future 2: (50-30.4)/18 = **1.1 GW** increment per year → **33.7** and **39.1**

2023 ITP (GW)

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	**3.5**	**8.7**	**4.8**	**12.2**
Wind (GW)	Existing + RARs	**32.2**	**35.1**	**33.7**	**39.1**

20YA F2/F3 - WIND/SOLAR CALCULATION

2022 ITP & 20YA (GW)

KEY ASSUMPTIONS	Year2	Future 1 - Reference Case			Future 2 - Emerging Technologies			Future 3 - Accelerated Decarbonization
YEAR	2	5	10	20	5	10	20	20
Total Renewable Capacity								
Solar (GW)	Existing + RARs (.37)	7	11	19	9	15	**27**	**48**
Wind (GW)	Existing + RARs (30.4)	33	36	41	38	42	**50**	**65**

Calculated per year increment for 2022 ITP from year 5 to year 10 following 2022 ITP trajectory starting with 2022 ITP **Year 2 value in 2024**:

Solar – Future 1: (27-.37)/18 = **1.5 GW** increment per year → **4.8** and **12.2**
Solar – Future 2: (48-.37)/18 = **2.8 GW** increment per year → **8.6** and **22.4**

Wind – Future 1: (50-30.4)/18 = **1.1 GW** increment per year → **33.7** and **39.1**
Wind – Future 2: (65-30.4)/18 = **1.9 GW** increment per year → **36.2** and **45.8**

2023 ITP (GW)

KEY ASSUMPTIONS	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
YEAR	2	5	10	5	10
Total Renewable Capacity					
Solar (GW)	Existing + RARs	**4.8**	**12.2**	**8.6**	**22.4**
Wind (GW)	Existing + RARs	**33.7**	**39.1**	**36.2**	**45.8**

SOLAR PROJECTIONS – UPDATED GI QUEUE IN STUDY (MW)

Description	In Commercial Operation	Remaining	Expected Withdrawn (80%)	Expected Remaining	Expected in Commercial Operation by 2027
Existing In Commercial Operation (from previous studies)	185	--	--	--	**185**
DISIS-2015-002	--	40	0	40	**225**
DISIS-2016-001	--	100	0	100	**325**
DISIS-2016-002	--	224	0	224	**549***
Queue Remaining	--	44,501**	(35,601)	8,900	**9,449**
TOTALS:	**185**	**44,865**	**(35,601)**	**9,264**	**9,449**

Solar (GW)	
Year 5	**Year 10**
9.5	**18.4**
Increment: ~1.8/year	

** Amount used for 2022 Y2 starting value*
*** 20% of this total requested capacity in GI Queue has already been withdrawn*

Assumptions for GI Queue:

- Current commercial operations dates will not change
  - *Note: Potential to change based on GI Backlog Clearing Process and current queue schedule (https://opsportal.spp.org/documents/studies/sppgistudyupdate_weekly.pdf)*
- 3 GW of Hybrid (solar + storage) not included

SOLAR PROJECTIONS – SUMMARY – UPDATED

Used for projection	2023 ITP (GW)			
	Future 1 Year 5	Future 1 Year 10	Future 2 Year 5	Future 2 Year 10
2022 ITP Scope	**7.8**	**11.8**	**10.2**	**16.2**
2022 ITP Scope (New)	4.4	11.0	5.9	15.0
20YA (F1/F2)	3.5	8.7	4.8	12.2
20YA (F2/F3)	4.8	12.2	8.6	22.4
GI Queue	9.5	--	--	18.4

WIND PROJECTIONS – TREND (MW) – UPDATED*

Description	Generating Capacity Wind	Calculated Average Annual Wind Increment	Year 2 (2024) Wind	Year 5	Year 10
August 2017	16,382				
June 2021	27,618	2,929			
2022 ITP Gen Review			30,393		
Projected 2023 ITP wind values				**39,181**	**53,828**

Wind (GW)	
Year 5	**Year 10**
39.2	**53.8**

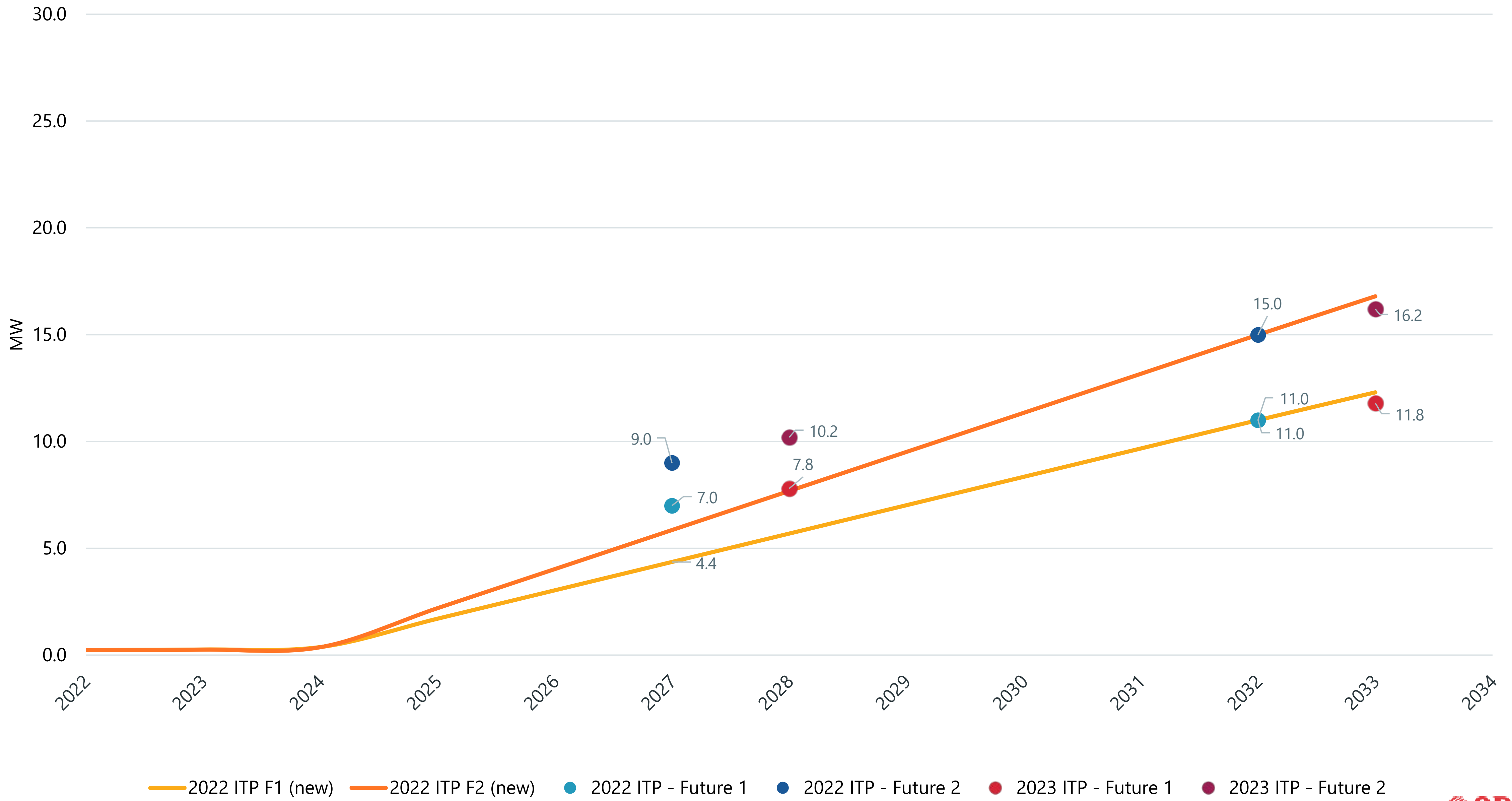
*** Historical trend possible impacts:**

- Tax credits/PTCs
- Wind saturation
- Interconnection costs

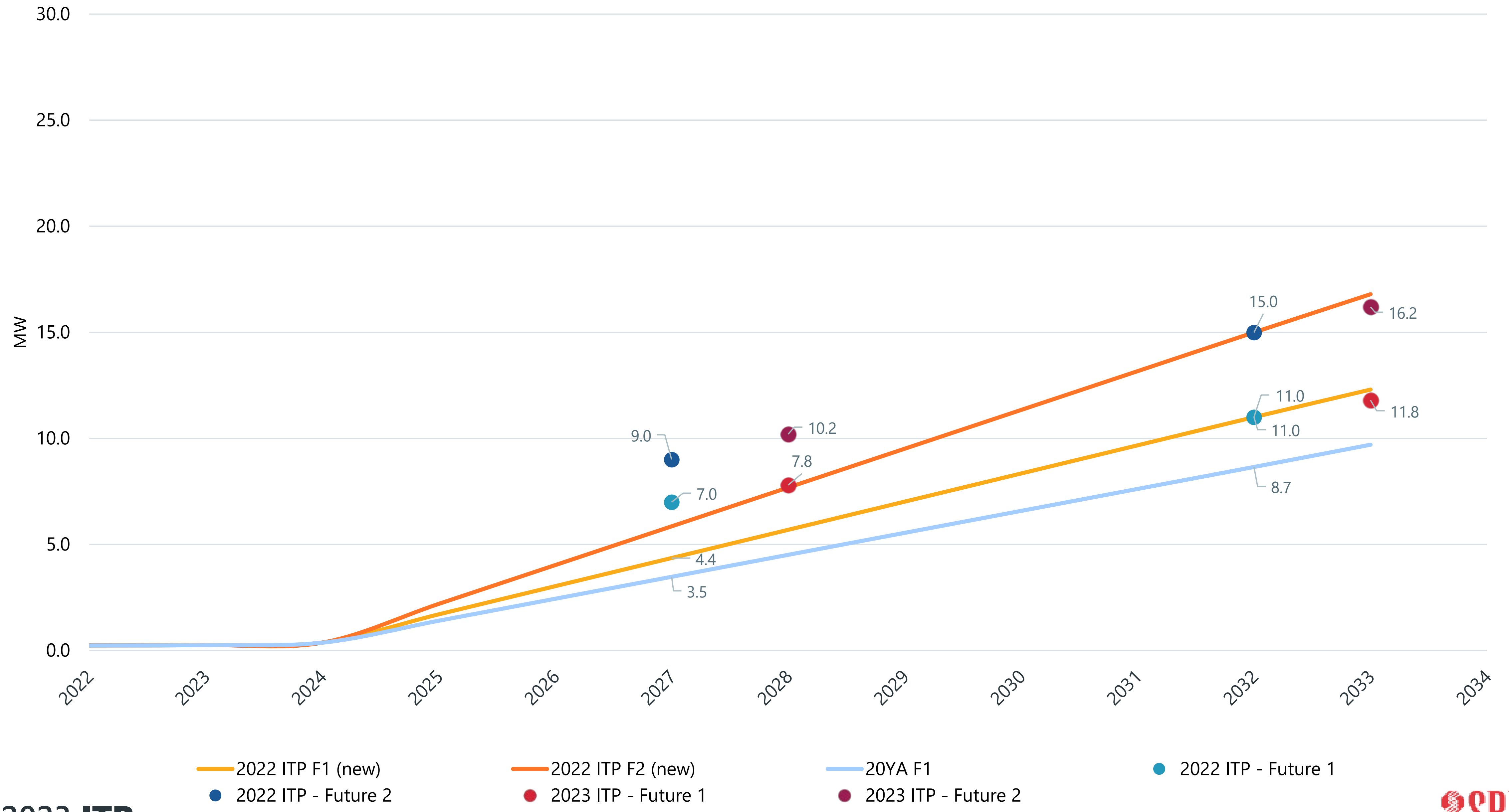
WIND PROJECTIONS – SUMMARY – UPDATED

Used for projection	2023 ITP (GW)			
	Future 1 Year 5	Future 1 Year 10	Future 2 Year 5	Future 2 Year 10
2022 ITP Scope	**33.6**	**36.6**	**38.8**	**42.8**
2022 ITP Scope (New)	32.5	36	34.7	42
20YA (F1/F2)	32.2	35.1	33.7	39.1
20YA (F2/F3)	33.7	39.1	36.2	45.8
Historical trend	39.2	--	--	53.8

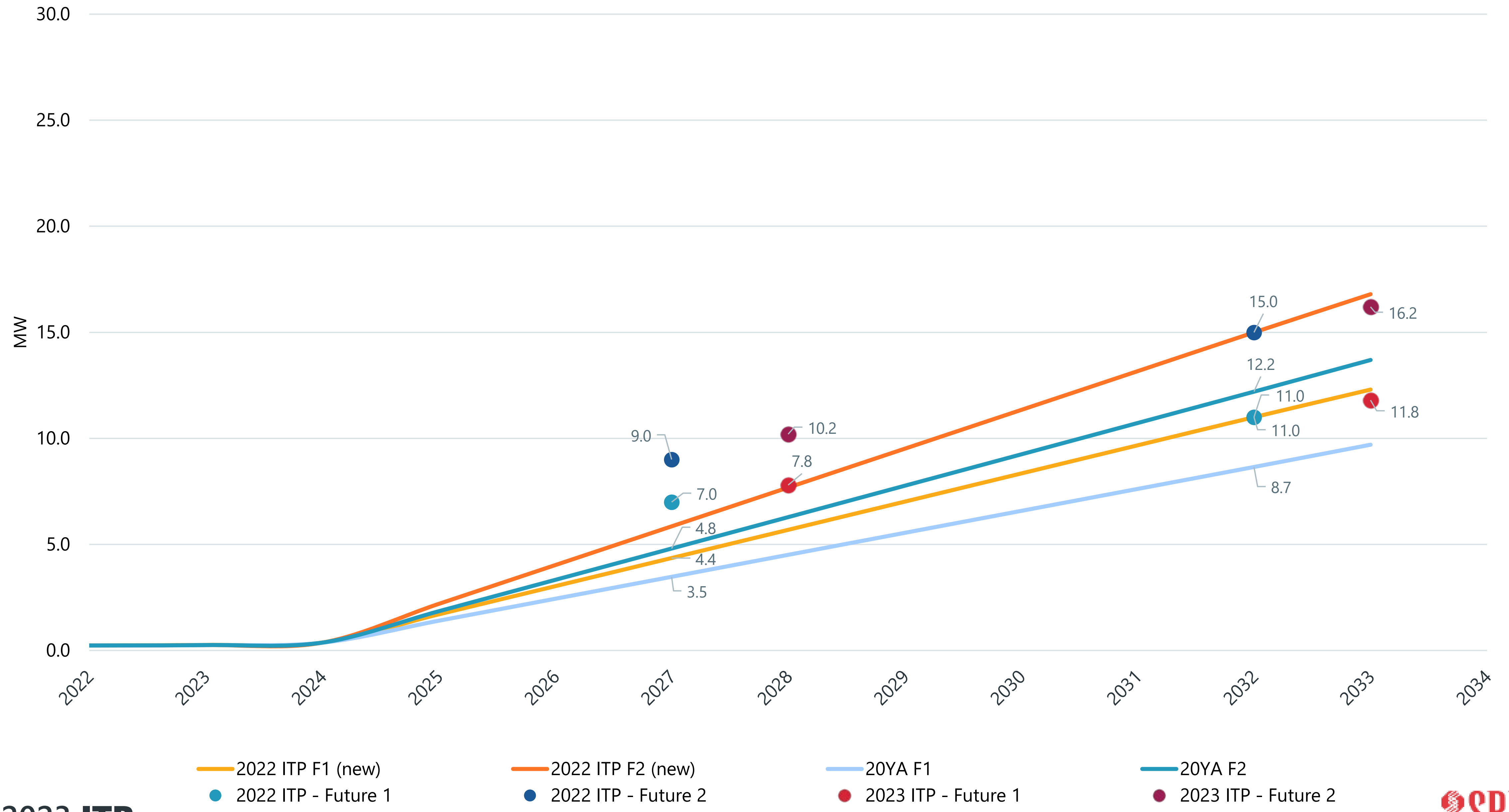
2023 ITP F1/F2 Solar Projections for Years 5 & 10 (GW)



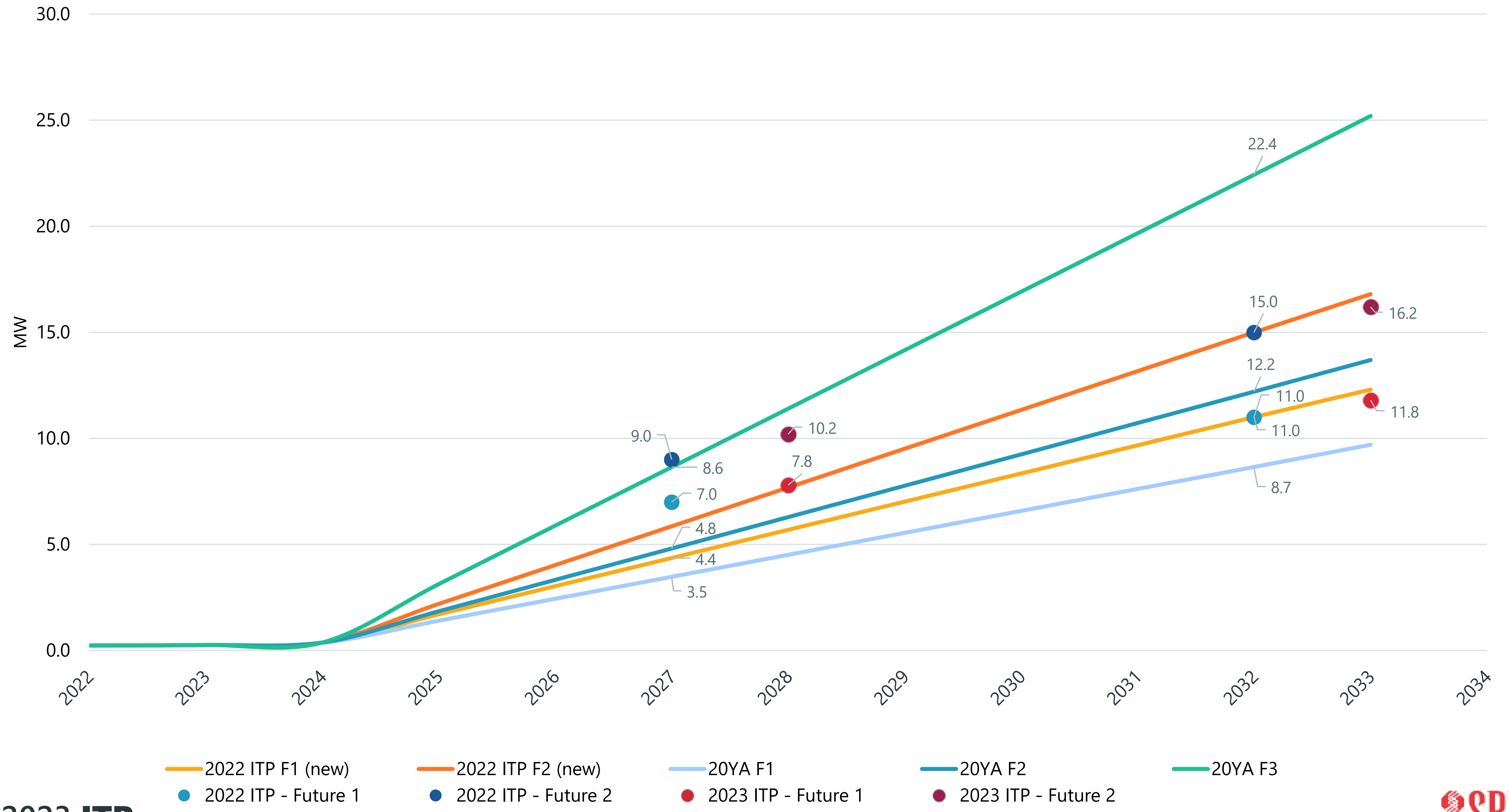
2023 ITP F1/F2 Solar Projections for Years 5 & 10 (GW)



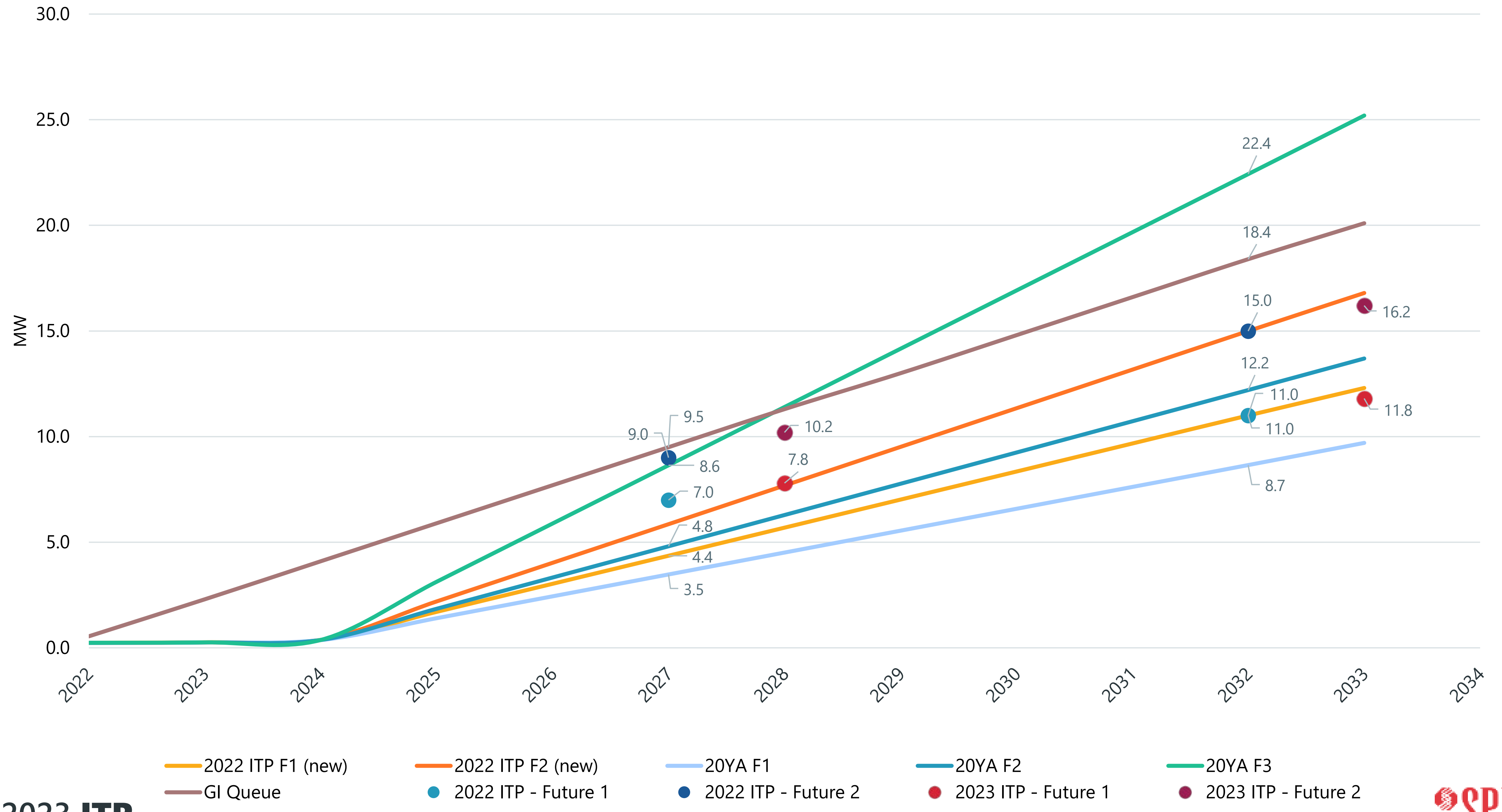
2023 ITP F1/F2 Solar Projections for Years 5 & 10 (GW)



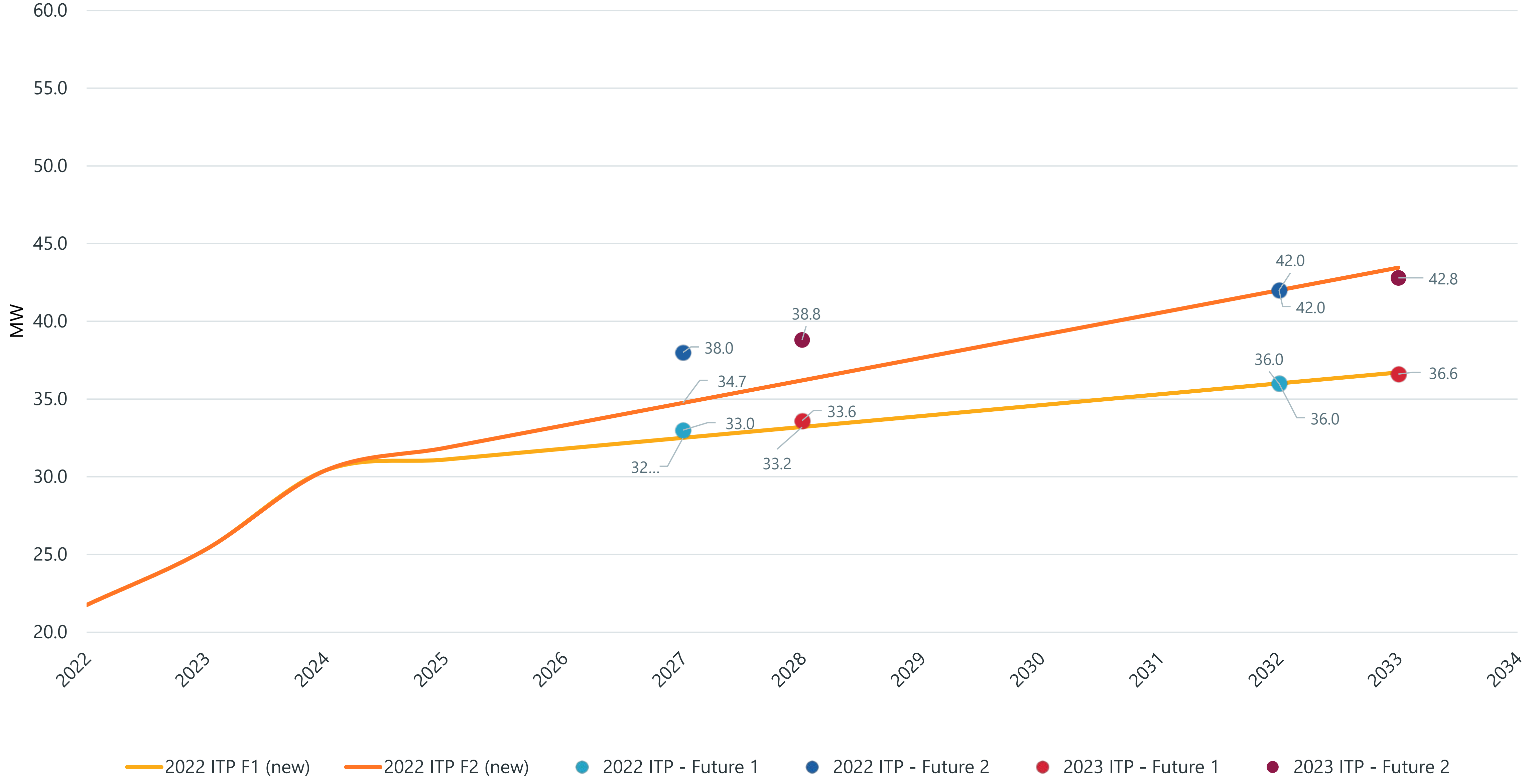
2023 ITP F1/F2 Solar Projections for Years 5 & 10 (GW)



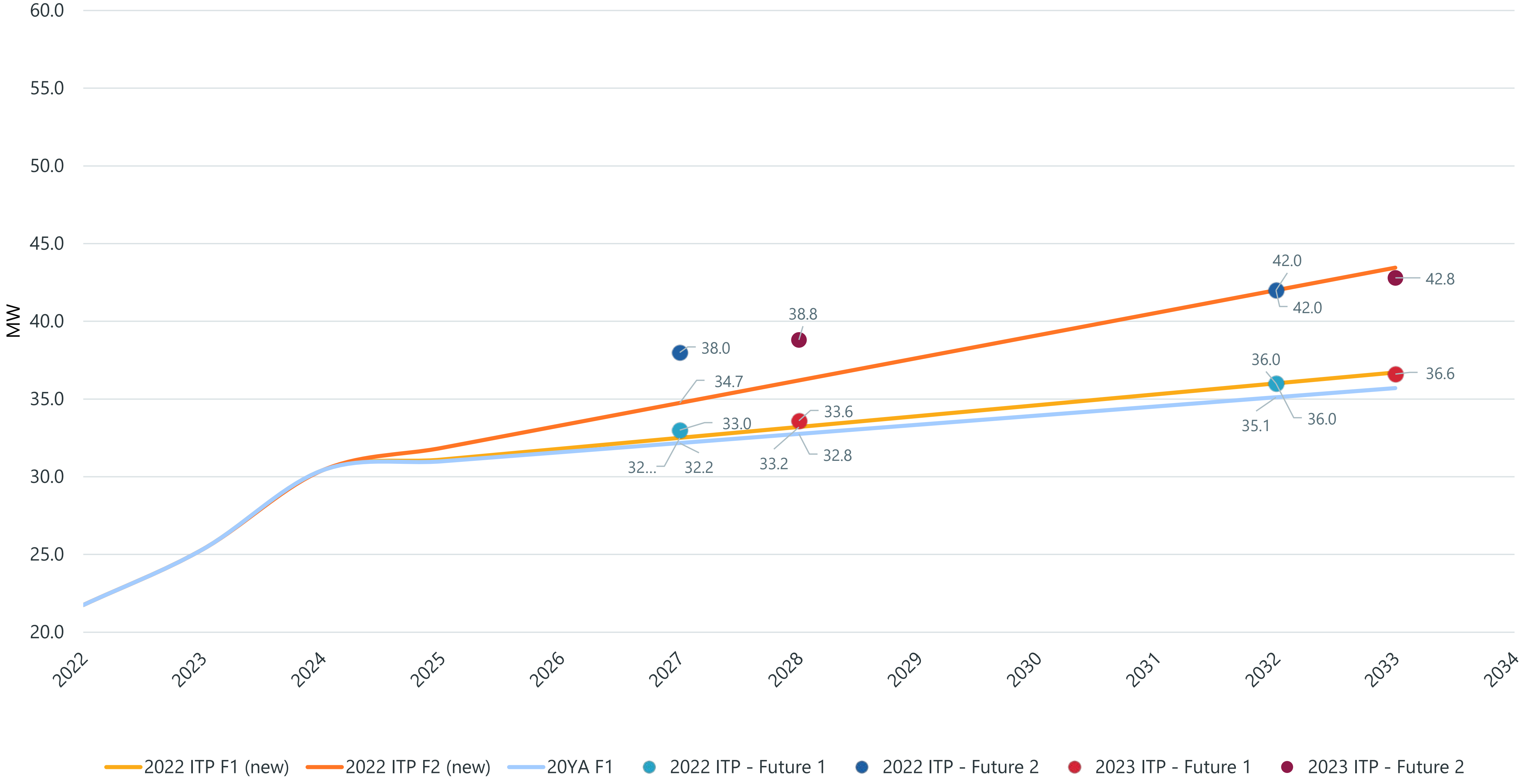
2023 ITP F1/F2 Solar Projections for Years 5 & 10 (GW)



2023 ITP F1/F2 Wind Projections for Years 5 & 10 (GW)

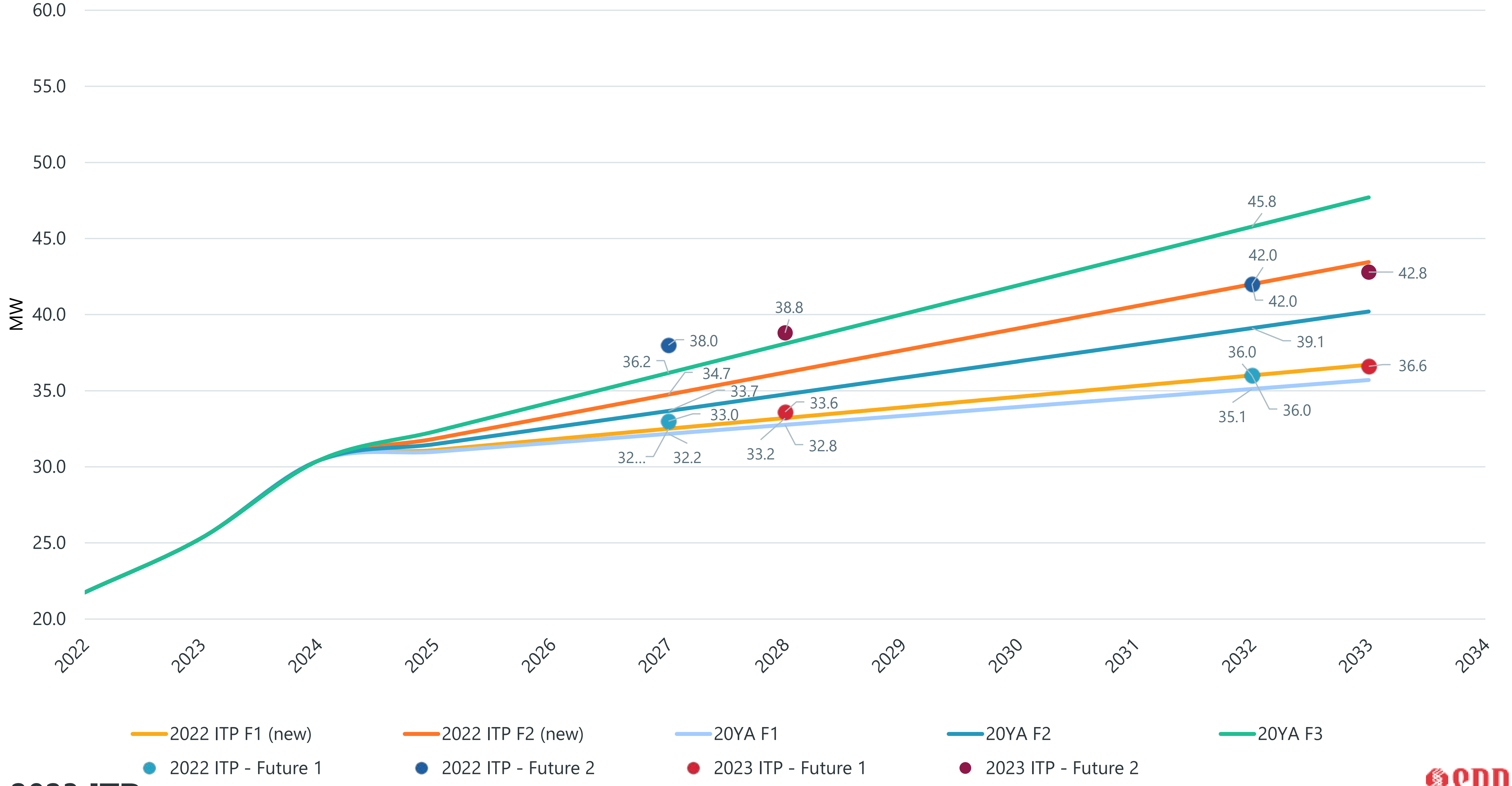


2023 ITP F1/F2 Wind Projections for Years 5 & 10 (GW)

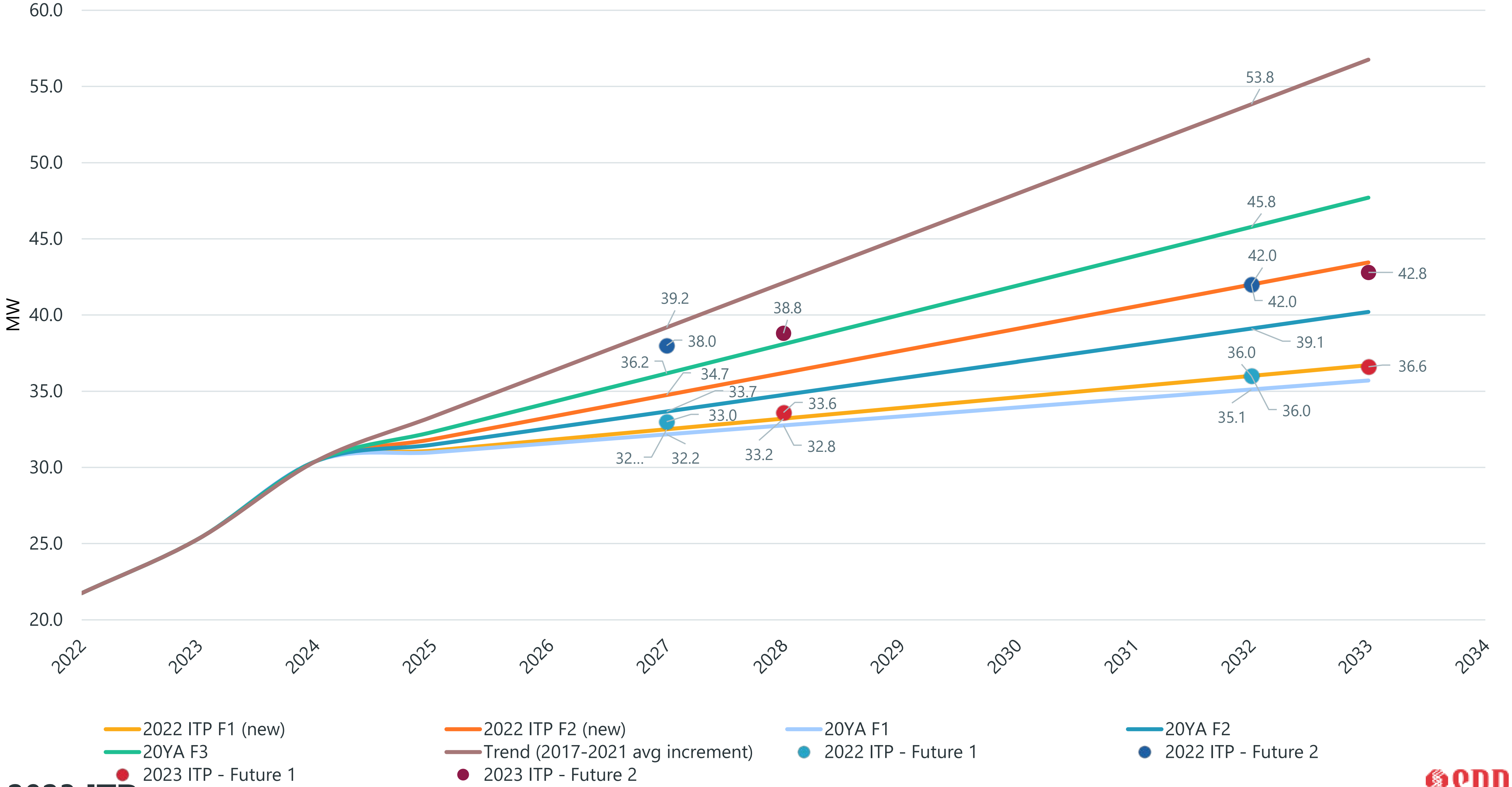


2023 ITP F1/F2 Wind Projections for Years 5 & 10 (GW)

2023 ITP F1/F2 Wind Projections for Years 5 & 10 (GW)



2023 ITP F1/F2 Wind Projections for Years 5 & 10 (GW)



2023 ITP – PROPOSED FUTURES – WIND/SOLAR RENEWABLE CAPACITY

- Items in black approved at Aug. ESWG

KEY ASSUMPTIONS	DRIVERS				
	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
	2	5	10	5	10
Peak Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Energy Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		*Increase due to electric vehicle growth**	
Natural Gas Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Coal Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Emissions Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Fossil Fuel Retirements	Current forecast	Coal age-based 56+, Gas/Oil age-based 50+, subject to generator owner (GO) review		Coal age-based 52+, Gas/Oil age-based 48+, subject to GO review and ESWG approval	
Environmental Regulations	Current regulations	Current regulations		Current regulations	
Demand Response[1]	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Distributed Generation (Solar)	As submitted in load forecast	As submitted in load forecast		+300 MW	+500 MW
Energy Efficiency	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Storage	Existing + RARs	20% of projected solar		35% of projected solar	
Total Renewable Capacity					
Solar (GW)	Existing + RARs	4.4	11	5.9	15.0
Wind (GW)	Existing + RARs	32.5	36	34.7	42

[1] As defined in the SPP Model Development Procedure Manual

* EV Numbers to be approved by ESWG at Nov. 2021 meeting

Anita (Derek Second) Motion to change F1 Y10 to 41 and F2 Y10 to 46

RECOMMENDATION

- SPP Staff recommends approval of the total renewable capacity as shown below for the 2023 ITP wind and solar amounts

Total Renewable Capacity					
Solar (GW)	Existing + RARs	4.4	11	5.9	15.0
Wind (GW)	Existing + RARs	32.5	36	34.7	42

- The remaining 2023 ITP futures template was approved at the August 2021 ESWG meeting, with one remaining item to approve EV numbers in November 2021

RECOMMENDATION

- SPP Staff recommends approval of the total renewable capacity as shown below for the 2023 ITP wind and solar amounts

Total Renewable Capacity					
Solar (GW)	Existing + RARs	4.4	11	5.9	15.0
Wind (GW)	Existing + RARs	32.5	36	34.7	42

- The remaining 2023 ITP futures template was approved at the August 2021 ESWG meeting, with one remaining item to approve EV numbers in November 2021

- **Zac (Jeremy second): Motion to use for wind**
  - Existing+RARs+3GW for F1 year 5
  - Existing+RARs+7GW for F1 year 10
  - Existing+RARs+4GW for F2 year 5
  - Existing+RARs+12GW for F2 year 10

NEXT STEPS

- Scope – Futures update will be provided to SPC and MOPC in October
  - Please reach out to Sherri Maxey (smaxey@spp.org) to provide any input
- Remaining Scope items to be reviewed
  - EV number
  - Renewable Accreditation
  - New Resource Allocation and Assignment
  - Sensitivity Analysis
- Develop 2023 ITP Assessment Scope document
  - July 2021 to December 2021
- Scope approval at January 2022 MOPC

2023 **ITP**

APPENDIX

SCOPE DEVELOPMENT – TIMELINE

<table>
<tr><th></th><th colspan="5">2021</th><th>2022</th></tr>
<tr><th>Topic</th><th>AUG</th><th>SEPT</th><th>OCT</th><th>NOV</th><th>DEC</th><th>JAN</th></tr>
<tr><td>Futures</td><td colspan="3">ESWG - TWG - SPC</td><td></td><td></td><td></td></tr>
<tr><td>Project Schedule</td><td></td><td colspan="2">ESWG - TWG</td><td></td><td></td><td></td></tr>
<tr><td>Must Run Units</td><td></td><td colspan="2">ESWG</td><td></td><td></td><td></td></tr>
<tr><td>Hurdle Rates and Interchange</td><td></td><td colspan="3">ESWG</td><td></td><td></td></tr>
<tr><td>Conventional Generator Prototypes</td><td></td><td colspan="3">ESWG</td><td></td><td></td></tr>
<tr><td>Renewable Accreditation</td><td></td><td colspan="3">ESWG</td><td></td><td></td></tr>
<tr><td>New Resource Allocation and Assignment</td><td></td><td colspan="3">ESWG</td><td></td><td></td></tr>
<tr><td>Resource Plan Modeling</td><td></td><td colspan="3">ESWG</td><td></td><td></td></tr>
<tr><td>Consolidation</td><td></td><td></td><td colspan="2">ESWG - TWG</td><td></td><td></td></tr>
<tr><td>Sensitivities</td><td></td><td></td><td colspan="2">ESWG</td><td></td><td></td></tr>
<tr><td>Voltage Stability Assessment</td><td></td><td colspan="4">TWG</td><td></td></tr>
<tr><td>Final Scope Document</td><td></td><td></td><td></td><td colspan="2">ESWG - TWG</td><td>MOPC</td></tr>
</table>

- Numbers updated based on approved mitigation

- Re-use 2022 ITP Scope with updated data

- To be discussed with stakeholders

2022 ITP & 20-YEAR ASSESSMENT

FUTURES DESCRIPTIONS

2022 ITP FUTURES

Future 1 – Reference Case		Future 2 – Emerging Technologies	
Y5	Y10	Y5	Y10
7	11	9	15
33	36	38	42

KEY ASSUMPTIONS	DRIVERS				
	Year 2	Future 1 – Reference Case		Future 2 – Emerging Technologies	
	2	5	10	5	10
Peak Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Energy Demand Growth Rates	As submitted in load forecast	As submitted in load forecast		Increase due to electric vehicle growth	
Natural Gas Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Coal Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Emissions Prices	Current industry forecast	Current industry forecast		Current industry forecast	
Fossil Fuel Retirements	Current forecast	Coal age-based 56+, Gas/Oil age-based 50+, subject to generator owner (GO) review		Coal age-based 52+, Gas/Oil age-based 48+, subject to GO review and ESWG approval	
Environmental Regulations	Current regulations	Current regulations		Current regulations	
Demand Response[1]	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Distributed Generation (Solar)	As submitted in load forecast	As submitted in load forecast		+300 MW	+500 MW
Energy Efficiency	As submitted in load forecast	As submitted in load forecast		As submitted in load forecast	
Storage	Existing + RARs	20% of projected solar (1.4 GW / 2.2 GW)		35% of projected solar (3.7 GW / 5.2 GW)	
Total Renewable Capacity					
Solar (GW)	Existing + RARs	7	11	9	15
Wind (GW)	Existing + RARs	33	36	38	42

[1] As defined in the MDWG Model Development Procedure Manual: MDWG Manual

2022 ITP – REFERENCE CASE FUTURE (FUTURE 1)

- The reference case future will reflect the continuation of current industry trends and environmental regulations
- For years 5 and 10, subject to review from generator owners, coal generators over the age of 56 will be retired, while gas fired and oil generators over the age of 50 years will be retired
  - Exceptions will be allowed based on stakeholder-submitted, utility-specific integrated resource plans (IRP)
  - Long-term industry forecasts will be used to determine coal prices
  - Natural gas prices will be determined per the ITP Manual
- Solar and wind additions will exceed current renewable portfolio standards (RPS) due to economics, public appeal, and current trends as reflected in historical renewable installations and Generator Interconnection (GI) requests
- Battery energy storage resources will also be included relative to the approved solar amounts

2022 ITP – EMERGING TECHNOLOGIES FUTURE (FUTURE 2)

- The emerging technologies future will be driven primarily by the assumption that electrical vehicles and distributed generation will impact energy growth rates
- Coal generators over the age of 52 will be retired, while gas-fired and oil generators over the age of 48 will be retired
  - Exceptions will be allowed as requested by generator owners and approved by the ESWG
  - As in the reference case future, current environmental regulations will be assumed and coal prices will use long-term industry forecasts
  - Natural gas prices will be determined per the ITP Manual
- This future also
  - Assumes higher solar, wind, and energy storage resource additions than the reference case due to advances in technology that decrease capital costs and increase energy conversion efficiency
  - Accounts for the potential that state and/or federal policies will promote the utilization of these technologies in an effort to modernize the grid
  - Align the renewable resource potential with company IRP goals to the extent possible

20YA FUTURES

	DRIVERS			
KEY ASSUMPTIONS	Future 1 (F1) - 2022 ITP Reference Case	Future 2 (F2) - 2022 ITP Emerging Technologies	Future 3 (F3) - Accelerated Decarbonization (New administration and aggressive energy/ environmental policy change)	Future 4 (F4) - Based on SPP F3 with hurdle rate of zero between MISO and SPP
YEAR	20	20	20	20
Peak Demand Growth Rates	As submitted in load forecast	As submitted in load forecast	Moderate increase due to switching to electric home heating and increased electric transportation, potential shift to a winter peaking SPP	Moderate increase due to switching to electric home heating and increased electric transportation, potential shift to a winter peaking SPP
Energy Demand Growth Rates	As submitted in load forecast	Increase due to electrification growth	Higher demand due to electrification compared to F2 due to aggressive policy	Higher demand due to electrification compared to F2 due to aggressive policy
	Current industry forecast	Current industry forecast	Increase prices incluenced by emissions pricing policy	Increase prices incluenced by emissions pricing policy
	Current industry forecast	Current industry forecast	Increase prices influenced by emissions pricing policy	Increase prices influenced by emissions pricing policy
	Current industry forecast	Current industry forecast	Emission prices based on new policy	Emission prices based on new policy
	Coal age-based 56+, Gas/Oil age-based 50+, subject to generator owner (GO) review	Coal age-based 52+, Gas/Oil age-based 48+, subject to GO review and ESWG approval	All Coal and Oil retired. More Gas retirements, driven by higher emission reduction levels relative to F2 driven by new policy	All Coal and Oil retired. More Gas retirements, driven by higher emission reduction levels relative to F2 driven by new policy
	Current regulations	Current regulations	Federal Policy, mandated carbon cuts, carbon tax	Federal Policy, mandated carbon cuts, carbon tax
Demand Response[1]	As submitted in load forecast	As submitted in load forecast	Increase from F2	Increase from F2
Distributed Generation (Solar)	As submitted in load forecast	900MW	Increase from F2 due to policy shift and significant incentives to behind-the-meter installation	Increase from F2 due to policy shift and significant incentives to behind-the-meter installation
Energy Efficiency	As submitted in load forecast	As submitted in load forecast	Increase in F2	Increase in F2
Storage	20% of projected solar	35% of projected solar	Increase from F2	Increase from F2
Total Renewable Capacity				
Solar (GW)	19	27	48	48
Wind (GW)	41	50	65	65
Additional Assumptions				
Emissions Reduction Target	N/A	N/A	93% to 95% Emissions Reductions Target in 2042 from 2017 Levels	93% to 95% Emissions Reductions Target in 2042 from 2017 Levels
Hurdle Rate	N/A	N/A	N/A	SPP-MISO and MISO-SPP Hurdle Rate set to $0

[1] As defined in the SPP Model Development Procedure Manual 2021 v5.0

Renewable Capacity	Future 1 Y20	Future 2 Y20	Future 3 Y20
Solar (GW)	19	27	48
Wind (GW)	41	50	65

2023 ITP

20-YR – REFERENCE CASE FUTURE (FUTURE 1)

- The reference case future will reflect the continuation of current industry trends and environmental regulations
- For year 20, subject to review from generator owners, coal generators over the age of 56 will be retired, while gas fired and oil generators over the age of 50 years will be retired
  - Exceptions will be allowed based on stakeholder-submitted, utility-specific integrated resource plans (IRP)
  - Long-term industry forecasts will be used to determine coal prices
  - Natural gas prices will be determined per the ITP Manual
- Solar and wind additions will exceed current renewable portfolio standards (RPS) due to economics, public appeal, and current trends as reflected in historical renewable installations and Generator Interconnection (GI) requests
- Battery energy storage resources will also be included relative to the approved solar amounts

20-YR – EMERGING TECHNOLOGIES FUTURE (FUTURE 2)

- The emerging technologies future will be driven primarily by the assumption that electrical vehicles and distributed generation will impact energy growth rates
- Coal generators over the age of 52 will be retired, while gas-fired and oil generators over the age of 48 will be retired
  - Exceptions will be allowed as requested by generator owners and approved by the ESWG
  - As in the reference case future, current environmental regulations will be assumed and coal prices will use long-term industry forecasts
  - Natural gas prices will be determined per the ITP Manual
- This future also
  - Assumes higher solar, wind, and energy storage resource additions than the reference case due to advances in technology that decrease capital costs and increase energy conversion efficiency
  - Accounts for the potential that state and/or federal policies will promote the utilization of these technologies in an effort to modernize the grid
  - Align the renewable resource potential with company IRP goals to the extent possible

20-YR – ACCELERATED DECARBONIZATION (FUTURE 3)
(NEW ADMINISTRATION AND AGGRESSIVE ENERGY/ENVIRONMENTAL POLICY CHANGE)

- The accelerated decarbonization future is meant to reflect a new administration and an aggressive energy/environmental policy change
  - This is primarily reflected by all coal generators and oil generation being retired, driven by a 93 percent to 95 percent emission reductions target in 2042 from 2017 levels
  - The environmental regulations assumption will be based on changes in federal policy, mandated carbon cuts and a carbon tax
  - Natural gas prices will be determined per the ITP Manual
  - This future also assumes higher solar, wind, and energy storage resource additions than Futures 1 and 2 due to the change in environmental policy and changes in technology that decrease capital costs and increase energy conversion efficiency

SPP-MISO ZERO HURDLE RATE (FUTURE 4)

- The SPP-MISO Zero Hurdle Rate future is meant to focus on the potential benefit that can be realized by greater market efficiency between SPP and MISO. This future will set SPP-MISO and MISO-SPP hurdle rates to zero. All other input modeling assumptions will be held the same as Future 3

ITP MITIGATION

APPROVED AT JULY 2021 MOPC/BOARD

MITIGATION PLAN APPROVED AT JULY MOPC/BOARD (2023 ITP PORTION ONLY)

- Re-use 2022 ITP scope for 2023 ITP (wash, rinse, repeat)
  - Keep same assumptions but with updated wind, solar, and storage capacity values based on current trajectory
  - Allows scope to be developed with less staff hours
  - Allows more staff to focus on 2021 ITP

2022 ITP SCOPE RE-USED FOR 2023 ITP SCOPE - DIFFERENCES

Topic	Description
Futures	• Futures 1 and 2 from 2022 ITP with updated assumptions based on current 2022 ITP trajectory
Project Schedule	• Updated for 2023 ITP
Must Run Units	• Re-use 2022 ITP Scope using current ABB simulation and EIA 860 data available
Hurdle Rates and Interchange	• Re-use 2022 ITP Scope using latest vendor data set
Conventional Generator Prototypes	• Re-use 2022 ITP Scope using the EIA Annual Energy Outlook 2021 (EIA-AEO)
Renewable Accreditation	• Discuss with stakeholders
New Resource Allocation and Assignment	• Discuss with stakeholders
Resource Plan Modeling	• Re-use 2022 ITP Scope language
Consolidation	• Same as 2022 ITP Scope (50/50 weighting)
Sensitivity Analysis	• Discuss with stakeholders
Stability Assessment	• Re-use 2022 ITP Scope (continue renewable transfer analysis)
Final Scope Document	• New for 2023 ITP (much of verbiage similar to 2022 ITP)

GI QUEUE SCHEDULE

SPP GI QUEUE STUDY SCHEDULE (AS OF 9/17/2021)

SPP Generation Interconnection Queue Study Schedule

DISIS Cluster	# of Requests	MWs	DISIS Study Start	DISIS Phase 1 Posting	DISIS Phase 2 Posting	DISIS Phase 3 Posting*	Cluster Status	Reason for Delay	Additional Notes
DISIS-2017-001-1				N/A	10/8/2021^	1/15/2022	Active	FERC's decision in ER21-1841-000	RESTUDY
DISIS-2017-001	39	5982.9		7/17/2020	4/7/2021	10/28/2021*	Active	Date Subject To Change	Stage Three - Facilities
DISIS-2017-002	113	22673.4		11/12/2021^	2/4/2022	7/24/2022	Active	--	Model Build and Study Scope Under Way
DISIS-2018-001	60	9923.79		6/6/2022	10/27/2022	3/21/2023	Pending	Pending Prior Clusters	
DISIS-2018-002	58	9589.342		9/27/2022	2/17/2023	7/12/2023	Pending	Pending Prior Clusters	
DISIS-2019-001	70	7812.71		9/27/2022	2/17/2023	7/12/2023	Pending	Pending Prior Clusters	
DISIS-2020-001	97	19744.05		1/18/2023	6/12/2023	11/2/2023	Pending	Pending Prior Clusters	
DISIS-2021-001	108	24686.08		TBD	TBD	TBD	Pending	Pending Prior Clusters	

*DISIS Phase 3 (Facilities Study) Stage are estimated dates subject to change pending DISIS Cluster Restudies to be concluded. ^ Represents Planned Draft Posting Dates, Final Dates May Vary

https://opsportal.spp.org/documents/studies/sppgistudyupdate_weekly.pdf

SPP Southwest Power Pool

2022 ITP MITIGATION ESWG/TWG

NICK PARKER

MGR, TRANSMISSION PLANNING

TOPICS

- Goals
- History
- Analysis & results
- Options/ideas considered
- Next steps

GOALS

- Address ITP delays
- Review mitigation ideas
- Solicit feedback on ideas
- Develop a plan to ensure the 2022 ITP and future ITPs are complete in a timely manner

HISTORY

- 2022 ITP is the fourth ITP cycle since redesign
  - Each cycle is getting farther behind schedule
- Some kind of mitigation has been required in the past two ITP cycles
  - 2020 ITP was mitigated and completed on time
  - 2021 ITP was heavily mitigated and scheduled to be complete 2 months after original deadline
- Additional initiatives caused heavily over-allocated workloads
  - 20-Year Assessment, RCARIII, SCRIPT, VoT, SPP-MISO JTIQ, and more
- COVID conditions have had impacts
  - WFH inefficiencies
  - Staff turnover has increased with other companies allowing permanent WFH
- Very little contingency room for errors

ANALYSIS & RESULTS

- We have addressed some of the over-allocated workload
  - Sliding 20-Year Assessment deadline from October 2022 to April 2023 (decision was approved at July MOPC)
  - Increased consultant budget for 2022
- 2022 ITP is currently tracking about 5-6 months behind
  - Current ITP schedule may not be feasible
  - 2020 ITP and 2021 ITP delays caused waterfall effect on 2022 ITP milestones
  - 2021 ITP NTCs will be delayed from original plan, which feed into the 2022 ITP
- Without mitigation efforts we are looking at April 2023 completion
  - Delayed ITP has FERC and NERC risks, as well as other planning studies

KEY MESSAGES

- Need to apply mitigation measures to pull in the 2022 ITP completion date
  - We can:
    - Re-baseline dates (need to bring dates in; not move out)
    - Increase consulting budget (already have a high 2022 budget)
    - Cut/modify scope – this needs to be our primary focus
- Something more than mitigation must be done

MITIGATION IDEAS

- Previous successful ITP mitigation tactics
  - Remove MPM needs from ITP process
    - MPM sensitivity cases will still be evaluated for the 2022 TPL assessment
  - Start with previous MEM and perform incremental updates for new MEM
  - Reduce number of economic needs to post
  - Reduce benefit metrics
  - Reduce/remove sensitivities
  - Slide end date (from the originally scheduled end date)

ADDITIONAL/ALTERNATIVE IDEAS

- Terminate the 2022 ITP – still perform any reliability assessments
  - PROs
    - Focus on the 20-Year Assessment
    - Focus on the 2023 and 2024 ITPs
      - Likely to see SCRIPT efforts implemented in 2025 or 2026 ITP
  - CONs
    - Loss of linear projection between ITP and 20-Year Assessment
    - On the hook for AECI JCSP and MISO CSP in 2022
      - JCSP is a reliability study and can still be performed
      - Can we still perform SPP-MISO CSP in 2022 without the ITP?
        - Economic assessment that requires MEM (almost complete)
        - Could file waiver and move to next year
- Without a major change we will most likely see a 2023 ITP that is 6-9 months delayed

NEXT STEPS

- Staff is looking for feedback on ideas
  - Any additional ideas?
  - Go vs no-go
- We will bring back a more developed proposal to the November meeting
- Targeting January MOPC for final proposal

2022 ITP GENERATOR OUTLET FACILITIES REVIEW

GREG LAMPLEY

OVERVIEW

- Preliminary RAR/Waiver GOFs
- GOF Update

RAR/WAIVER GOF

GOF Description	POI	MW Sited	GOF Source
Terminal Upgrades Dover – Henessey 138 kV	Dover Switchyard 138 kV	288 MW	GI Queue

- Upgrade Cost: $142,965
- This upgrade was included in 2020 and 2021 ITP for a sited wind unit. For the 2022 ITP, the unit was an automatically approved RAR.

RENEWABLE GOFS

- No solar nor wind GOFs have been identified thus far
- GOFs previously identified have either come into service or are no longer necessary to include
- Low cost sites with minimal upgrades required continue to be selected as a part of the siting process

7650 Order 1000: Detailed Project Proposal
(return to TOC)

Business Practice

The purpose of this Business Practice is to describe the process for submission and treatment of a Detailed Project Proposal ("DPP") during the Integrated Transmission Planning ("ITP") Assessment as outlined in Attachment O of the SPP Tariff. After the applicable ITP study scope has been finalized, and the needs assessment has been performed, SPP staff shall notify stakeholders of the identified transmission needs and provide a transmission planning response window of thirty (30) days during which any stakeholder may submit a DPP. The information supplied by the stakeholder in the DPP must be sufficient to allow SPP staff to evaluate the project described by the DPP pursuant to Section III.6(a) of Attachment O of the Tariff.
If the project described in a DPP is selected and approved for construction as a Competitive Upgrade, the submitting stakeholder may be eligible to receive incentive points pursuant to the eligibility requirements described in Section III.2.f.iv of Attachment Y of the Tariff.

Notification of Open Window for DPP Submittal

SPP will provide notification via the SPP website and email exploder when transmission needs have been posted for a specific ITP Assessment and post the 30-day response window when a stakeholder may submit a DPP. Requirements for the submission of a DPP are contained in Section III.6 of Attachment O of the Tariff.

DPP Submittal

To propose a DPP, stakeholder(s), hereinafter referred to as "Submitter," shall submit the necessary information to SPP via the Request Management System (RMS). The necessary information must be submitted within the prescribed 30-day transmission planning response window in order to qualify as a DPP. The information required for a DPP submittal is included in the DPP Submittal Form that is found in Exhibit A. The DPP Submittal Form must be used when submitting the DPP to SPP staff.

DPP Receipt and Response

Upon receipt of the DPP submittal, SPP will verify that the DPP was received within the 30-day DPP transmission planning response window, based on the time and date stamp in the RMS of such submittal, and verify that the submittal is complete. If a DPP submittal is received outside of the 30-day transmission planning response window, SPP staff will notify the Submitter via email that its submittal does not qualify for incentive points.

Notification to Submitter of an Incomplete DPP of DPP with Errors

If SPP staff determines a DPP Submittal Form is incomplete or the data submitted contains errors, SPP staff will notify the Submitter via email.

The Submitter is permitted to remedy the deficiencies by the latest date of the following (cure period):

- The end of the transmission planning response window; or
- 10 days after SPP issues the notification using the date stamp of the issued email.

If the transmission planning response window is still open, any change in the DPP will be accepted. If the cure period is after the close of the transmission planning response window, SPP will only accept a change to the data identified by SPP in the notice to the submitter. Failure to remedy the identified deficiency within the cure period will result in the submission being disqualified as a DPP.

Notification to Submitter of Accepted or Disqualified DPP

SPP will notify the Submitter via email of the acceptance or the disqualification of its DPP.

SPP retains the right to use the suggested project in its planning process even if the submitter of the project does not qualify for incentive points.

Cost Estimates for DPP Projects

It is not a requirement that a DPP include a transmission cost estimate. Cost estimates will be developed throughout the study process. The development of the cost estimate will be the responsibility of SPP. The cost estimate included at the time of project approval by the SPP Board of Directors will be at a +/-30% level of confidence.

DPP Selection

SPP staff will use the following criteria to determine when a project submitted via a DPP is equivalent to a transmission project in the recommended portfolio:

- The project submitted via a DPP must solve at least the same needs as the selected transmission project as the process is described below;
- The project submitted via a DPP must have the same transmission line voltage as the selected transmission project;
- The project submitted via a DPP must have the same or similar termination points including transformers as the selected transmission project;[1]
- The project submitted via a DPP must have an equipment rating in MVA within =50% of lines and transformers as the selected transmission project; and
- ~~The project submitted via a DPP must have an impedance within +/-25% of the selected transmission project; and~~
- The project submitted via DPP does not create additional reliability issues not already addressed.[2]

Solving the Same Needs

The process by which SPP staff determines if a DPP solves at least the same needs as the selected transmission project is detailed below.

Each need identified in the ITP study is a unique combination of a monitored element, contingent element, and model (e.g. Year 2 Summer Peak or Future 1 Year 5). It is common for each selected transmission project to solve multiple unique needs. Each need is given a unique identifier for the length of the study to ensure all necessary project testing results are maintained and tracked.

Reliability Needs

SPP identifies the unique reliability needs solved by the selected transmission project by reviewing project screening results. For each unique need, submitted projects will be required to reduce thermal loading below 100% or improve the per unit voltage values between 0.90 and 1.05 per unit for all unique needs in order be considered as solving the same needs as the selected transmission project.

[11] Similar termination points determined if they are located no more than 1 station (sub-station, switching station, or other station as identified in the SPP Model) away or within 15 linear miles from the Board approved project.

[2] This criteria is not applicable if the selected project does not address reliability issues

Economic Needs

SPP will determine which unique economic needs are solved by the selected transmission project. This is determined by reviewing the amount of congestion mitigated for each need. For each unique need, the congestion relieved by the submitted projects must be within 50% of congestion mitigated for each unique need solved by the selected transmission projects. For example, if a selected project mitigates 75% of the congestion on a unique need, the submitted project must relieve at least 25% of the congestion.

If the selected project relieves less than 50% of the congestion of a unique need, the DPP submission must solve at least half of the congestion mitigated by the selected project. For example, the selected project relieves 40% of the congestion of a unique need, the submitted project must relieve at least 20% of the congestion.

Selection Notification

After the SPP Board of Directors approves an ITP Assessment portfolio of projects, SPP staff will notify each of the Submitters in writing whether or not it's DPP was approved for construction by the SPP Board of Directors where the Transmission Owner will be selected utilizing the Transmission Owner Selection Process as described in Attachment Y of the Tariff. Concurrent with written notification to each of the Submitters, SPP Staff will post on the SPP website the names of the approved ITP Assessment portfolio of projects that has associated DPPs pursuant to the Transmission Owner Selection Process as described in Attachment Y of the Tariff.

Exhibit A (Draft)

Detailed Project Proposal (DPP)　　　　DPP # ______________

Submittal Form

This form must be completed for each project that is submitted to SPP in accordance with Section III.6 of Attachment O of the SPP Tariff and SPP Business Practice _____. This form must be received within the 30-day DPP open window during the ITP Assessment in order to be eligible for the Transmission Owner Selection Process ("TOSP") incentive points. If previously submitted, the proposed project would have to be resubmitted during the DPP open window to remain eligible for TOSP Incentive Points.

Submitter Company:____

Contact Name:____

Contact Phone/Email:____________________________________

DPP Information

The information supplied by the Submitter must be sufficient to allow SPP to evaluate the project described in the DPP. At a minimum, the DPP must include the information below.

General Project Information			
Description of the Project:			
Supporting Documentation provided:	One-line diagram(s):	☐ Yes	☐ No
	Configuration(s):	☐ Yes	☐ No
	PSS/E version ## IDEV:	☐ Yes	☐ No
Proposed line routing:			
Preliminary transmission line engineering and design data:			
Preliminary substation engineering and design data:			
ITP Assessment Need(s) Addressed			

Describe the need(s) including need by date(s), applicable ITP future identified in the ITP Assessment that this upgrade will address:	
Proposed Project Schedule	
Proposed project schedule including, at a minimum timelines for completing regulatory, right-of-way, environmental, engineering, procurement, construction activities, and expected in-service date:	
Risk(s) Identification	
Describe any known or anticipated risk(s) to the project schedule:	☐ None
For any risk listed, please provide the recommended mitigation plan:	☐ None
Environmental Impact(s)	

Describe any known or anticipated environmental impact(s):	☐ None

Engineering and Modeling Data Required	
Engineering and modeling data required by SPP: (termination points, bus numbers, voltage levels, MVA and MW rating, transformers)	

Changes to Modeling Assumptions	
Were any modeling assumptions modified from those used in the current ITP Assessment?	☐ Yes ☐ No
For any modifications to modeling assumptions made, please provide the identification and justification for the change(s):	

Transmission Economic or Reliability Analysis

Provide the results of any transmission economic or reliability analysis, if applicable:	☐ N/A ☐ Results provided (*i.e.*, PSSE IDEV or PROMOD analysis provided with accompanying narrative)
Other Information	
Other information provided (please list):	

Received by:____

Date/Time Received: ____

Dept	Doc ID	Document Title	Current Version	Current Rev Date
Tariff Administration	0810pcsBP7650	Order 1000: Detailed Project Proposal	1.4	10/24/2019

Revision History

Ver No	Rev. Date	Eff. Date	By	Summary of Changes
1		**1/15/2014**	**B. Hooten**	**Order 1000 New Business Practice for Detailed Project Proposal**
1.1	**4/15/2014**	**4/15/2014**	**B. Hooten**	**Modifications per April 2014 MOPC meeting**
1.2	4/12/2016	4/12/2016	**T. Green**	**DPP clarification RR 156**
1.3	**1/6/2018**	**1/6/2018**	**TPITF**	**Clarification of ITP Assessment**
1.4	10/24/2019	10/24/2019	K. Hall	Clarification of report error handling

Shari Brown

Primary Owner: Shari Brown **10/24/2019**

SPP Southwest Power Pool

TOSPTF RECOMMENDATIONS FOR TOSP – BP7650

BRIAN JOHNSON, CHAIR TOSPTF

AMERICAN ELECTRIC POWER-OK TRANSMISSION COMPANY

BAJOHNSON1@AEP.COM

PURPOSE

- The Transmission Owner Selection Process Task Force (“TOSPTF”) was established to provide a process enhancement effort for the Transmission Owner Selection Process (“TOSP”) following the Sooner-Wekiwa TOSP in 2020.
- The TOSPTF is required to provide updates to the Markets and Operation Policy Committee (“MOPC”) and Strategic Planning Committee (“SPC”) at their quarterly meetings.
- Today the TOSPTF is seeking feedback of recommendations to BP7650 from the ESWG regarding proposed modifications to BP7650 DPP qualifying criteria. Intent of modifications is to receive higher quality submissions and seek consistency in volume of submissions received.

TASK FORCE MEMBERS

Task Force Member	Company
Brian Johnson, Chair	American Electric Power-OK Transmission Co.
Pat Hayes, Vice Chair	LS Power
Marcos Mora	NextEra Energy Transmission, LLC
Tom Hestermann	Sunflower Electric Power Corporation
Daryl Huslig	Oklahoma Gas & Electric Co.
Brenda Prokop	ITC Great Plains
Joe Richardson	Xcel Energy

HISTORY & BACKGROUND

- What has happened to this point?
  - Transmission Owner Selection Process Task Force ("TOSPTF") established by the MOPC and SPC in January 2021
  - TOSPTF received 35 submitted process improvement items
  - Topics combined into 10 key areas
  - SPC approved policy recommendations from TOSPTF July 14, 2021
  - SPC required TOSPTF to report back in October 2021 on DPP and Incentive Point enhancements

STATUS FOR SPC ACTION ON TOSPTF RECOMMENDATIONS – JULY 2021

Area for Improvement	July TOSPTF Recommendation	SPC Action July	Current Status
1 - DPP process enhancements	TOSPTF continue work to modify specific BP7650 criteria	**Approved for continued development**	**TOSPTF Recommendation Oct 2021**
2 - TOSP incentive points – Issue 1	Issue 1 - lower incentive points value from 100 to 50	*Rejected*	*Closed*
2 - TOSP incentive points – Issue 2	Issue 2 - require incentive points inclusion in DTO recommendations by the IEP	**Approved for continued development**	**TOSPTF Recommendation Oct 2021**
3 - Consistent scoring methodology for evaluations	Create and modify governing document language to implement scoring methodology implementation parameters the IEP must meet	**Approved**	**RR 473**
4 - Treatment of confidential information from RFP Proposals	Develop list of items that will not be treated as confidential by SPP	**Approved**	**RR466**
5 – Costs terms and cost estimates used in the TOSP	Develop language to add clarity and consistency for correlating cost terms and cost estimates in the TOSP	**Approved**	**RR466**
6 - TOSP timeline	Modify RFP issuance timeline from 7 calendar days to 30 once RFP deemed required	**Approved**	**RR466**
7 – IEP Direction to Respondents Document	Develop guidance on when the IEP Direction to Respondents document should be issued and what should be included	**Approved**	**RR472**
8 - Governing document updates - Tariff and BP	SPC approve Attachment Y, BP7600, and BP7700 modifications to the TOSP	**Approved**	**RR466**
9 – Competitive Re-evaluation process	Modify process to automatically extend response deadline if TOSP is suspended due to re-evaluation of the project	**No recommendation**	**RR471**
10 – Cost efficient or effective goal of TOSP	**No Recommendation**	*No Action*	*Closed*
* Minimum Transmission Design Standards Update	**No Recommendation, status update provided**	*No Action*	*RR460*

DETAILED PROJECT PROPOSAL PROCESS ENHANCEMENTS

TOSPTF Seeking SPC Approval

TOSPTF RECOMMENDATION ON DPP PROCESS ENHANCEMENTS

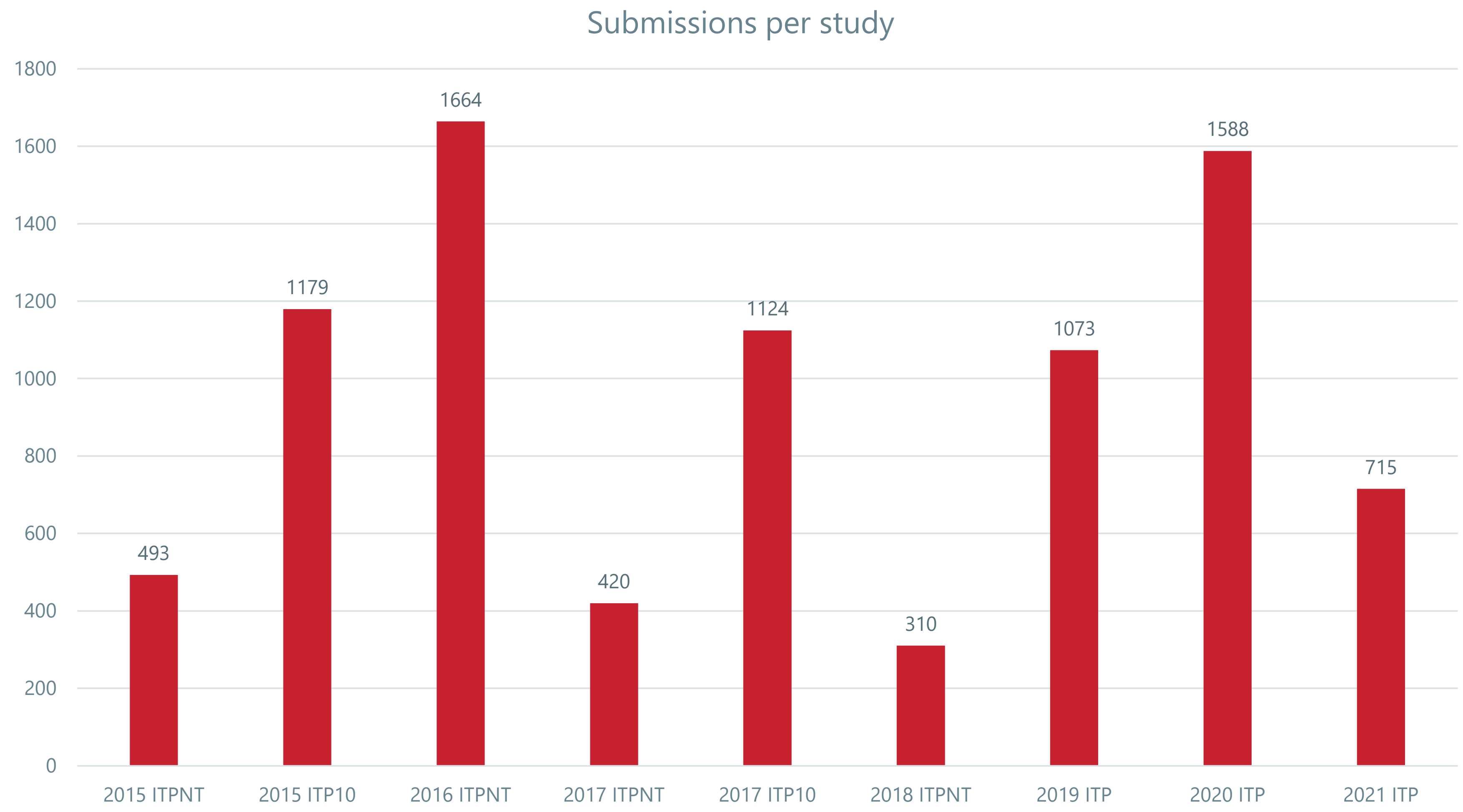
DPP Issues:

- Large and inconsistent volumes and quality of submitted DPP solutions from one DPP window to another create Staff constraints and overall Integrated Transmission Planning ("ITP") timeline issues.

TOSPTF Analysis:

- Reviewed based on volume drivers:
  - Exact criteria language in BP7650
  - Addressing unknowns such as strategic Staff decisions (how is BP7650 criteria implemented)
  - Range of considerations:
    - Eliminate DPP process (impacts Attachment O)
    - Participation model (e.g. MISO)
    - Modify existing criteria language or potential grouping of solutions
    - Status quo

TOTAL DPP SUBMITTALS



BP7650 DPP QUALIFICATION CRITERIA PROPOSED UPDATES

DPP Selection

SPP Staff will use the following criteria to determine when a project submitted via a DPP is equivalent to a transmission project in the recommended portfolio:

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2 This criteria is not applicable if the selected project does not address reliability issues

BP7650 DPP QUALIFICATION CRITERIA 1 ADDITIONAL UPDATE

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TOSPTF RECOMMENDATION ON DPP PROCESS ENHANCEMENTS

TOSPTF Results:

TOSPTF believes there is opportunity to amend BP7650 language to improve the volume and quality of submissions

TOSPTF unanimously passed the following motion at the September 07, 2021 (*September 7, 2021 Meeting Minutes*) meeting:

- TOSPTF approve modifications as discussed and redlined to Business Practice 7650.

TOSPTF RECOMMENDATION ON DPP PROCESS ENHANCEMENTS CONT.

Governing Documents Impacted:

- BP7650

Policy Change:

- Modifying BP7650 could impact engagement in planning processes

NEXT STEPS

NEXT STEPS

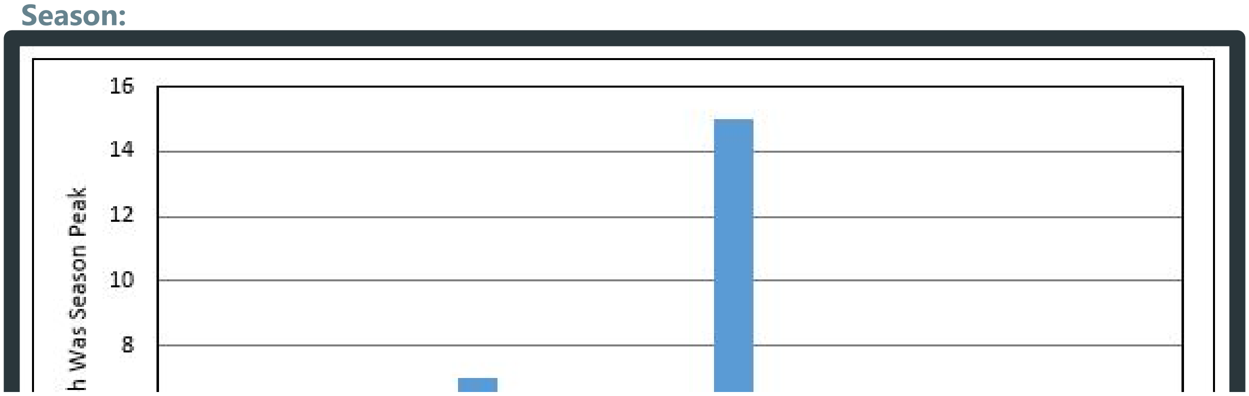
- TOSPTF begin implementation phase:
  - Continue to hold task force meetings as needed
  - Champion RRs in stakeholder process
  - Goal to hit October and January 2021 MOPC/SPC meetings for approval
- File RRs with FERC that require this step
- Implement approved modifications for 2022 ITP

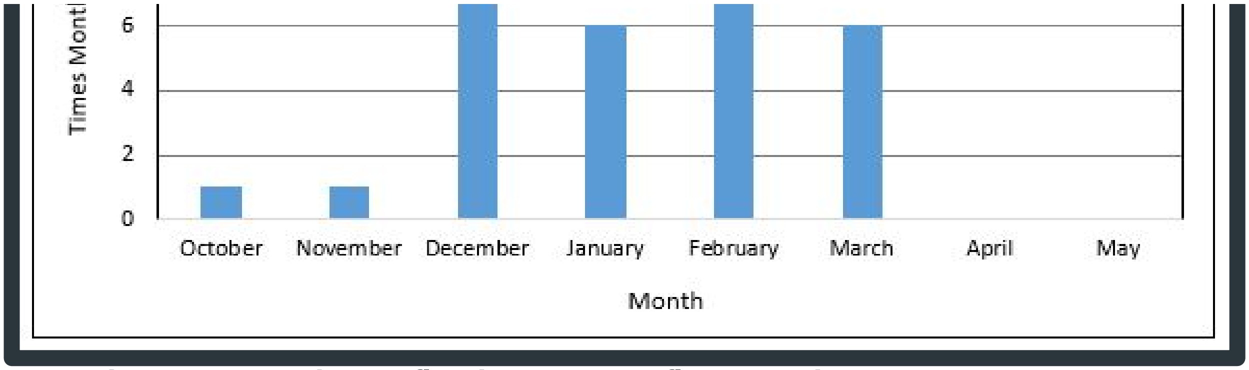
2022 ESWG SCHEDULE

MONTH	DATE	Day 1 Time (CT)	Day 2 Time (CT)	LOCATION	Alt. Location
JANUARY	5-6	8-12	8-12	Net Conference Only	
FEBRUARY	2-3	8-12	8-12	Net Conference Only	
MARCH	2-3	8-12	8-12	TBD	
APRIL	MAR 30-MAR 31	8-12	8-12	TBD	
MAY	4-5	8-12	8-12	TBD	
JUNE	1-2	8-12	8-12	TBD	
JULY	JUN 29-JUN 30	8-12	8-12	TBD	
AUGUST	3-4	8-12	8-12	TBD	
SEPTEMBER	AUG 31-SEP 1	8-12	8-12	Net Conference Only	
OCTOBER	SEP 28-29	8-12	8-12	TBD	
NOVEMBER	2-3	8-12	8-12	TBD	
DECEMBER	NOV 30-DEC 1	8-12	8-12	Net Conference Only	

If meeting is in-person then times will be adjusted to be 1-5 on day 1 and 8-1

Influenza Season:





Source: https://www.cdc.gov/flu/about/season/flu-season.htm

Notes

Pre-MOPC

Pre-MOPC

Pre-MOPC

2 on day 2

2022

<- SUMMARY FEBRUARY ->

JANUARY

Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29	30	31 NEW YEAR'S DAY OBSERVANCE	1
2	3	4	5 ESWG	6 ESWG	7	8
9	10 MOPC	11 MOPC	12	13	14	15
16	17 MLK JR. DAY	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2 ESWG	3 ESWG	4	5

FEBRUARY

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2 ESWG	3 ESWG	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21 PRESIDENT'S DAY	22	23	24	25	26
27	28	1	2 ESWG	3 ESWG	4	5
6	7	8	9	10	11	12

2022

<- SUMMARY <- FEBRUARY APRIL ->

MARCH

Su	Mo	Tu	We	Th	Fr	Sa
27	28	1	2 ESWG	3 ESWG	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30 ESWG	31 ESWG	1	2
3	4	5	6	7	8	9

APRIL

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30 ESWG	31 ESWG	1	2
3	4	5	6	7	8	9
10	11 MOPC	12 MOPC	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
1	2	3	4 ESWG	5 ESWG	6	7

2022 <- SUMMARY <- APRIL JUNE ->

MAY

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4 ESWG	5 ESWG	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30 MEMORIAL DAY	31	1 ESWG	2 ESWG	3	4
5	6	7	8	9	10	11

JUNE

Su	Mo	Tu	We	Th	Fr	Sa
29	30	31	1 ESWG	2 ESWG	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29 ESWG	30 ESWG	1	2
3	4	5	6	7	8	9

2022

<- SUMMARY <-JUNE AUGUST ->

JULY

Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29 ESWG	30 ESWG	1	2
3	4 INDEPENDENCE DAY	5	6	7	8	9
10	11 MOPC	12 MOPC	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3 ESWG	4 ESWG	5	6

2022

<- SUMMARY   <- JULY   SEPTEMBER ->

AUGUST

Su	Mo	Tu	We	Th	Fr	Sa
31	1	2	3 ESWG	4 ESWG	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31 ESWG	1 ESWG	2	3
4	5	6	7	8	9	10

SEPTEMBER

Su	Mo	Tu	We	Th	Fr	Sa
28	29	30	31 ESWG	1 ESWG	2	3
4	5 LABOR DAY	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28 ESWG	29 ESWG	30	1
2	3	4	5	6	7	8

OCTOBER

Su	Mo	Tu	We	Th	Fr	Sa
25	26	27	28 ESWG	29 ESWG	30	1
2	3	4	5	6	7	8
9	10 MOPC	11 MOPC	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2 ESWG	3 ESWG	4	5

2022

<- SUMMARY <- OCTOBER DECEMBER ->

NOVEMBER

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2 ESWG	3 ESWG	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24 THANKSGIVING	25 DAY AFTER THANKSGIVING	26
27	28	29	30	1	2	3
4	5	6	7 ESWG	8 ESWG	9	10

DECEMBER

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	1	2	3
4	5	6	7 ESWG	8 ESWG	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 CHRISTMAS EVE (OBSERVED)	24
25	26 CHRISTMAS DAY (OBSERVED)	27	28	29	30	31
1	2	3	4 ESWG	5 ESWG	6	7