# TODAY’S AGENDA

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PHASE ONE PARTICIPANTS AS OF MARCH 16

- American Clean Power Association
- Arizona Public Service
- Bonneville Power Administration
- Chelan County Public Utility District
- The Energy Authority
- NIPPC
- NV Energy
- Powerex
- Public Power Council
- Puget Sound Energy
- Renewable NW
- Salt River Project
- Tucson Electric Power
- Western Resource Advocates

Entities have until April 1 to execute an agreement
MARKETS+ GOVERNANCE
EVOLUTION AND PHASE ONE
PAUL SUSKIE, SPP
MARKETS+ DESIGN TEAM LEADS

• Aly Koslow, Director - Federal Regulatory Affairs and Compliance, Arizona Public Service

• David Rubin, Federal Energy Policy Director, NV Energy

• Joe Fina, Assistant General Counsel, Snohomish County Public Utility District No. 1

• Two Governance Design Team members transitioned to new roles:
  • Sarah Edmonds, formerly with Portland General
  • Lea Fisher, formerly with Public Generating Pool
MARKETS+ GOVERNANCE EVOLUTION

Jan. 2022: First Governance Design Team meeting

Feb. 2022: Began exploring governance design options

March 2022: Conducted governance schematics survey

April 2022: Stakeholder review of survey results

May 2022: First governance straw proposal and comment period

June 2022: Revised straw proposal

July 2022: Second comment period

Sept. 2022: Third straw proposal issued

Nov. 2022: Governance detailed in service offering
ENTITIES COMMENTING

• APS
• Black Hills
• Bonneville Power Administration
• Clean Energy Buyers Alliance
• Colorado Energy Office
• Idaho Power
• Interwest Energy Alliance
• NIPPC
• NV Energy

• Powerex
• PSCo
• Public Generating Pool
• Public Power Council
• Puget Sound Energy
• Renewable NW
• Seattle City Light
• SRP
• State PUC MOU Group
• Transalta Energy Marketing

• Tucson Electric Power
• WAPA
• Western Freedom
• Western Interstate Energy Board
• Western Power Pool
• Western Power Trading Forum
• Western Resource Advocates
MARKETS+ PHASE ONE FRAMEWORK

• The Markets+ service offering is the framework for Markets+ governance and market structure.

• During phase one, to the extent practical, the governance structure described in the Markets+ service offering will be used to vote on the Markets+ tariff and protocols.

  • Upon approval of the tariff language, protocols and governing documents by the Markets+ Participants Executive Committee (MPEC) and phase one Markets+ Independent Panel (MIP), the package will be submitted to the SPP board for approval to file at FERC.
GOVERNANCE STRUCTURE
IMPLEMENTATION
Markets+ will have fully independent governance from day one:
• SPP independent board
• Markets+ Independent Panel (MIP)

Markets+ stakeholders will have a meaningful role in decision making:
1. Participants – utilities, IPPs, marketers, direct access customers, etc.
2. Non-participants – NGOs, PIOs, co-ops, etc.
3. State Committee members
Phase One Governance Structure

- SPP Board of Directors (SPP BOD)
- Markets+ Independent Panel (MIP)
- Markets+ Participants Executive Committee (MPEC)
- Working Groups:
  - Operations Reliability
  - Seams
  - Market Design
- Ad hoc Task Forces
- States to Decide Markets+ State Committee

- Markets+ Market Participants/Markets+ Market Stakeholders (MMP and MMS)
- MIP Nominating Committee

Markets+ State Committee

Markets+ Participants

Markets+ State Committee

Markets+ Market Participants/Markets+ Market Stakeholders (MMP and MMS)

MIP Nominating Committee

Working Groups:
  - Operations Reliability
  - Seams
  - Market Design

Ad hoc Task Forces
MARKETS+ GOVERNANCE: PHASE ONE IMPLEMENTATION

TIMELINE

**MID-MARCH**
- **MIP**: Announce Phase One Three-Panel Members
- **MPEC**: 3/16: Markets+ Phase One Update Webinar
- **MSC**: WIEB hosted WebEx: Present MSC Draft Charter, Markets+ Update & Q&A

**APRIL 1**
- **MIP**:
  - SPP Publishes Draft Charters and Solicits WG/TF Interest
- **MPEC**:
  - Denver: April 18-19
  - Elect MPEC Leaders
  - Approve WG/TF Charters
- **MSC**:
  - Tahoe: April 12-13
  - WIRAB/CREPC Meeting
  - MSC Charter Approval

**MID-APRIL**
- **MIP**: Observe MPEC Hold First MIP Meeting
MARKETS+ INDEPENDENT PANEL

PHASE ONE
MARKETS+ MIP – PHASE ONE

• Because the Markets+ Independent Panel (MIP) will not be established during phase one, a three-person subcommittee of the SPP board of directors will perform the functions of the MIP. For phase one, we are referring to this as the interim Markets+ Independent Panel (IMIP).

• Highest level of Markets+

• Simple majority voting (no secret ballot)

• Actions taken on Markets+ tariff language will be presented to the full SPP board and filed with FERC
MARKETS+ IMIP PHASE ONE

Elizabeth Moore
IMIP Member

John Cupparo
IMIP Member

Steve Wright
IMIP Chair
SPP DIRECTOR – ELIZABETH MOORE

• Location: New York
• Elected October 2020
• Current vice chair of SPP board
• 30+ years of experience in the regulatory and energy industry
• Former senior vice president and general counsel for Consolidated Edison, Inc., one of the largest investor-owned utilities in the nation
SPP DIRECTOR – JOHN CUPPARO

- Location: Oregon
- Elected January 2022
- Former senior executive at Berkshire Hathaway Energy
- Former President & CEO of BHE U.S. Transmission
- Former board member of the Western Electricity Coordinating Council
SPP DIRECTOR – STEVE WRIGHT

• Location: Washington
• Elected January 2023
• Years of industry experience in the Western Interconnection
• Served as General Manager at Chelan Public Utility
• Former Administrator and CEO of Bonneville Power Administration
MARKETS+ PARTICIPANT EXECUTIVE COMMITTEE

PHASE ONE
MARKETS+ PARTICIPANTS EXECUTIVE COMMITTEE (MPEC)

• All entities that execute the Markets+ Market Participant Phase One Funding Agreement OR Markets+ Market Stakeholder Phase One Participation Agreement are eligible to appoint a representative to the MPEC.
  • Senior level management employee
  • Financial decision making authority

• MPEC authority:
  • Make recommendations to MIP
    • Proposes amendments to the Markets+ tariff
    • Markets+ market protocols to support filed tariff
    • Administrative rate charged to market participants
    • Propose amendments to Markets+ participant agreement and stakeholder agreement
  • Establish working groups and task forces
KEY MPEC VOTING ITEMS FOR APRIL 18-19 MEETING

- Voting Structure:
  - 1/3 investor-owned utilities
  - 1/3 public power
  - 1/3 other (divided)
    - 2/3 entities contributing generation to the Markets+ market
    - 1/3 entities that do not contribute generation to the Markets + market

- 67% approval threshold

- Depending on the entities that join Markets+, participants in the investor-owned utilities and public power sectors may be assigned to a geographic region for the purposes of voting.

- First meeting is April 18-19, 2023

- Key Voting Items
  - Election of MPEC Chair
  - Election of MPEC Vice-Chair
IDENTIFICATION OF MPEC REPRESENTATIVES

• Once an entity executes a Markets+ Market Participant Phase One Funding Agreement or Markets+ Market Stakeholder Phase One Participation Agreement:

  • SPP customer relations reaches out to determine who the entity wishes to appoint as their organization’s MPEC representative.

  • SPP communications contacts an entity’s MPEC representative to provide information on how to create an spp.org account, register for meetings, subscribe to email lists, submit questions, get involved with stakeholder groups, etc.
MARKETS+ WORKING GROUPS AND TASK FORCES

PHASE ONE
WORKING GROUPS: PHASE ONE

Markets+ Participants Executive Committee (MPEC)

- Market Design Working Group
  - GHG Task Force
  - Congestion Rent Task Force

- Transmission Working Group
  - Rates Task Force
  - Usage and Capability Task Force

- Reliability Working Group (BAs)
  - Establish Q3 2023

- Seams Working Group
  - WRAP and Markets+ Task Force
PHASE ONE: WORKING GROUP AND TASK FORCE CREATION AND COMPOSITION

Working Groups

- Working group and scope document approved by MPEC
- SPP staff solicits for nominations for working group (including chair)
- MPEC chair in coordination with SPP staff submits a recommended slate to the working group
- MPEC approves slate of working group members (including chair)

Task Forces

- Task force and scope document approved by MPEC or working group
- SPP staff solicits for nominations for task force (including chair)
- MPEC or working group chair in coordination with SPP staff appoints a task force
- Task force recommendations are voted on by the creating including MPEC and/or MIP
MARKETS+ WORKING GROUPS & TASK FORCES

- SPP staff is drafting working group and task force charters.
  - Charters include a purpose statement, scope of activities and specify group representation.
- Charters and proposed seat categories will be posted for review by April 4, for review by stakeholders.
  - Solicitation efforts for seating working groups and task forces is underway.
  - Reach out to SPP staff if you are eligible and interested in filling a seat on one of the groups.
- MPEC will review and vote on charters and rosters during the April 18-19 meeting.
MARKETS+ STATE COMMITTEE

PHASE ONE

CHAIRMAN ERIC BLANK, COLORADO PUC
PAUL SUSKIE, SPP
Phase One Governance Structure

- SPP Board of Directors (SPP BOD)
  - Markets+ Independent Panel (MIP) Phase One: SPP BOD Sub-Committee
  - Markets+ Participants Executive Committee (MPEC)
  - Working Groups:
    - Operations Reliability
    - Seams
    - Market Design
  - Ad hoc Task Forces
  - States to Decide Markets+ State Committee

- Markets+ Market Participants/Markets+ Market Stakeholders (MMP and MMS)
- MIP Nominating Committee
MARKETS+ STATE COMMITTEE (MSC)

- Engages state members in the development and operation of Markets+
- Advisory role for Markets+ Independent Panel (MIP) & Markets+ Participant Executive Committee (MPEC)
- May serve on task forces
  - With voting rights as appointed by the MSC
- Membership: State public utility commission
  - Other state agency, as determined by the state’s chair/president
- Leadership: Chair and vice chair
  - Voting member of the MIP Nominating Committee
- Decision making: One vote per state
- SPP-hosted website
MARKETS+ STATE COMMITTEE (MSC) PHASE ONE

- Membership: Initial membership may include one member from each state utility regulatory agency from Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

- MSC to determine participation of representatives from other state agencies (state energy offices, state environmental offices, consumer advocates, etc) within the MSC governing structure.

- Colorado PUC Chair Eric Blank is leading the effort in drafting the MSC charter and formation efforts with WIEB.
COLORADO PUC CHAIR – ERIC BLANK

• Chairman of the Colorado Public Utilities

• Worked on electric utility and clean energy issues for more than 35 years in entrepreneurial, business and non-profit settings

• Developed 2,000 MW of operating wind and solar projects, representing $4 billion in invested capital
MARKETS+ STATE COMMITTEE (MSC) PHASE ONE

• WIEB webinar will be hosted on March 23, 2023, to discuss MSC formation, draft MSC charter and next steps.
  • Draft MSC charter – potential vote on the charter during the April CREPC/WIRAB meeting – April 12-14.
MARKETS+ STATE COMMITTEE (MSC) PHASE TWO

• One commissioner from the utility regulatory commission of each state where a Markets+ market participant has load/gen

• Funding – SPP facilitates retention of independent staffing
  • MIP annually approves MSC’s budget
  • MSC budget costs allocated to MMPs
WESTERN WEBSITE WALKTHROUGH

DEREK WINGFIELD, MANAGER OF COMMUNICATIONS AND STAKEHOLDER AFFAIRS