

# MARKETS



March 16, 2023



*Working together to responsibly and economically  
keep the lights on today and in the future.*



SouthwestPowerPool



SPPorg



southwest-power-pool



Southwest Power Pool  
**WESTERN  
ENERGY  
SERVICES**

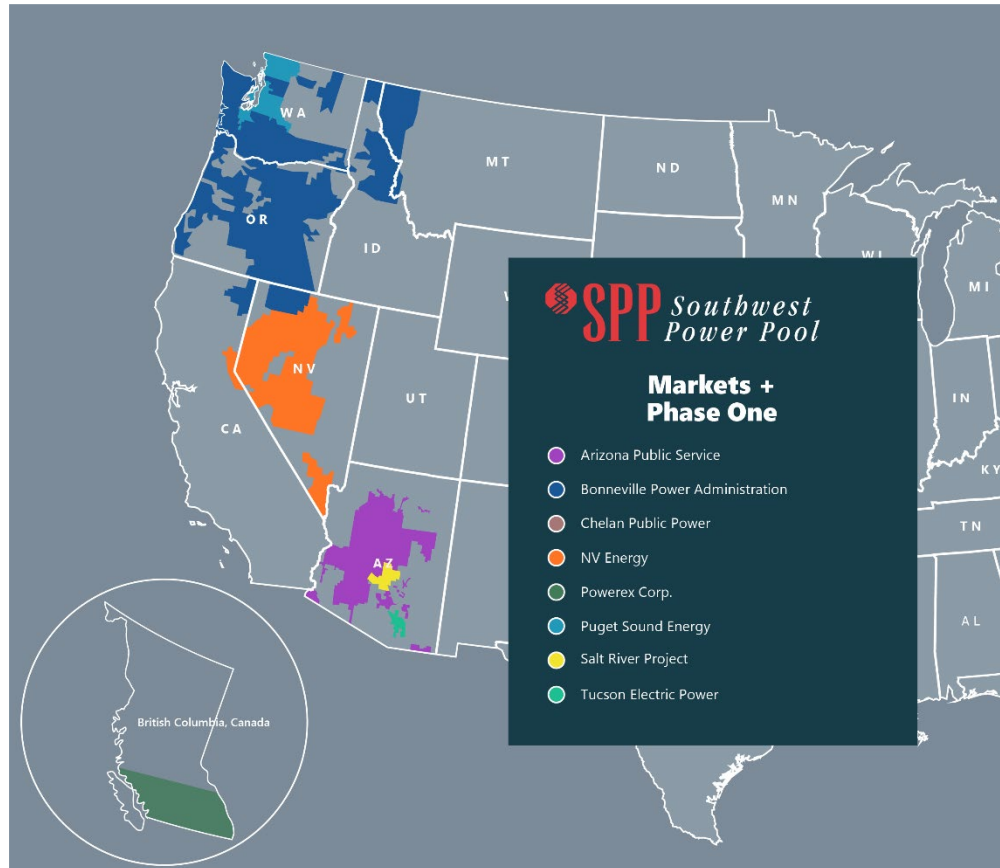
# TODAY'S AGENDA

Welcome
Markets+ Governance Evolution & Phase One Structure
Markets+ Independent Panel
Markets+ Participant Executive Committee
Working Group Charters
Markets+ State Committee
Western Website Walkthrough
Questions

# WELCOME

ANTOINE LUCAS, SPP

# 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

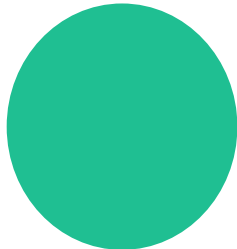
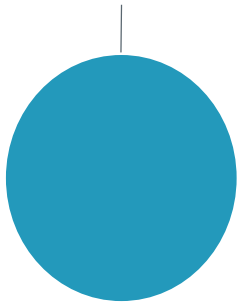
PAUL SUSKIE, SPP

# 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*

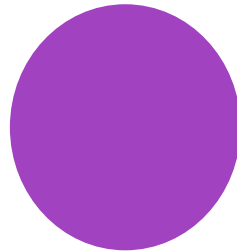
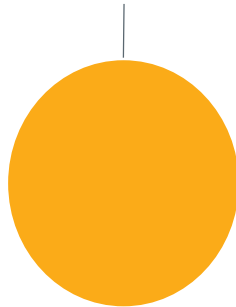
# MARKETS+ GOVERNANCE EVOLUTION

**Jan. 2022:**  
First  
Governance  
Design Team  
meeting



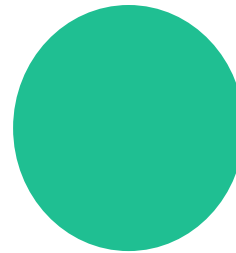
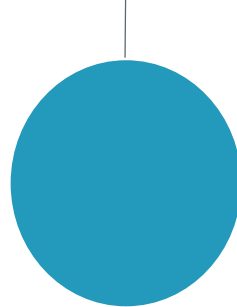
**Feb. 2022:**  
Began  
exploring  
governance  
design  
options

**March 2022:**  
Conducted  
governance  
schematics  
survey



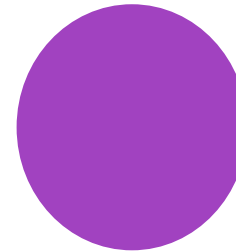
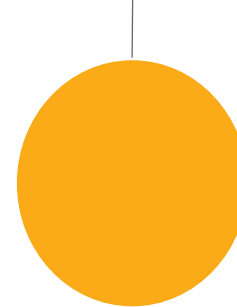
**April 2022:**  
Stakeholder  
review of  
survey  
results

**May 2022:** First  
governance  
straw proposal  
and comment  
period



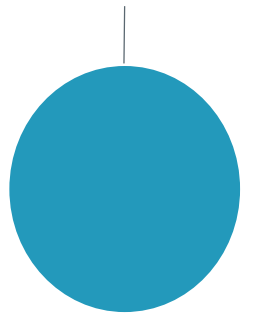
**June 2022:**  
Revised  
straw  
proposal

**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

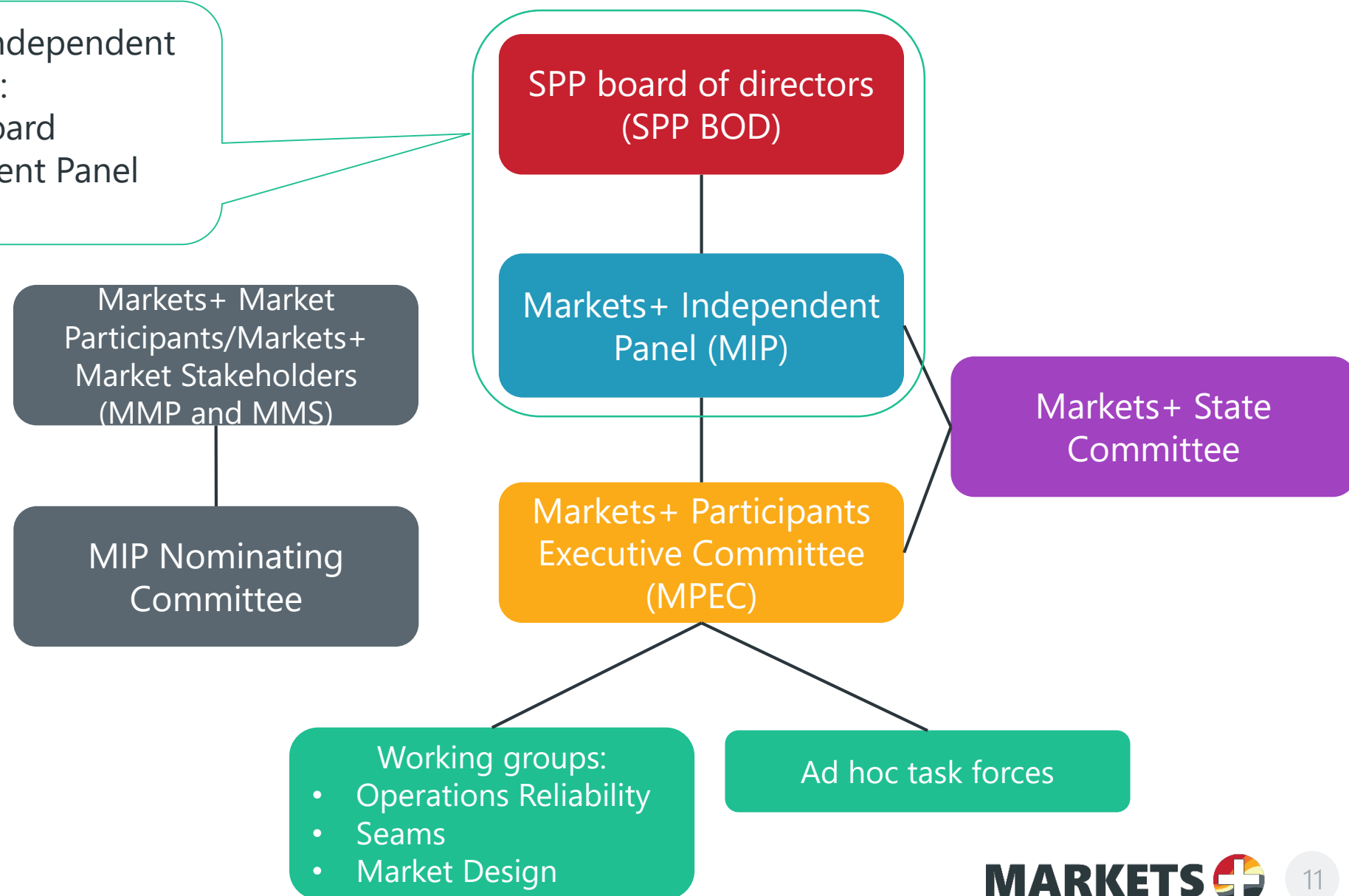
# MARKETS+ GOVERNANCE: CURRENT PROPOSAL

Markets+ will have fully independent governance from day one:

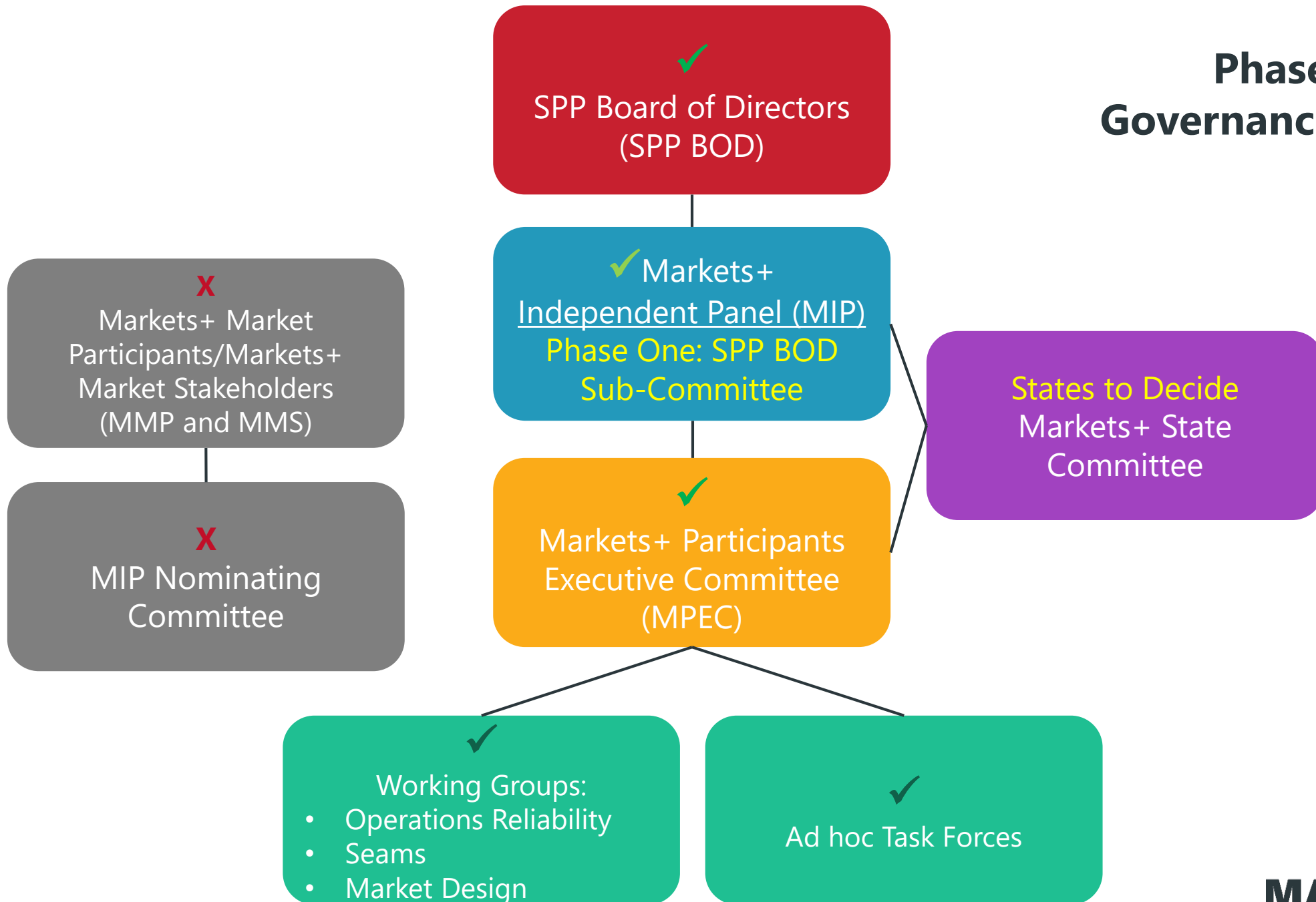
- SPP independent board
- Markets+ Independent Panel (MIP)

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

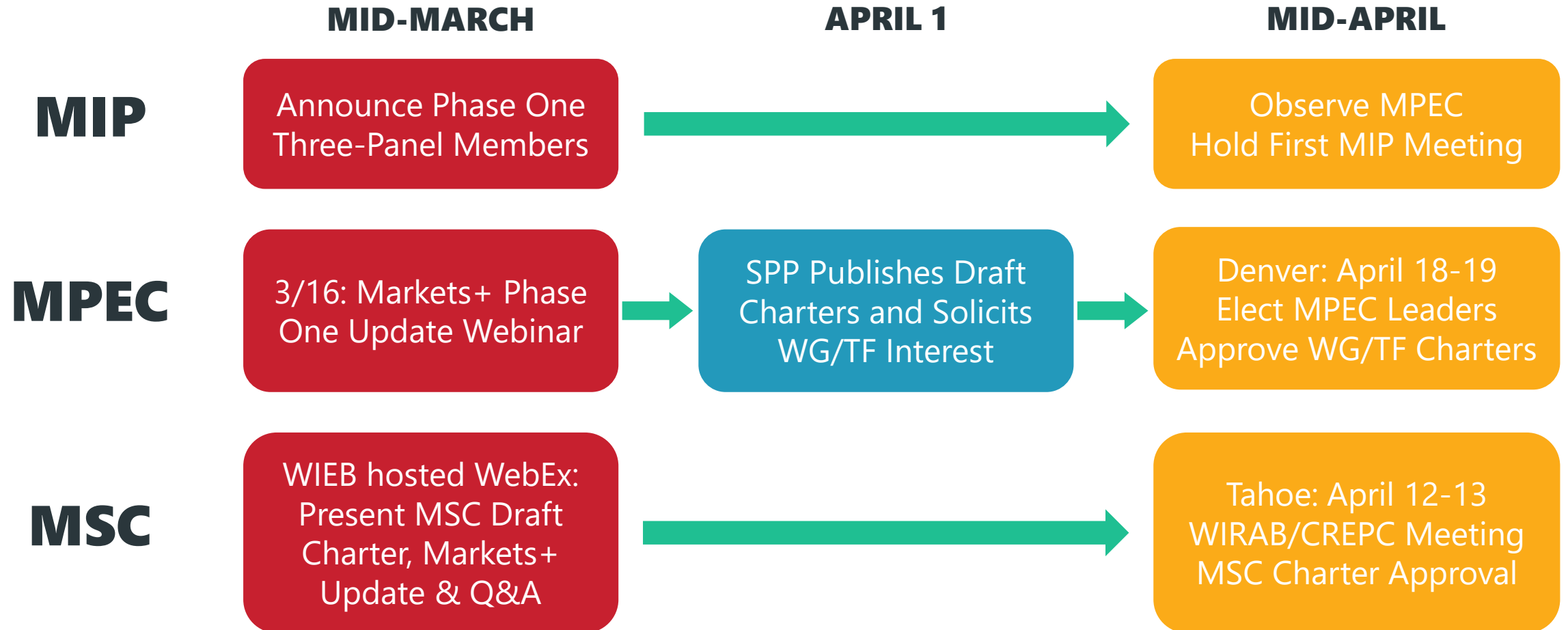


# Phase One Governance Structure



# MARKETS+ GOVERNANCE: PHASE ONE IMPLEMENTATION

## TIMELINE



# 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

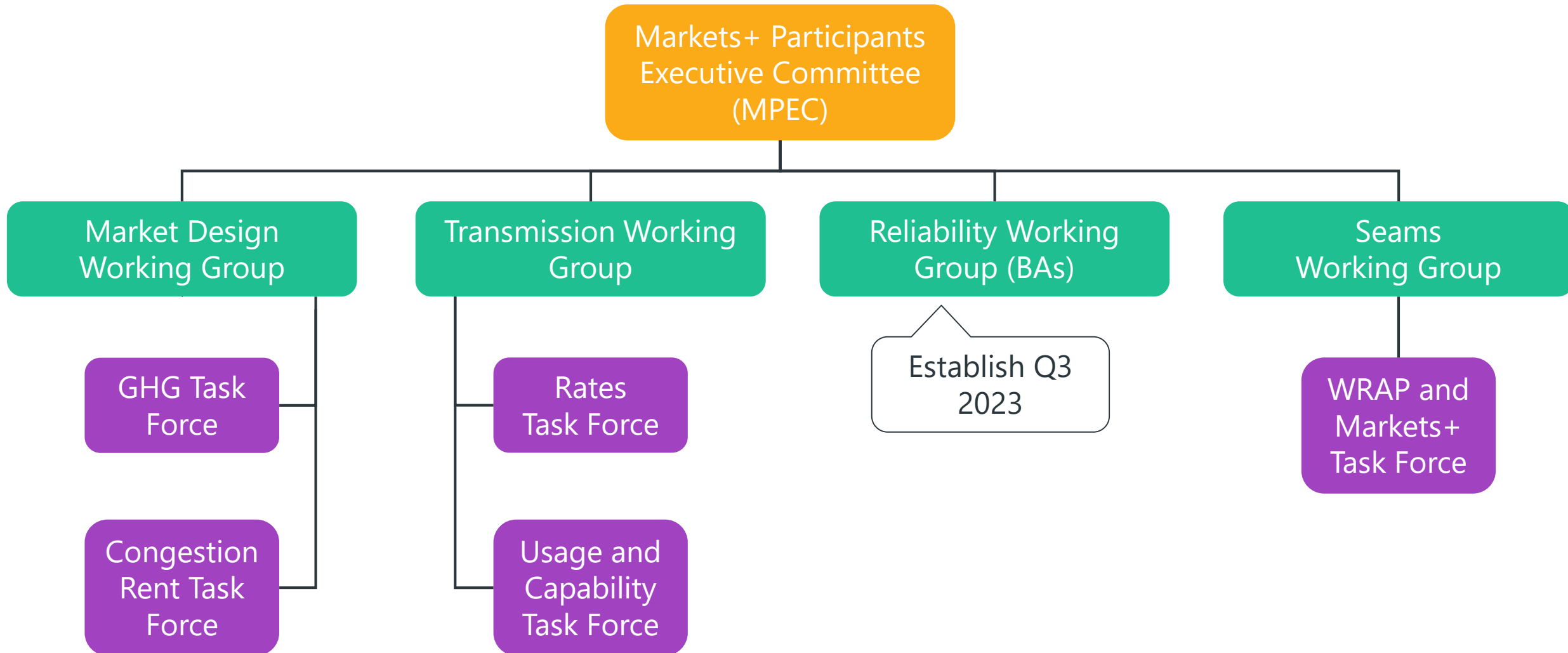
- Once an entity executes a Markets+ Market Participant Phase One Funding Agreement or Markets+ Market Stakeholder Phase One Participation Agreement:
  - SPP customer relations reaches out to determine who the entity wishes to appoint as their organization's MPEC representative.
  - SPP communications 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



# PHASE ONE: WORKING GROUP AND TASK FORCE CREATION AND COMPOSITION

## Working Groups



## Task Forces



# 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.

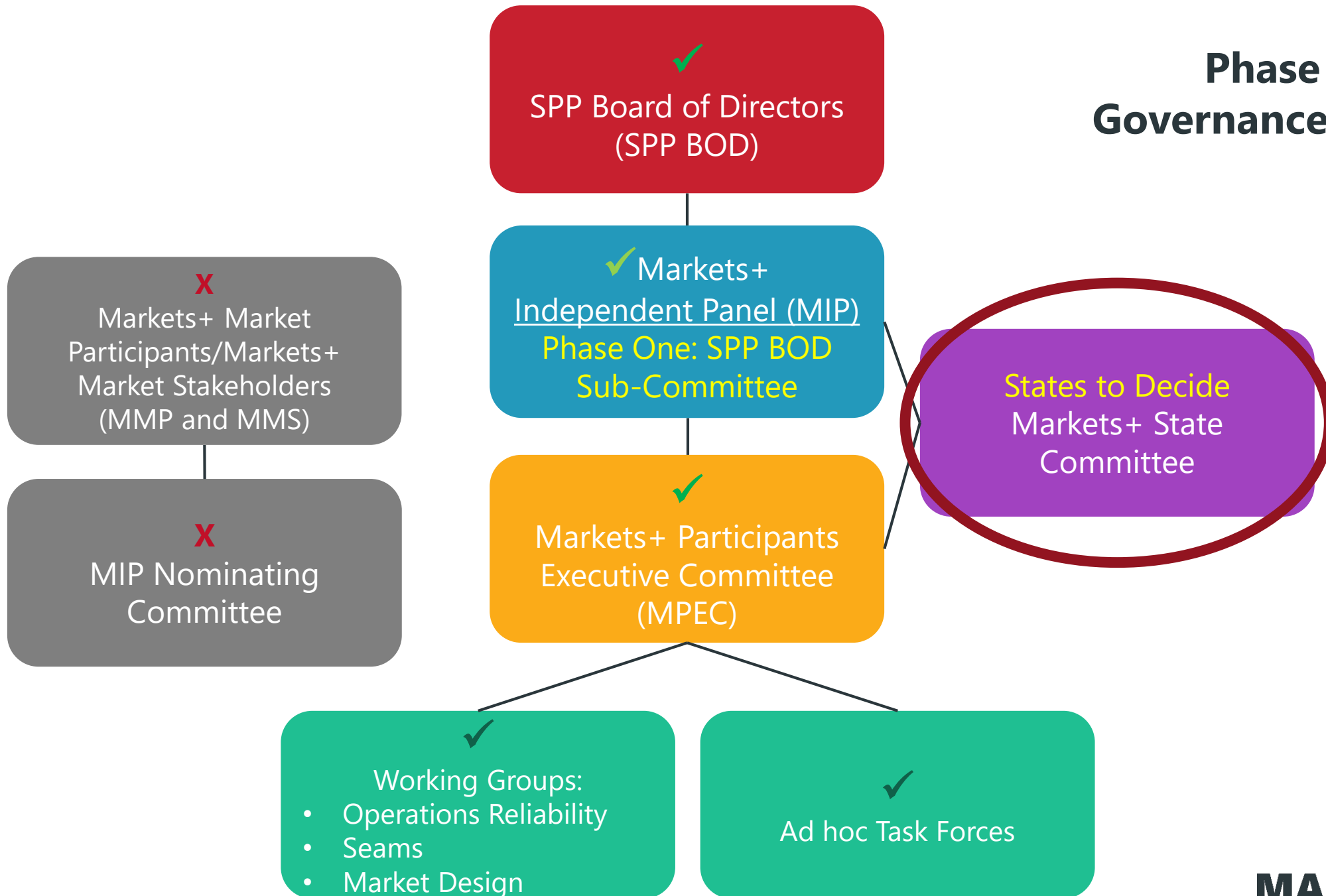
# MARKETS+ STATE COMMITTEE

## PHASE ONE

CHAIRMAN ERIC BLANK, COLORADO PUC

PAUL SUSKIE, SPP

# Phase One Governance Structure



# 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

# QUESTIONS?