

**Southwest Power Pool
Supply Adequacy Working Group**

Net Conference

April 13th: 8 am – 4 pm

Summary of Motions and Action Items

1. Consent Agenda Motion: To approve the March 22, 2023 Meeting Minutes.
The Motion **Passed** unanimously with zero abstentions.

2. Straw Poll #1: Support the proposed language or request staff revisions to reduce cost duplication of the Deficiency payment.
 - a. Support the proposed language. (4 votes)
 - b. **Request staff revisions to reduce cost duplication. (16 votes)**

3. Straw Poll #2: Support (i) as proposed on a capacity basis with language revisions to allocate deficiency payments based on total annual deficiencies. Support (i) with revision be dollar amount with language revisions to allocate deficiency payments based on total annual deficiencies. Return to pro-rata method for each season and review CONE factors to support a proper incentive for investment.
 - a. Support (i) as proposed on a capacity basis with language revisions to allocate deficiency payments based on total annual deficiencies. (1 vote)
 - b. Support (i) with revision be dollar amount with language revisions to allocate deficiency payments based on total annual deficiencies. (2 votes)
 - c. **Return to pro-rata method for each season and review CONE factors to support a proper incentive for investment. (14 votes)**

4. Straw Poll #3: Which items would be most helpful in improving meeting effectiveness? (Please vote 3 times to select items that you believe would be most beneficial)
 - A. Better polling tools to improve speed of gauging member sentiment. (5 votes)
 - B. Better time management with defined time allocated to specific topics. (7 votes)
 - C. Increased use of external subject matter experts to provide perspective. (14 votes)**
 - D. Increased use of break-out teams to focus on specific topics. (5 votes)
 - E. Review of policy development across other regions. (11 votes)
 - F. Additional background and educational material to level-set prior to discussing complex topics. (15 votes)**
 - G. Increased discussion of multi-month policy agenda. (2 votes)
 - H. Increased information on the forecasted impact of policy outcomes. (13 votes)**

Meeting Minutes

April 13, 2023

Member Attendance

Aaron Castleberry	Oklahoma Gas & Electric
Aaron Ramsdell	Basin
Adam Graff	Heartland
Amy Newton	City Utilities of Springfield
Ben Elsey	XCEL Energy
David Busse as Proxy for Brian Berkstresser	Liberty Utilities
Colton Kennedy	Omaha Public Power District
David Sonntag	Western Farmers Electric Cooperative
Eric Alexander	GRDA
Ernesto Perez	GDS Associates, Inc.
Jeffrey Plew	NextEra Energy Resources
Jim Fehr	Nebraska Public Power District
Jim Jacoby	American Electric Power
Jodi Knutson	WAPA
John Varnell	Tenaska
Rob Janssen	Dogwood
Tim Cerveny	MEAN
Tom Hestermann	Sunflower Electric Power Corporation
Tom Saitta	KMEA

Administrative Items

1. SAWG Chair, Colton Kennedy, called the meeting to order at 8:00 am on April 13, 2023
2. Notice of Quorum
3. The draft agenda was reviewed

Consent Agenda

Approve the March 22, 2023 Meeting Minutes. Jim Jacoby made the motion to approve the March 22 Meeting minutes. Adam Graff 2nd the motion. The Motion passed unanimously with zero abstentions.

Winter Season Deliverability Results

Winter Season Deliverability Results were posted in EDST on 4/1/2023. Discussion surrounding the break down on the fuel type and their Deliverable percentages. May want to look into how CRIS is doing their Deliverability study and maybe leverage each other and compare methodologies to better understand the differences.

SAWG Membership

SAWG membership vacancy left by Natasha Henderson leaving the SAWG. The nominations to fill the SAWG vacancy were sent out on March 9th. The nomination window was open until Monday April 3rd. We received 5 applications to fill the SAWG seat vacancy. We are in the process of scoring and making our selection. The selection and nomination is due by 4/17/2023 to the SPP COO and CEO. Once feedback from SPP COO and CEO is received, I (Bradley Payne) will notify all applicants and SAWG members about the selection.

2023 Deliverability Study Scopes

Discussion surrounding the 2023 Summer Season scope that will be published on 10/1/2023 and the Winter Season scope that will be published on 4/1/2024. This will be brought back to our next meeting for approval.

Winter Weather Resource Adequacy Requirement RR

Received 3 sets of comments on RR 549. Comments received from NRDC, WFES, and GDS Associates (ETEC/NTEC). Each company went through their comments and discussion/questions were had about each one. NRDC suggested that RR 549 have separate definitions for Summer Season RAR and Winter Season RAR and to consider changes to implement a Winter Season PRM at the same time as implementing the Winter Season RAR RR. GDS Associates suggested that RR 549 look into the Deficiency language from RR 537 and see if paying a deficient payment will make entities sufficient in meeting the Winter Season RAR and that RR 537 does not address the Winter Season. So will RR 537 be modified or will another RR be written to address this for the Winter Season. They also were concerned how Winter maintenance outages would be studied in future LOLE studies. Western Farmers suggested that the CONE payment needs to be address in that entities will be double charged if deficient in both Summer and Winter Seasons due to the CONE value being in kW/yr. They also voiced concerns over being able to take outages in the shoulder seasons if language is implemented for the Winter Season to go along with the Summer Season language.

Removed the language that was 11.3.2 for outages. Strike through the language in Section 9A.4 for "input requirements". Lots of discussion surrounding the Deficiency payment for the Winter Season Language.

Took 2 straw polls:

1. Support the proposed language or to request staff revisions to reduce cost duplication of the Deficiency payment.
 - a. Support the proposed language. Received 4 votes
 - b. Request staff revisions to reduce cost duplication. Received 16 votes
2. Support (i) as proposed on a capacity basis with language revisions to allocate deficiency payments based on total annual deficiencies. Support (i) with revision be dollar amount with language revisions to allocate deficiency payments based on total annual deficiencies. Return to pro-rata method for each season and review CONE factors to support a proper incentive for investment.
 - a. Support (i) as proposed on a capacity basis with language revisions to allocate deficiency payments based on total annual deficiencies. Received 1 vote
 - b. Support (i) with revision be dollar amount with language revisions to allocate deficiency payments based on total annual deficiencies. Received 2 votes.
 - c. Return to pro-rata method for each season and review CONE factors to support a proper incentive for investment. Received 14 votes.
 - i. There are some different options for option c
 1. 50/50 (most votes for this option via impromptu poll)
 2. 75/25
 3. 2/3 to 1/3

Looking to make any necessary changes to this RR and bring back for approval during our April 26th meeting.

REAL Team Update

Discussion around the REAL Team motion that they made during their March 27th-28th meeting. "Recommend to the Regional State Committee (RSC) and the Board of Directors to direct SAWG to separate the ELCC and PBA into two separate revision request proposals. The ELCC RR should reflect guidance provided by FERC in docket number ER22-379. The two revision requests should be harmonized to explain how treatment of resources is equitable and appropriate. SAWG should complete both revisions requests for consideration by the SPP Board of Directors and the RSC no later than October of 2023. Upon approval, the SPP Staff should file both revision requests in parallel."

Discussion surrounding the timelines for PBA and ELCC. Looking for approval at SAWG by end of July. Then we would make the Board and MOPC cycle in October 2023. Then we would file with FERC in November 2023. It was also discussed that the implementation timeline for each would be summer of 2026. Looking to bring official RR's of PBA and ELCC to the May meeting for discussion.

SPP is going to write the ELCC RR with 2 Tiers: one for Firm Transmission Service and one with no Firm Transmission Service. Do we need to look at a potential cap on the % of Firm Transmission Service in order to be considered in Tier 1? Do we need to allocate based on the SPP BA Load shape or to the LRE load shape?

SAWG Organizational Effectiveness Survey

Discuss the 2022 SAWG Effectiveness survey and the results surrounding each question. Look for ways to improve our lower ranking items and keep improving on the other items.

Took a straw poll:

1. Which items would be most helpful in improving meeting effectiveness? (Please vote 3 times to select items that you believe would be most beneficial)
 - A. Better polling tools to improve speed of gauging member sentiment. Received 5 votes.
 - B. Better time management with defined time allocated to specific topics. Received 7 votes.
 - C. Increased use of external subject matter experts to provide perspective. Received 14 votes.
 - D. Increased use of break-out teams to focus on specific topics. Received 5 votes.
 - E. Review of policy development across other regions. Received 11 votes.
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 - G. Increased discussion of multi-month policy agenda. Received 2 votes.
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Future Meetings

Look to extend the April 26th meeting from 8 am-12 pm instead of 8 am-10 am. Change the meeting on the SPP website and send out an updated meeting.

Look for a July meeting date and location. Potentially at Tenaska (Irving, TX) on Thursday July 20th.

April 26, 2023 – Net Conference – 8 am – 12 pm

May 24 and 25, 2023 – Face to Face – Tulsa, OK (GRDA Offices) – (Day 1: 8 am – 5 pm)
(Day 2: 8 am – 12 pm)

June 28, 2023 – Net Conference – 8 am – 4pm

July – No Meeting

August 16, 2023 – Net Conference – 8 am – 4 pm

September 26 and 27, 2023 – Face to Face – Juno Beach, FL (Nextera Offices) – (Day 1: 8:30 am – 5:30 pm)
(Day 2: 8:30 am – 12:30 pm)

October 18, 2023 – Net Conference – 8 am – 4 pm

November 2023 – No Meeting

December 6 and 7, 2023 – Face to Face – Denver, CO (Xcel Energy Offices) – (Day 1: 8 am – 5 pm)
(Day 2: 8 am – 12 pm)

Administrative Items

1. Colton Kennedy adjourned the meeting at 4 pm on April 13, 2023

Respectfully Submitted,

Brad Payne

Secretary