

SOUTHWEST POWER POOL
Markets + Operations and Reliability Working Group
November 15th, 2023
Virtual Meeting
Recording Link [here](#), password: rT7EShm6

MOTIONS:

1. **Agenda Item 3: Consent Agenda**

Motion: Ronald Moulton (WAPA) motioned to approve the October 2023 MORWG Meeting Minutes and Attachment F NDA Tariff Language. Chris McDarment (Chelan County PUD) provided the second. Motion carried unanimously.

2. **Agenda Item 4: Must Offer Obligation**

Motion: Twyana Blair (APS Energy) motioned to approve the Must Offer Obligation conceptual design, as presented to the MORWG, with the requirement that reliability backstop language is added to the Tariff and later expanded in the Protocols. Brandon Pufall (TEPC) provided the second. Motion did pass, but there was two opposition votes from NV Energy and Black Hills:

- Black Hills – Supportive of full must offer (real time), with exceptions for entities that cannot accommodate a full (real time) must offer.
- NV Energy – has been harmed by constructs in markets they are active in currently. The backstop is crucial to NV Energy and is cautious to approve something with a caveat.

3. **Agenda Item 5a: Attachment A, Sections 2.1.1-2.1.3 and 5.4: Virtuals**

Motion: Libby Kirby (BPA) motioned to approve Attachment A, Sections 2.1.1-2.1.3 and 5.4: Virtuals. Ronald Moulton (WAPA) provided the second. Motion carried unanimously.

4. **Agenda Item 5i Attachment A Section 2.3.1.4 OOME Definition and Language**

Motion: Denton McGregor (Black Hills) motioned to approve Attachment A Section 2.3.1.4 OOME Definition and Language. Evan Sorrell (PSE) provided the second. Motion carried unanimously.

**The group endorsed, or did not see any reliability concerns, with the following:

- Attachment A, Sec. 4.3-4.3.3: Interchange Transactions
- Attachment A, Sec. 2.3.2: Congestion Management
- Market Award Priority Tariff Language

ACTION ITEMS:

Action Item: SPP Staff will craft Tariff language that provides a reliability back stop process to address real-time supply issues.

Action Item: SPP Staff will e-mail the group the Uncommitted Supply Tariff language for review.

Action Item: SPP Staff will investigate approaches for Market Suspensions in M+ and where that language will reside (Tariff or Protocols).

Action Item: SPP Staff will create a meeting registration link for a MORWG meeting on 11/30/2023.

MINUTES

AGENDA ITEM 1 – CALL TO ORDER, ATTENDANCE, AGENDA REVIEW

The Markets+ Operations and Reliability Working Group (MORWG) Chair, Chris Hofmann, called the meeting to order at 1110 CPT. The following members were in attendance or represented by proxy:

- Chris Hoffman (Chair) - Salt River Project (SRP)
- Libby Kirby (Vice Chair) - Bonneville Power Administration (BPA)
- Raj Hundal - Powerex Corp
- Shirley Eshbach - Tacoma Power (TP)
- Susan Manville - Grant Public Utility District (Grant PUD)
- Twyana Blair - Arizona Public Service (APS)
- Chris McDarment - Chelan County Public Utility District (CCPUD)
- Jesse Waters – Tucson Electric Power (TEP) *PROXY Brandon Pufall
- Scott Kaufmann - NV Energy
- Michael Houglum – Tristate Generation and Transmission Association
- Ronal Moulton – Western Area Power Administration
- Evan Sorrell – Puget Sound Energy
- Shawn Carlson – Basin Electric Cooperative
- Denton McGregor – Black Hills Energy

AGENDA ITEM 2 – ANTITRUST STATEMENT

Brad Johnston (SPP) presented the SPP antitrust statement.

AGENDA ITEM 3 – CONSENT AGENDA

Ronald Moulton (WAPA) motioned to approve the October 2023 MORWG Meeting Minutes and Attachment F NDA Tariff Language. Chris McDarment (Chelan County PUD) provided the second. Motion carried unanimously.

Motion: Ronald Moulton (WAPA) motioned to approve the October 2023 MORWG Meeting Minutes and Attachment F NDA Tariff Language. Chris McDarment (Chelan County PUD) provided the second. Motion carried unanimously.

AGENDA ITEM 4 – MUST OFFER OBLIGATION

Kelli Schermerhorn (SPP) presented MRATF approved Must Offer Obligation (MOO) language to the MORWG. Kelli educated the group on the details of the Must Offer Obligation and how it applies to load responsibility entities Day-Ahead and Day-Ahead RUC positions. Kent Walter (APS) presented slides that detailed his reliability concerns with the language and possible solutions. While the group acknowledged the MOO only applies to Day-Ahead and Day-Ahead RUC positions, they also understood a Real-Time MOO would not be approved by the M+ entities. The group discussed and asked questions, eventually making a motion to accept the current MOO conceptual design with the requirement that SPP staff design a reliability backstop that would be placed in the Tariff and later expanded on in the Protocols.

Motion: Twyana Blair (APS Energy) motioned to approve the Must Offer Obligation conceptual design, as presented to the MORWG, with the requirement that reliability backstop language is added to the Tariff and later expanded in the Protocols. Brandon Pufall (TEPC) provided the second. Motion did pass, but there was two opposition votes from NV Energy and Black Hills:

- Black Hills – Supportive of full must offer (real time), with exceptions for entities that cannot accommodate a full (real time) must offer.
- NV Energy – has been harmed by constructs in markets they are active in currently. The backstop is crucial to NV Energy and is cautious to approve something with a caveat.

Action Item: SPP Staff will craft Tariff language that provides a reliability back stop process to address real-time supply issues.

AGENDA ITEM 5 – TARIFF REVIEW AND ENDORSEMENT:

Brad Johnston (SPP) presented draft Tariff Language for the MORWG to review:

- Attachment A, Sections 2.1.1-2.1.3 and 5.4: Virtuals: Kelli Schermerhorn (SPP) presented the group approved Tariff Language from Attachment A, Sections 2.11-2.13 and 5.4. The group discussed and asked questions. Libby Kirby (BPA) motioned to approve the language and Ronald Moulton (WAPA) provided the second.

Motion: Libby Kirby (BPA) motioned to approve Attachment A, Sections 2.1.1-2.1.3 and 5.4: Virtuals. Ronald Moulton (WAPA) provided the second. Motion carried unanimously.

- Attachment A, Sec. 4.3-4.3.3: Interchange Transactions: The group discussed and asked questions. No reliability concerns were raised and the language was endorsed.
- Attachment A, Sec. 7.11 Market Transmission Use: Due to timing constraints, this agenda item was not covered.
- Appendix 2 Market Transmission Use 9.8-9.9, and Appendix 2 Rate Template: Due to timing constraints, this agenda item was not covered.
- Attachment D: Markets+ Transmission and Attachment A Section 8-8.3 Transmission Capacity Obligations: Due to timing constraints, this agenda item was not covered.
- Attachment A, Sec. 2.3.2: Congestion Management: The group discussed and asked questions. No reliability concerns were raised and the language was endorsed.
- Attachment A, Section 11 Confidentiality: Libby Kirby (BPA) was concerned the language may limit Balancing Authorities from receiving information from the Market Operator. SPP will review the language and find a solution to help with BPA's concerns.
- Attachment A, Section Real Time Balancing Market and MCPs 2.31-2.3.1.3 and 3.4: The group discussed and asked questions. No reliability concerns were raised and the language was endorsed.
- Attachment A, Section 2.3.1.4 OOME Definition and Language: The group reviewed the language and stressed the importance of any Operating Instruction from the Reliability Coordinator must be communicated to the Balancing Authorities first. No reliability concerns were raised. Denton McGregor (Black Hills) motioned to approve the language and Evan Sorrell (PSE) provided the second. Motion carried unanimously.

Motion: Denton McGregor (Black Hills) motioned to approve Attachment A Section 2.3.1.4 OOME Definition and Language. Evan Sorrell (PSE) provided the second. Motion carried unanimously.

AGENDA ITEM 6 - MARKET AWARD PRIORITY TARIFF LANGUAGE

Tuuli Hakala (Chelan County Public Utility District) presented language on Market Award Priority. The group was supportive of the language, but stressed that penalty pricing for low-priority export is not sufficient for reliability back stop in real-time. There could be reliability situations where there is no available export to market adjust, or we do market adjust low priority exports and entities on the other side of the seam adjust imports. The group discussed and asked questions, specifically around high priority flow items. No reliability concerns were raised and the language was endorsed.

AGENDA ITEM 7 – UNCOMMITTED SUPPLY TARIFF LANGUAGE

Kevin Morelock (Utiliticast) delivered a presentation over a draft approach for uncommitted supply in Markets+. Dan Williams (TEA) discussed CAISO's current approach and expressed a high desire for M+ to have Tariff language on how to manage uncommitted imports. The group discussed and asked questions. It was decided that once the MSWG approves the language, Brad Johnston (SPP) will send out the document for review by the MORWG.

Action Item: SPP Staff will e-mail the group the Uncommitted Supply Tariff language for review.

AGENDA ITEM 8 – BA AGREEMENT REVIEW (APPROVAL)

Due to timing constraints, this agenda item was not discussed. This item will be moved to the November 30th meeting.

AGENDA ITEM 9 – TSP AGREEMENT REVIEW (APPROVAL)

Due to timing constraints, this agenda item was not discussed. This item will be moved to the November 30th meeting.

AGENDA ITEM 10 – MARKET SEPERATION

BPA staff provided an education session over market separations and isolations in CAISO. The slide deck covered current approaches in CAISO and specific examples of why a separation or isolation may occur. The M+ Tariff does not have language for how the market will process during extreme or abnormal conditions. SPP Staff will focus on designing language, be it for the Tariff or Protocols, that will outline how M+ will function during conditions that may require a market separation or for a BA to "isolate" itself from the market.

Action Item: SPP Staff will investigate approaches for Market Suspensions in M+ and where that language will reside (Tariff or Protocols).

AGENDA ITEM 11 – STOP LIGHT TRACKER

Due to timing constraints, this agenda item was not discussed

AGENDA ITEM 10 – OPEN DISCUSSION AND GENERAL QUESTIONS

Brad Johnston (SPP) informed the group that he will send out a registration notice for an 11/30/2023 meeting. This meeting was not originally scheduled, but will allow the group to review additional language before the 12/06 MPEC meeting.

AGENDA ITEM 11 – FUTURE MEETINGS

Motions and new action items are listed above. Future meetings are listed below.

November 2023 MORWG Meeting

Thursday, November 30, 2023

- 8:30 a.m. – 3:00 p.m. PPT
- 9:30 a.m. – 4:00 p.m. MPT
- 10:30 a.m. – 5:00 p.m. CPT

Location: Net-Conference

December 2023 MORWG Meeting

Wednesday, December 13, 2023

- 9:00 a.m. – 4:00 p.m. PPT
- 10:00 a.m. – 5:00 p.m. MPT
- 11:00 a.m. – 6:00 p.m. CPT

Location: Net-Conference

ADJOURNMENT

Chris Hofmann adjourned the meeting at 1617 CPT, Wednesday, November 15th.

Respectfully Submitted – Brad Johnston MORWG Staff Secretary

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P = By Phone X = In Person * = By Proxy		MORWG Meeting November 15, 2023 Attendance	
MORWG Representatives			
Day 1	Name	Company	Email
P	Chris Hofman (Chair)	Salt River Project (SRP)	Chris.Hofmann@srpnet.com
P	Brad Johnston(Secretary)	Southwest Power Pool (SPP)	bjohnston@spp.org
	Brett Gruesner	Public Service Commission of Colorado (PSCo)	brett.j.gruesner@xcelenergy.com
*	Jesse Waters	Tuscon Electric Power (TEP)	jwaters@tep.com
P	Libby Kirby (Vice Chair)	Bonneville Power Administration (BPA)	eakirby@bpa.gov
P	Mike Houghlum	Tri-State Generation and Transmission Association (TSGT)	moughlum@tristategt.org
P	Raj Hundal	Powerex Corp	raj.hundal@powerex.com
	Ryan Manzo	Arizona Electric Power Cooperative (AEPCO)	rmanzo@azgt.coop
P	Scott Kaufmann	NV Energy (NVE)	scott.kaufmann@nvenergy.com
P	Shawn Carlson	Basin Electric Power Cooperative (BEPC)	scarlson@becp.com
P	Chris McDarment	Chelan County PUD	Chris.McDarment@chelanpud.org
P	Shirley Eshbach	Tacoma Power (TP)	SEshbach@cityoftacoma.org
P	Susan Manville	Grant Public Utility District (Grant PUD)	smanville@gcpud.org
P	Ronald Moulton	Western Area Power Administration-Desert Southwest Region (DSW)	remoulton@wapa.gov
P	Twyana Blair	Arizona Public Service (APS)	Twyana.blair@aps.com
P	Evan Sorrell	Puget Sound Energy	evan.sorrell@pse.com
P	Denton McGregor	Black Hills Energy	denton.mcgregor@blackhillscorp.com
	Aaron Shipley	Southwest Power Pool (SPP)	ashipley@spp.org
	Adam Cornelius	Snohomish PUD	accornelius@snopud.com
	Alex Spain BPA	Bonneville Power Administration (BPA)	ajspain@bpa.gov
	Amber Clinkscales	Salt River Project	amber.clinkscales@srpnet.com
	Audrey Stevenson BPA	Bonneville Power Administration (BPA)	acstevenson@bpa.gov
	Bart McManus	Bonneville Power Administration (BPA)	bamcmanus@bpa.gov
	Brandon Pufall	Tuscon Electric Power (TEP)	brandon.pufall@tep.com
	Brandon Pufall - TEP	Tuscon Electric Power (TEP)	brandon.pufall@tep.com
	Calvin Dacus	Tuscon Electric Power (TEP)	cdacus@tep.com
	Carrie Simpson	Southwest Power Pool (SPP)	csimpson@spp.org
	Chris Siewert	Bonneville Power Administration (BPA)	cwsiewert@bpa.gov
	Clifford Franklin	Sunflower Electric	cfranklin@sunflower.net