

**SOUTHWEST POWER POOL**  
**COST ALLOCATION WORKING GROUP MEETING**  
**June 11, 2024**

**Renaissance Minneapolis Hotel, The Depot, Minneapolis, MN**  
**& Virtual**

## **SUMMARY OF MOTIONS AND ACTION ITEMS**

**MOTION:** To approve the Consent Agenda. (John Krajewski (NPRB) motioned / Shawnee Claiborn-Pinto (PUCT) motioned seconded). *Passed unanimously.*

**MOTION:** The CAWG recommends that the Regional State Committee (RSC) approve the following policies consistent with the Holistic Integrated Tariff Team's Recommendation C1:

1. Decouple Schedules 9 and 11 and establish larger zones (sub-regions) for cost allocation of Base Plan Upgrades under Schedule 11 subject to the conditions below.
  - a. No existing Zone will be split into multiple sub-regions.
  - b. No sub-region will split into multiple Deliverability Areas used for capacity resource interconnection service.
  - c. Sub-regional cost allocation will apply to the cost of only Base Plan Upgrades authorized for construction in the future, beginning with the 2024 ITP study.
  - d. Other than as provided under Section III.A.4 of Attachment J (wind allocation rule), new Base Plan Upgrades between 100 kV and 300 kV will be allocated 67% to the upgrade's sub-region and 33% to the SPP Region.
  - e. Region-wide allocation will continue in its current form for Base Plan Upgrades above 300 kV.

Matt Alvarado (IUB) motioned / Justin Grady (KCC) seconded). 5 yes, 7 no (OCC, APSC, NPRB, LPSC, NMPRC, PUCT, NDPSC) *Motion failed.*

**MOTION:** The CAWG recommends the RSC approve RR621 as presented. (John Krajewski motioned (NPRB) / Shawnee Claiborn-Pinto (PUCT) seconded) *Passed unanimously.*

**MOTION:** The CAWG recommends the RSC approve RR622 as presented at the June 11 CAWG meeting including REAL approved PRM, SPP Staff edits related to Safe Harbor, REAL approved sufficiency valuation curve application. (Justin Grady (KCC) motioned / Greg Rislov (SDPRC) seconded). 9 yes, 1 no (OCC), 2 abstentions (LPSC, PUCT). *Motion passed.*

1. **ACTION ITEM:** HITT C1 – Discuss the possibility of identifying projects approved to support deliverability and allocate the costs of those to the larger zones proposed by HITT C1.
2. **ACTION ITEM:** HITT C1 – Provide education on Attachment Z2 and impacts for HITT C1, CRIS/Deliverability zones and Consolidated Planning Process implementation.
3. **ACTION ITEM:** HITT M1 - Analysis shows an additional 12 entities received LTCRs. For these entities what percentage of their load was covered by these additional LTCRs.

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## MINUTES

### AGENDA ITEM 1 – CALL TO ORDER, INTRODUCTIONS AND ADMINISTRATIVE ITEMS

Chair Lise Trudeau (MN PUC) called the meeting to order at 8:32 AM and a quorum was established. Walt Cecil (MOPSC) held proxy for Adam McKinnie (MOPSC) and Dana Shelton (LPSC) held proxy for Lane Sisung (LPSC). The CAWG welcomed Justin Grady as the voting member for Kansas and thanked Shari Albrecht for her long-time work with the CAWG and RSC.

### AGENDA ITEM 2 – CONSENT AGENDA

**MOTION:** To approve the Consent Agenda. (John Krajewski (NPRB) motioned / Shawnee Claiborn-Pinto (PUCT) motioned seconded). *Passed unanimously.*

### AGENDA ITEM 3 – ACTION ITEMS

Ben Bright (SPP) provided an update on several action items.

157 – RR616 Improved Outage Policy has been approved by Board and the RSC and will be filed at FERC.

182 – HITT M1 on today's agenda; the action items recorded in the May CAWG meeting will be covered today

During the May CAWG meeting two additional action items were recorded that have been completed:

- HITT C1 Education Session
- CAWG Special Session for RR620 JTIQ

### AGENDA ITEM 4 – FERC UPDATE

Justin Hinton (SPP) provided a written update, which was included in the posted meeting materials, for review. Most notably, FERC recently approved the Tariff revisions proposed in Docket ER24-1583 approved by the RSC to re-allocate the remaining ATRR for four Sunflower projects reviewed under the HITT C2 process.

## AGENDA ITEM 5 – HITT C1: DECOUPLING SCHEDULES 9 & 11 PRICING ZONES

Charles Locke (SPP) presented five HITT C1 draft recommendations for consideration. After discussion, a motion was taken to vote on draft recommendation number 1 and a straw poll was conducted on draft recommendations 2-4. The remaining issue related to Attachment Z2 was tabled for education/discussion at the July CAWG meeting.

**MOTION:** (Draft recommendation #1) The CAWG recommends that the Regional State Committee (RSC) approve the following policies consistent with the Holistic Integrated Tariff Team's Recommendation C1:

1. Decouple Schedules 9 and 11 and establish larger zones (sub-regions) for cost allocation of Base Plan Upgrades under Schedule 11 subject to the conditions below.
  - a. No existing Zone will be split into multiple sub-regions.
  - b. No sub-region will split into multiple Deliverability Areas used for capacity resource interconnection service.
  - c. Sub-regional cost allocation will apply to the cost of only Base Plan Upgrades authorized for construction in the future, beginning with the 2024 ITP study.
  - d. Other than as provided under Section III.A.4 of Attachment J (wind allocation rule), new Base Plan Upgrades between 100 kV and 300 kV will be allocated 67% to the upgrade's sub-region and 33% to the SPP Region.
  - e. Region-wide allocation will continue in its current form for Base Plan Upgrades above 300 kV.

(Matt Alvarado (IUB) motioned / Justin Grady (KCC) seconded). 5 yes, 7 no (OCC, APSC, NPRB, LPSC, NMPRC, PUCT, NDPSC) *Motion failed.*

Given that this first recommendation failed, noting that the majority of the CAWG is not in favor of decoupling zones for future Base Plan Upgrades, the proposed recommendations 2-4 were considered as straw polls. The results of the straw polls could be used by the RSC in the event the RSC chooses to move forward with HITT C1 in the future.

The straw poll results for draft recommendations 2-4 are as follows:

Straw Poll Questions	Voting Results
<p><u>Straw Poll #1</u></p> <p>Draft recommendation 2: Three cost allocation sub-regions will be established with boundaries consistent with recommendation 1.a and 1.b.</p> <p>Or</p> <p>Alternative Recommendation 2: Five cost allocation sub-regions will be established with boundaries consistent with recommendation 1.a and 1.b. Existing Zone 11 (SPS) and Zone 19 (Upper Missouri) will each constitute a cost allocation sub-region.</p>	<p>Alternative Recommendation 2 – 7 votes</p> <p>Both options (MNPUC, SDPRC, IUB, KCC) – 4 votes</p> <p>Abstention (PUCT) – 1 vote</p>
<p><u>Straw Poll #2</u></p> <p>Draft recommendation 3: Network upgrades below 100kV will be allocated 100% to the existing zones consistently with current provisions in Attachment J, Section III. A.</p>	<p>Yes – 12 votes</p>
<p><u>Straw Poll #3</u></p> <p>Draft recommendation 4: Network upgrades identified through the Attachment AQ delivery point study process will be allocated consistently with upgrades identified in future ITP studies.</p>	<p>Yes – 12 votes</p>

## AGENDA ITEM 7 – SAWG/REAL UPDATE

Alex Crawford (SPP) provided an update on RR621 – Fuel Assurance and RR622 – Planning Reserve Margin. Regarding RR621. Mr. Crawford reviewed the SAWG and REAL voting history and noted that RR621 passed REAL as part of a package and further noted that the no votes and abstentions were related to other items in the package, not to RR621.

Maria Gingras (SPP MUU) stated that the MMU is generally supportive but noted the MMU would prefer to see a seasonal fuel assurance policy that includes correlated outages. Staff commented that these items are included in the longer-term work plan.

**MOTION:** The CAWG recommends the RSC approve RR621 as presented. (John Krajewski motioned (NPRB) / Shawnee Claiborn-Pinto (PUCT) seconded) *Passed unanimously.*

RR622 Planning Reserve Margin – Mr. Crawford reviewed the current status of this RR including edits related to the Sufficiency Valuation Curve based on direction from the SAWG and REAL.

Ms. Gingras (SPP MMU) stated that the MMU has submitted official comments but is generally supportive. The MMU supports 37% winter and 16% summer PRM based on LOLE results and reliability concerns. But given Staff's analysis and support the MMU is comfortable with 36%/16%.

**MOTION:** The CAWG recommends the RSC approve RR622 as presented at the June 11 CAWG meeting including REAL approved PRM, SPP Staff edits related to Safe Harbor, REAL approved sufficiency valuation curve application. (Justin Grady (KCC) motioned / Greg Rislov (SDPRC) seconded). 9 yes, 1 no (OCC), 2 abstentions (LPSC, PUCT). *Motion passed.*

## **AGENDA ITEM 9 – RR 618 DEMAND RESPONSE ACCREDITATION**

Chris Haley (SPP) provided an overview of the objectives of RR618 Demand Response Accreditation and reviewed the tariff edits. Mr. Haley indicated that he expects further changes as a result of discussions within the SAWG and stated that SPP Staff is working on edits to the RR and expects those to be reviewed at the June SAWG meeting with a vote planned for July. He noted that a REAL Team vote is expected in the July/August timeframe.

## **AGENDA ITEM 10 – CONGESTION HEDGING UPDATE**

Nikki Roberts (SPP) provided an update on HITT M1 in response to Staff being asked to analyze impacts of counterflow in SFT for the LTCR process. Ms. Haley provided background, presented study assumptions, and presented a LTCR Allocation Award Comparison by AO. After discussion, a request was made for the MWG to have a discussion to better ascertain the concerns of market participants regarding the impacts of allowing counterflow in the SFT for the LTCR Allocation.

## **AGENDA ITEM 11 – CPPTF UPDATE**

Sunny Raheem (SPP) recapped previous CPPTF discussions and current efforts and presented options regarding intra-queue priority and entry fee maintenance. Upcoming discussions include an action item from the Strategic Planning Committee (SPC) to provide clarity to the SPC regarding how risks of cost-overruns and the risks of transmission project delays are balanced between GI customers and load in the proposed CPP Entry Fee process, approach to funding cross subregional HV, and subregional HV crediting.

Mr. Raheem also provided a high-level overview of FERC Order 1920 requirements. The Order was published in the Federal Register on June 11, 2024, which makes the compliance filing date June 12, 2025.

## **AGENDA ITEM 12 – WORKING GROUP UPDATES**

Justin Grady agreed to replace Shari Albrecht on the IRATF and the SAWG.

## **AGENDA ITEM 13 – ACTION ITEMS**

1. HITT C1 – Discuss the possibility of identifying projects approved to support deliverability and allocate the costs of those to the larger zones proposed by HITT C1.
2. HITT C1 – Provide education on Attachment Z2 and impacts for HITT C1, CRIS/Deliverability zones and Consolidated Planning Process implementation.
3. HITT M1 - Analysis shows an additional 12 entities received LTCRs. For these entities what percentage of their load was covered by these additional LTCRs.

## **AGENDA ITEM 15 – ADJOURNMENT**

Chair Trudeau adjourned the meeting at 2:24pm.

**CAWG MEMBERS**

Lise Trudeau (MN PUC), Chair  
Adam McKinnie (MOPSC)  
Cindy Ireland (APSC)  
Greg Rislov (SDPUC)  
Justin Grady (KCC)  
Jason Chaplin (OCC), Vice-chair

John Krajewski (NPRB)  
Lane Sisung (LPSC)  
Marc Tupler (NMPRC)  
Matt Alvarado (IUB)  
Shawnee Claiborn-Pinto (PUCT)  
Victor Schock (NDPSC)

**MEETING PARTICIPANTS**

Aaron Rome  
Adam McKinnie  
Adam Schieffer  
Alex Crawford  
Amber Smeal  
Amy Newton  
Andrea Harrison  
Angela Sartori  
Apryl Eby  
Ash Mayfield  
Bakhtawar Khan  
Ben Bright  
Ben Stearney  
Bernie Liu  
Brad Cochran  
Bradley Payne  
Brenda B Harris  
Brenda Harriss  
Brian Johnson  
Brian Rounds  
Brian Rounds  
Bruce Doll  
Bryan Campbell  
Calvin Daniels  
Carly Masenthin  
Charles Hendrix  
Charles Locke  
Charlton Hill  
Chris Cranford  
Chris Haley  
Chris Hanson  
Chris Lyons  
Christine Aarnes  
Christy Siharath



Cindy Ireland  
Cristian Navarrette  
Curtis Miller  
Dana Shelton  
David Cohen  
Deni Golden  
Denise Buffington  
Denise Martin  
Dennis Constein  
Dennis Florom  
Dennis Reed  
Derek Brown  
Don Frerking  
Emily Mason  
Emily Shuart  
Eugene Mauk  
Greg Rislov  
Greg Rislov  
Heather Starnes  
J.P. Maddock  
Jake Weinberg  
James Peters  
Jarred Cooley  
Jason Chaplin  
Jason Davis  
Jason Mazigian  
Jennifer Hammitt  
Jennifer Solomon  
Jerry Bradshaw  
Jessica Kasparek  
Jessica Meyer  
Jim Flucke  
Jim Flucke  
Jim Jacoby  
John Krajewski  
John Luallen  
John Thurber  
John Varnell  
John Varnell  
John Weber  
Jonathan  
Julie Bissen  
Justin Grady

Justin Grady  
Kelsey Allen  
Kim O'Guinn  
LaKeitha Rinks  
Lane Sisung  
Lee Elliott  
Leif Clark  
Lise Trudeau  
Lise Trudeau  
Loren Ditsch  
Marc Tupler  
Marguerite Wagner  
Maria Gingras  
Marie Thompson  
Marisa Choate  
Maya Nevels  
Meredith Powell  
Micha Bailey  
Mike Kraft  
Natasha Henderson  
Naved Khan  
Nikki Roberts  
Nolan Fertig  
Olivia Hough  
Paul Suskie  
Ramunda Russell  
Ray Bergmeier  
Rich Germinder  
Robert Pick  
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Serhat Guney  
Shari Albrecht  
Sherri Maxey  
Shilpi Sunil Kumar  
Steve Gaw  
Steve Sanders  
Sunny Raheem  
Temujin Roach  
Tessie Kentner



Tom Hestermann  
Tom Michelotti  
Victor Schock  
Walt Cecil  
Walt Shumate

