

**SOUTHWEST POWER POOL**  
**COST ALLOCATION WORKING GROUP MEETING**  
**August 13, 2024**

Virtual

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

**MOTION:** To approve the Consent Agenda. (Cindy Ireland (APSC) motioned / Matt Alvarado (IUC) seconded). *Passed unanimously.*

**MOTION:** To conduct a straw poll to assess the level of support of potentially moving forward with the recommendation on slide 2. (Justin Grady (KCC) / Matt Alvarado (IUC) seconded.) The poll received 7 yes votes, 3 no votes (APSC, SD PRC, and LPSC), and 2 abstentions (NPRB and PUCT).

**ACTION ITEMS:**

1. Staff to include voltage levels and a breakdown between zonal, and regional costs for the NTCs in future reports.
2. Staff to provide the SEAMS Policy Paper in a searchable format.
3. HITT C1– provide more information on the \$N per MW (point #5 on slide 2) at the September meeting.

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## MINUTES

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

Chair Lise Trudeau (MNPUC) called the meeting to order at 8:31 AM and a quorum was established. John Krajewski (NPRB) held proxy for Adam McKinnie (MOPSC) and Jon Thurber (SD PUC) held proxy for Greg Rislov (SD PUC).

### **AGENDA ITEM 2 – CONSENT AGENDA**

**MOTION:** To approve the Consent Agenda. (Cindy Ireland (APSC) motioned / Matt Alvarado (IUC) seconded). *Passed unanimously.*

### **AGENDA ITEM 3 – ACTION ITEMS**

Angela Sartori (SPP Staff) provided an update on item 181. An in-person meeting will be held on September 10, 2024 in Denver, Colorado.

### **AGENDA ITEM 4 – FERC UPDATE**

Justin Hinton (SPP Staff) provided brief update and stated that the Resource Adequacy Requirement, ELCC/PBA docket, PRM Complaint docket and general accreditation complaint docket are all still pending and awaiting FERC action.

### **AGENDA ITEM 5 – QUARTERLY PROJECT TRACKING**

Matt Jackson (SPP Staff) provided a quarterly project tracking update. Mr. Jackson indicated that one upgrade had been completed in Nebraska at a cost of \$13M. Twenty-seven NTCs have been issued in Kansas, New Mexico, and Oklahoma. Additionally, one NTC had been withdrawn. A request was made to include voltage levels and a breakdown between zonal, and regional costs for the NTCs.

### **AGENDA ITEM 6 – RESOURCE ADEQUACY UPDATE**

SAWG Update – Bradley Payne (SPP Staff) presented an update from the Supply Adequacy Working Group (SAWG). Mr. Payne indicated that the SAWG has been working on the 2025 LOLE study scope and expects to bring that to CAWG soon. Mr. Payne also stated that SAWG is reviewing the ELCC study scope for wind, solar, and storage accreditation.

REAL Team – Jason Chaplin (OCC) provided a REAL Team update and indicated that the REAL Team will be discussing Demand Response, Ramping, and PRM stabilization and projection policies. The next meeting is in Dallas on August 21, 2024.

#### **AGENDA ITEM 7 – RR632 DATE CHANGES FOR ATTACHMENT AA**

Bradley Payne (SPP Staff) presented RR632 – Date Change in Attachment AA. Mr. Payne indicated this RR was brought to SAWG by NPPD. This RR changes the submittal date in Attachment AA for the summer and winter seasons thereby giving LREs more time to cure any deficiencies in meeting the RA requirement. SAWG approved this RR with a vote of 12-1-1. In addition to CAWG, this RR will be presented to the REAL Team in August. Approval from CAWG is expected to be sought in September with MOPC, RSC/Board approval sought in October.

#### **AGENDA ITEM 9 – CONGESTION HEDGING**

Micha Bailey (SPP Staff) – provided a brief update on the study regarding allowing netting of flows in the LTCR allocation. Mr. Bailey stated that the study is not complete, but the status will be presented to the Market Working Group and a more comprehensive update will be presented to CAWG in September.

#### **AGENDA ITEM 10 – RR618 DEMAND RESPONSE ACCREDITATION**

Bradley Payne (SPP Staff) presented RR618 - Demand Response Accreditation. The objective of this RR is to accurately account for demand response program being claimed by LREs to satisfy their Resource Adequacy Requirement obligations. SAWG approval will be sought in August or September. This RR is expected to be up for approval from CAWG in September with MOPC, Board, and RSC approval sought in October.

#### **AGENDA ITEM 11 – SEAMS POLICY PAPER**

Aaron Shipley (SPP Staff) reviewed the Seams Policy Paper. Mr. Shipley indicated the goal is to file this with FERC by the end of the year and Staff will begin working on a revision request. A CAWG policy vote is anticipated in September.

#### **AGENDA ITEM 13 – CPPTF UPDATE**

Kelsey Allen (SPP Staff) reviewed recent CPPTF discussions which included an Entry Fee update on five subregions and DISIS transition approaches for CPP. Mr. Allen reviewed the entry fee components and process with five Schedule 11 subregions. Mr. Allen further reviewed the options and consideration for DISIS transition to CPP.

#### **AGENDA ITEM 14 – HITT C1: DEOUCPLE SCHEDULES 9 & 11 PRICING ZONES**

Charles Locke (SPP Staff) presented a potential recommendation for HITT C1 which includes 5 points. A motion to conduct a straw poll to assess the level of support of potentially moving forward with the recommendation on slide 2 and reflected below:

Consistent with the Holistic Integrated Tariff Team's Recommendation C1, the CAWG recommends that the RSC approve the decoupling of Schedules 9 and 11 and the establishment of larger Schedule 11 zones (subregions) as specified in points 1 through 5 below.

1. Schedule 11 subregions will be combinations of existing zones as follows:

**North** – Upper Missouri Zone;

**Nebraska** – LES, NPPD, OPPD;

**Central** – CUS, Empire, Evergy KS-C, Evergy Metro, Evergy MO-W, KCBPU, Midwest, Sunflower;

**Southeast** – AEP, GRDA, OG&E, SWPA, WFEC; and

**Southwest** – SPS

2. Other than as provided under Sections III.A.3 and III.A.4 of Attachment J (which is addressed under point #4), subregional allocation will apply to the cost of Base Plan Upgrades between 100 kV and 300 kV that are authorized for construction in the future. The cost allocation will be 67% to the Schedule 11 subregion where connected and 33% to the SPP region.
3. Other than as provided under Sections III.A.3 and III.A.4 of Attachment J, new Base Plan Upgrades below 100 kV will be allocated to the current Schedule 11 zone where connected and new Base Plan Upgrades above 300 kV will be allocated to the SPP region.
4. For Base Plan Upgrades between 100 kV and 300 kV that are authorized for construction in the future, the cost allocation rule described under Sections III.A.3 and III.A.4 of Att. J (currently, the wind allocation rule) will be applied to Schedule 11 subregions rather than existing zones.
5. For Network Upgrades required under an Att. AQ delivery point request, the revenue requirement for any portion of capital cost over \$N per MW of increased load will be directly assigned to the requester.

**MOTION:** To conduct a straw poll to assess the level of support of potentially moving forward with the recommendation on slide 2. (Justin Grady (KCC) / Matt Alvarado (IUC) seconded.) The poll received 7 yes votes, 3 no votes (APSC, SD PUC, and LPSC), and 2 abstentions (NPRB and PUCT).

A request was made regarding a modification for point #5 to refine the \$N per MW prior to a vote. Staff will review the issue and provide more information at the September meeting.

## AGENDA ITEM 15 – WORKING GROUP UPDATES

RARTF – Ben Bright (SPP Staff) indicated that Lori Cobos (PUCT) and Kayla Hahn (MOPSC) will be replacing Kristie Fiegen (SD PUC) and Randy Christmann (ND PUC) on RARTF. An education session will be scheduled soon.

#### **AGENDA ITEM 16 – UPCOMING ITEMS FOR RSC**

Ben Bright (SPP Staff) indicated that the Entry Fee Model RR will likely move out to a later date.

#### **AGENDA ITEM 17 – ACTION ITEMS**

1. Staff to include voltage levels and a breakdown between zonal, and regional costs for the NTCs in future reports.
2. Provide the SEAMS Policy Paper in a searchable format.
3. HITT C1 – provide more information on the \$N per MW (point #5 on slide 2) at the September meeting.

#### **AGENDA ITEM 18 – ADJOURNEMENT**

Chair Trudeau adjourned the meeting at 3:09pm.

### **CAWG MEMBERS**

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

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

### **MEETING PARTICIPANTS**

Aaron Rome  
Aaron Shipley  
Adam Schieffer  
Amber Joyce  
Amber Smeal  
Amy Newton  
Andrea Harrison  
Andrew Daro  
Andrew French  
Angela Sartori  
Ash Mayfield  
Bakhtawar Khan  
Ben Bright  
Ben Stearney  
Bernie Liu  
Brad Cochran  
Bradley Payne  
Brian Rounds  
Bruce Doll  
Bryan Campbell  
Calvin Daniels  
Carly Masenthin  
Charles Hendrix  
Charles Locke  
Charlton Hill  
Chris Hanson  
Chris Lyons  
Christine Aarnes  
Cindy Ireland  
Clint Savoy  
Dana Shelton  
Darren Prince  
David Cohen

Denise Martin  
Dennis Constien  
Dennis Florom  
Dennis Reed  
Derek Brown  
Don Frerking  
Erickson  
Ethan Tedder  
Eugene Mauk  
Gayle Freier  
Greg Rislov  
Jake Chapman  
James Mindrup  
James Peters  
Jarred Cooley  
Jason Chaplin  
Jason Davis  
Jason Mazigian  
Jason Speer  
Jena Arnold  
Jessica Kasparek  
Jessica Meyer  
Jill Ponder  
Jim Rhotov  
Jim Flucke  
John Krajewski  
John Varnell  
John Weber  
Jon Thurber  
Julie Tackett  
Justin Grady  
Justin Hinton  
Kelsey Allen

LaKeitha Rinks  
Lane Susung  
Laura Mitchum  
Lee Elliott  
Leif Clark  
Lisa Barrett  
Lise Trudeau  
Marc Printy  
Marc Tupler  
Maria Gingras  
Marie Thompson  
Marisa Choate  
Matt Alvarado  
Matt Jackson  
Maya Nevels  
Meredith Powell  
Micha Bailey  
Michael Wise  
Natasha Henderson  
Nate Morris  
Nick Abraham

Nicole Wagner  
Paul Antony  
Raleigh Mohr  
Ray Bergmeier  
Richard Owen  
Robert Pick  
Ron Chartier  
Russell Quattlebaum  
Shawnee Claiborn-Pinto  
Steve Gaw  
Steve Purdy  
Steve Sanders  
Teresa Cooper  
Tessie Kentner  
Tom Hestermann  
Ty Gorman  
Vaibhav Bilagi  
Victor Schock  
Victoria Doyle  
Walt Shumate