

SOUTHWEST POWER POOL

RESOURCE AND ENERGY ADEQUACY LEADERSHIP TEAM (REAL)

August 21, 2024

8:00 am – 4:00 pm (Central)

Hyatt Regency DFW
Dallas, TX

SUMMARY OF MOTIONS AND ACTION ITEMS

MOTION: To approve minutes from July 8, 2023. Cindy Ireland (APSC) motioned / David Osburn (OMPA) seconded. The motion passed unanimously.

MOTION: REAL directs SAWG to pause working on Demand Response Phase 1 initiative. REAL leadership team will propose a path forward for a holistic solution to Demand Response by September. Colton Kennedy (OPPD) motioned / Raymond Hepper (SPP Board) seconded. The motion passed with one abstention (PUCT).

ACTION ITEMS:

1. Staff to keep the REAL Team updated on FERC filings.
2. Address affordability versus reliability with regard to the 2025 resource adequacy work plan.
3. Provide a timeline on how the Longer-Term PRM discussion will flow through the working groups and the RSC.
4. Bring back information in September on the AQ concern raised by SAWG related to how Demand Response and ESRs are studied in the AQ process.
5. Value of Lost Load - bring back language on a plan to:
 - a. define the Value of Resiliency
 - b. evaluate the cost and value of Resource Adequacy standards
6. 2029 PRM – define a number and a range, including considerations that could influence the recommendation.

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AGENDA ITEM 1 – ADMINISTRATIVE ITEMS

Chairman Kristie Fiegen (SD PUC) called the meeting to order, conducted the roll call, and reviewed the agenda. Andrew Lachowsky (AECC) held proxy for Buddy Hasten (AECC), and John Krajewski held proxy for Chuck Hutchinson (NPRB) during the afternoon portion of the meeting.

MOTION: To approve minutes from July 8, 2023. Cindy Ireland (APSC) motioned / David Osburn (OMPA) seconded. The motion passed unanimously.

Agenda Item 2 – Standing Updates

- a. **FERC – Resource Adequacy** – Justin Hinton (SPP) provided an update on FERC dockets.
 - PBA/ELCC, Docket ER24-1317, is still pending. An effective date of October 2025 was requested, with an order requested by May 2024. The LREs have filed a letter requesting expedition of an order.
 - Outage policy RR reflects planning criteria and will not be filed at FERC.
 - Availability RR and Winter RAR, Docket ER24-2397, for winter 25/26, was refiled with FERC on June 28, 2024. A protest was filed, and SPP filed an answer.
 - Winter/Summer PRM and Fuel Assurance RRs – The plan is to file Fuel Assurance first, likely within the next month, followed by a PRM filing.
 - PRM Complaint – SPP filed a second compliance filing required by FERC.

An action item was established to keep the REAL Team up to date on FERC filings.

- b. **Supply Adequacy Working Group (SAWG)** Colton Kennedy (OPPD) provided an update on recent SAWG activity. Regarding the AQ process, SAWG took a motion to elevate the issue to the REAL Team.
- c. **Operations Update** – CJ Brown (SPP Staff) stated that it has been a good summer operationally despite many challenging days, and the load fell short of peak load. Forced outages reflected an average amount.
- d. **2024 Resource Adequacy Policy Targets** – Casey Cathey (SPP) provided a status update on Resource Adequacy Policy initiatives. An action item was taken to address affordability versus reliability with regard to the 2025 resource adequacy work plan.

- e. **Long-Term PRM Approach** – Lanny Nickell (SPP) discussed the Board’s encouragement and considerations to develop a unified long-term approach to evaluating and setting the Planning Reserve Margin so that members can better prepare for the future. Mr. Nickell suggested forming a steering committee to oversee the effort and develop a plan of action, which would then be presented to the Board in October.

AGENDA ITEMS 3 – REAL/SAWG 2025-2026 WORK PLAN

Natasha Henderson (SPP) presented the proposed 2025-2026 work plan and indicated that Staff is looking for feedback from the REAL Team on the timing of the proposed initiatives. The REAL Team will be asked to vote on this issue at the September 2024 meeting.

AGENDA ITEM 4 – 2023 SPP POST SEASON ANALYSIS REPORT

Chris Haley (SPP) reviewed the background of the 2023 Post Season Analysis report. Mr. Haley indicated this analysis was conducted on the prior summer season and compared Load Response Entities (LREs) actual peak demand to forecasted peak. Mr. Haley stated that the SPP Balancing Authority (BA) has seen a significant shift in forecasting values over the past four years, and the BA area has under-forecasted in the last two summer seasons. SPP has formed a Load Forecasting Task Force to review and potentially determine load forecasting best practices that SPP LREs may employ.

AGENDA ITEM 5 – LONGER-TERM PRM DISCUSSION

Chris Haley (SPP) reviewed the results of a 2024 survey result versus the 2023 survey that was included in the LOLE study. Approximately 91% of the load was covered in the 2024 survey results, which reflected a net increase in installed generation, a decrease in wind and solar, and an increase in thermal and hybrid facilities. The initial result of the analysis will be presented at the September 17, 2024 SAWG meeting. Staff agreed to provide a recommendation based upon information on the study and the context of what could influence the recommendation at the November meeting. A request was made for a timeline of when to expect Longer-Term PRM initiatives will be presented to the working groups and RSC.

AGENDA ITEM 6 – RR 618 DEMAND RESPONSE EDUCATIONAL OVERVIEW

Chris Haley (SPP Staff) reviewed RR618 objectives and discussed recent changes made by the SAWG as the result of straw polls. After discussion, the following motion was voted on:

MOTION: REAL directs SAWG to pause working on Demand Response Phase 1 initiative. The Real leadership team will propose a path forward for a holistic solution to demand response by September. Colton Kennedy (OPPD) motioned / Raymond Hepper (SPP Board) seconded. The motion passed with one abstention (PUCT).

AGENDA ITEM 7 – VALUE OF LOST LOAD (VOLL) UPDATE

Kirk Hall (SPP) reviewed the Value of Lost Load (VoLL), discussed the 2024 and 2025 ITP assessments and uses of VoLL, and reviewed questions explored with stakeholders. Mr. Hall

indicated that more work is needed to identify the appropriate value for VoLL to be used in the planning process. After discussing closing this action item, the staff suggested bringing back language on a plan to define the value of resilience and evaluate the cost and value of RA standards.

AGENDA ITEM 8 – RR632 – DATE CHANGE FOR ATTACHMENT AA

Chris Haley (SPP) reviewed the objective for RR632, which will allow more time for Load Responsible Entities to cure deficiencies when complying with the Resource Adequacy Requirements in each summer and winter season. The REAL Team will be asked to vote on this RR in September.

AGENDA ITEM 9 – FERNS UPDATE

Hannes Pfeifenberger (Brattle Group) highlighted the draft capacity expansion results from the Future Energy and Resource Needs Study.

AGENDA ITEM 10 – OTHER ITEMS

Dates for 2025 REAL Team meetings were discussed. A final recommendation will be made at the September meeting.

AGENDA ITEM 11 – NEW BUSINESS

N/A

AGENDA ITEM 12 – ADJOURNMENT

The meeting was adjourned at 3:52 p.m.

REAL MEMBERS

Andrew French (KCC)
Chuck Hutchison (NPRB)
Cindy Ireland (AR PSC)
David Osburn (OMPA)
Denise Buffington/Keaton Riddle (Evergy)
Jason Chaplin (OCC)
Kristie Fiegen (SDPUC)

Buddy Hasten/Andrew Lachowsky (AECC)
Colton Kennedy (OPPD)
Ray Hepper (SPP Board)
Richard Ross (AEP)
Shawnee Claiborn-Pinto (PUCT)
Steve Gaw (Advanced Power Alliance)

MEETING PARTICIPANTS

Aaron Stemplewicz
Adam McKinnie
Adam Schieffer
Afshin Salehian
Alex Crawford

Amy Newton
Andrea Harrison
Andrew Rogers
Angela Sartori
Ash Mayfield

Ashley Sanders
Austin Baccus
Ben Bright
Bernie Liu
Bert Bressers
Brad Cochran
Bradley Payne
Bradley Payne
Brett Springfield
Brian Rounds
Brooke Keene
Bryan Campbell
Calvin Daniels
Carly Masenthin
Casey Cathey
Charles Hendrix
Charlton Hill
Chris Bultsma
Chris Cranford
Chris Hanson
Chris Lyons
Chuck Hutchison
Cindy Ireland
CJ Brown
Clifford Franklin
Colt Cornelius
Cullen Reid
Curtis Miller
Dacia Turner
Dana Shelton
David Busse
David Sonntag
Deanna Schallau
Denise Buffington
Dennis Florum
Dennis Hogan
Derek Brown
DeWayne Todd
DJ Smith
Don Frerking
Emily Shuart
Eric Alexander
Erica Schmidt

Garrett Crowson
George Fee
Gian Chan
Greg Rislov
Hannes Pfeifenberger
Hazel Ethier
Heather Starnes
Jake Weinberg
James Jacoby
Jarred Cooley
Jason Chaplin
Jason Davis
Jason Mazigian
Jay Caspary
Jennifer Marquis
Jim Fehr
Jim Krajecki
John Stephens
John Turner
Jon Thurber
Jonathan Hathhorn
Jordan Foster
Julie Tackett
Justin Gable
Justin Grady
Justin Hinton
Justin Tate
Kalun Kelley
Kate Peters
Kathryn Rozwod
Kathy Champion
Keaton Riddle
Kelsey Allen
Kim O'Guinn
Kirk Hall
Kylah McNabb
LaKeitha Rinks
Lane Sisung
Larry Holloway
Larry Preston
Lee Elliott
Leif Clark
Loren Ditsch

Malcolm Ainspan
Marie Thompson
Marisa Choate
Mark Eastwood
Matt Powell
Natasha Brown
Nick Abraham
Nicole Wagner
Olivia Hough
Paige Vincent
Patrick Clarey
Phil Choi
Raleigh Mohr
Raymond Todd
Richard Owen
Riley Davis
Rodney Massman

Russell Quattlebaum
Ryan Benton
Ryan McCormick
Serhat Guney
Shannon Coleman
Steve Gaw
Sunny Raheem
Sydney Breaker
Teresa Cooper
Terra Higgins
Tim Hooker
Tim Owens
Tom Hestermann
Tom Michelotti
Ty Gorman
Walt Shumate
Will Tootle