

SOUTHWEST POWER POOL
COST ALLOCATION WORKING GROUP MEETING
April 8, 2025
8:00 am – 4:00 pm CST

Webex

SUMMARY OF MOTIONS AND ACTION ITEMS

MOTION: To approve the Consent Agenda. (Shawnee Claiborn-Pinto (PUCT) motioned / Cindy Ireland (APSC) seconded.) *The motion passed unanimously.*

MOTION: CAWG recommends to the RSC that the proposed cost allocation in RR672 is the proper cost allocation for the provisional load process proposed in RR672. (John Krajewski (NPRB) motioned / Adam McKinnie (MOPSC) seconded.) *The motion passed unanimously.*

MOTION: CAWG recommends RSC approve RR668 as recommended by REAL with Staff's proposed language changes implementing recommendations of EDE and Evergy/Xcel. (Matt Alvarado (IUC) motioned / Shawnee Claiborn-Pinto (PUCT) seconded.) *The motion passed with 11 votes in favor and 1 vote against (MN PUC)*

MOTION: The Cost Allocation Working Group (CAWG) recommends approval of the NRIS+ GRID-C Framework, incorporating the following elements for the CPP revision request:

- NRIS+ base plan funding may be applied when a generator:
 - Is designated by load (partial or full NRIS+ amount).
 - Meets base plan funding (BPF) and safe harbor provisions.
 - Complies with late-stage safeguard provisions (as outlined in Slide 7).
- NRIS+ Denominator:
 - Using estimated accreditation MWs from future generators as the denominator in the NRIS+ GRID calculation.
 - The denominator should be proportional to incremental accredited MWs and portfolio costs in Year 10 and Year 20.

(John Krajewski (NPRB) motioned / Justin Grady (KCC) seconded.) *The motion passed unanimously with one abstention (LPSC).*

MOTION: CAWG recommends GRID-C maximum availability be proportional to the generator's cost contributions to the overall ITP/CPP portfolio supporting the development of revision request language.

- No changes to directly assigned eligibility.
- Pending review of all current applicable study processes and their interactions with GRID-C.

(John Krajewski (NPRB) motioned / Adam McKinnie (MOPSC) seconded.) *The motion passed unanimously with one abstention (LPSC).*

MOTION: The CAWG recommends to the Regional State Committee, that the CAWG not perform an in-depth Safe Harbor review at this time. (John Krajewski (NPRB) motioned / Shawnee Claiborn-Pinto (PUCT) seconded.) *The motion passed unanimously.*

ACTION ITEMS:

1. Additional education on the 20% Wind Rule Safe Harbor criteria at a future CAWG Meeting.
2. SPP Staff will provide additional information on how Revenue Neutrality Uplift charges are collected and distributed.
3. SPP Staff to provide information related to FERC Order 881 and cost allocation of Dynamic Line Ratings.

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MINUTES

AGENDA ITEM 1 – CALL TO ORDER AND ADMINISTRATIVE ITEMS

Chair Agata Malek (NMPRC) called the meeting to order at 8:32 AM Central Time and a quorum was established.

AGENDA ITEM 2 – CONSENT AGENDA

The consent agenda included the agenda for the current meeting and the meeting minutes from March 11, 2025.

MOTION: To approve the Consent Agenda. (Shawnee Claiborn-Pinto (PUCT) motioned / Cindy Ireland (APSC) seconded.) *The motion passed unanimously.*

AGENDA ITEM 3 – ACTION ITEMS

Ben Bright (SPP Staff) provided a status update and noted that CAWG Action Item 189 related to an update on recent winter weather events would be on the April RSC Education Session agenda and items 190 and 191 would be covered in today's CAWG meeting.

AGENDA ITEM 4 – FERC UPDATE

Justin Hinton (SPP Staff) provided a status update on dockets currently pending at FERC.

AGENDA ITEM 5 – RESOURCE ADEQUACY UPDATE

- a) SAWG Report – Chris Haley (SPP Staff) noted that the March SAWG meeting was canceled. He also reported that SAWG would be focused on the following items: LRE Peak Load Assessment, Operations and Planning Alignment, Demand Response, and the Long-term Resource Mix Study. All RA work plan items are on track.
- b) REAL Team Report - Shawnee Claiborn-Pinto (PUCT) provided an update from the April 2, 2025 REAL Team meeting. During that meeting the REAL Team approved RR664 that implements the 2029 Planning Reserve Margin policies approved by the RSC and

Board in February 2025, closed the value of resiliency from the RA workplan and received an update from the Demand Response Cohort.

Most notably, the REAL passed motions related to RR668 SPP Expedited Resource Adequacy Study (ERAS). Based on comments submitted by Liberty/Empire the REAL directed staff to enhance the application of the LRE Ceiling Capacity and modify the LRE Selection Form consistent with the Evergy/Xcel Energy comments. The REAL also voted to expedite RR668 so that it will be considered for approval by the MOPC and RSC as approved by the RTWG and include the policy recommendations made by Liberty/Empire, Evergy and Xcel Energy that were directed by the REAL Team.

AGENDA ITEM 6 – RR672 – PROVISIONAL LOAD PROCESS

Jason Speer (SPP Staff) discussed RR672 to implement the Provisional Load Process. Most of the conversation was related to comments from Xcel Energy and Evergy. Those comments suggested that they believe that SPP has misinterpreted Attachment AQ and that SPP could implement this process with the current language. Justin Hinton (SPP Legal) stated there is a fundamental disagreement between SPP the commenters on the interpretation of what is required in the Tariff for SPP to be able to study Attachment AQ requests. The commenters also made it clear that this process is needed so if this RR672 is the only way to do that then they support it.

MOTION: CAWG recommends to the RSC that the proposed cost allocation in RR672 is the proper cost allocation for the provisional load process proposed in RR672. (John Krajewski (NPRB) motioned / Adam McKinnie (MOPSC) seconded.) *The motion passed unanimously.*

AGENDA ITEM 7 – RR668 – SPP EXPEDITED RESOURCE ADEQUACY STUDY

Steve Purdy (SPP Staff) provided an overview of the substantive changes made to RR668 since the CAWG approved it in March. Those changes include updates to the LRE Selection Form suggested by Evergy and Xcel Energy. Additionally, Mr. Purdy covered the Liberty/Empire comments that enhance the LRE Ceiling Capacity language.

MOTION: CAWG recommends RSC approve RR668 as recommended by REAL with Staff's proposed language changes implementing recommendations of EDE and Evergy/Xcel. (Matt Alvarado (IUC) motioned / Shawnee Claiborn-Pinto (PUCT) seconded.) *The motion passed with 11 votes in favor and 1 vote against (MN PUC)*

MN PUC provided the following rationale for the opposing vote: The changes to attestation language, in particular "LRE reasonably believes" is too arbitrary and subjective. ERAS must have firm guardrails to make sure LREs make reasonable efforts to procure projects that are competitively priced.

AGENDA ITEM 9 – CPPTF UPDATE

John Krajewski (NPRB) and Sunny Raheem (SPP Staff) provided a status update of the Consolidated Planning Process Task Force efforts in continued development of the CPP Phase 1, including the GRID Entry Fee framework and the allocation of ILTCRs with CPP.

The NRIS+ GRID-C presentation included the alignment of GI cost allocation based on the benefit to interconnection service type and the calculation of the NRIS+ GRID-C fee denominator.

MOTION: The Cost Allocation Working Group (CAWG) recommends approval of the NRIS+ GRID-C Framework, incorporating the following elements for the CPP revision request:

- NRIS+ base plan funding may be applied when a generator:
 - Is designated by load (partial or full NRIS+ amount).
 - Meets base plan funding (BPF) and safe harbor provisions.
 - Complies with late-stage safeguard provisions (as outlined in Slide 7).
- NRIS+ Denominator:
 - Using estimated accreditation MWs from future generators as the denominator in the NRIS+ GRID calculation.
 - The denominator should be proportional to incremental accredited MWs and portfolio costs in Year 10 and Year 20.

(John Krajewski (NPRB) motioned / Justin Grady (KCC) seconded.) *The motion passed unanimously with one abstention (LPSC).*

The ILTCR discussion included an overview of the current ILTCR process and the proposal for how ILTCRs should be allocated in the ITP/CPP.

MOTION: CAWG recommends GRID-C maximum availability will be proportional to the generator's cost contributions to the overall ITP/CPP portfolio supporting the development of revision request language.

- No changes to directly assigned eligibility.
- Pending review of all current applicable study processes and their interactions with GRID-C.

(John Krajewski (NPRB) motioned / Adam McKinnie (MOPSC) seconded.) *The motion passed unanimously with one abstention (LPSC).*

AGENDA ITEM 10 – ANNUAL SAFE HARBOR REVIEW

Adam McKinnie (MOPSC) reminded the task force that in the March Meeting the CAWG asked SPP Staff to bring a draft motion to this meeting that reflected the CAWGs intention to delay the review of the Safe Harbor policies until after the CPP RR is completed.

MOTION: The CAWG recommends to the Regional State Committee, that the CAWG not perform an in-depth Safe Harbor review at this time. (John Krajewski (NPRB) motioned / Shawnee Claiborn-Pinto (PUCT) seconded.) *The motion passed unanimously.*

Matt Alvarado (IUC) asked for additional education on the background and history of the 20% Wind Rule Safe Harbor Criteria.

AGENDA ITEM 12 – TARGETED MARKET EFFICIENCY PROJECTS EDUCATION

Jill Ponder (SPP Staff) provided a detailed overview of Targeted Market Efficiency Projects (TMEPs). TMEPs is a type of transmission project developed jointly by RTOs to address persistent M2M congestion on the transmission system in a cost-effective manner. The objective is to develop a repeatable process to study persistent, historical M2M congestion on the SPP-MISO seam including a set of appropriate project criteria for inclusion in updated JOA language. Staff provided an example of benefit calculation and financial settlements. Staff will be asking the CAWG to endorse the cost of each project allocated between MISO and SPP on the ratio of historical congestion costs that have been adjusted for M2M impacts and that within the SPP footprint costs would be treated as Interregional Projects and costs be recovered through the Region-wide Annual Transmission Revenue Requirement and a Region-wide Charge. Staff are expecting this to be considered for RSC approval in August 2025.

AGENDA ITEM 13 – GRID ENHANCING TECHNOLOGIES STRATEGIC INITIATIVE REQUEST

Joshua Pilgrim (SPP Staff) provided an update on this strategic initiative request. The SPP Board has directed SPP to consider GETs as part of the SPP planning process. SPP Planning Staff is attempting to determine the best way to cost allocate these items. Staff are currently viewing GETs as an option to pair with a larger project to mitigate transmission issues. It is expected that GETs could be approved in an ITP study and have NTCs issued like other transmission upgrades. Staff's focus for GETs is Dynamic Line Rating and Power Flow Controls because these can be installed quickly and the benefits are realized almost immediately. SPPs intention is to pair GETs devices with large scale projects to help alleviate congestion on the short-term while larger scaled project are being built. Staff would like to determine to allocate costs for these types devices that may only be used in this short-term manner. Additional training on GETs is needed.

AGENDA ITEM 14 – FERC ORDER 1920 UPDATE

Justin Hinton (SPP Staff) reviewed the requirements of FERC Order 1920.

AGENDA ITEM 15 – UPCOMING ITEMS FOR RSC

Item	CAWG Approval	May-25	Aug-25	Nov-25
Delivery Point Rule Policy	2/13/25	V		
RR664 - 2029 PRM	3/11/25	V		
RR665 - HITT C1 Implementation	3/11/25	V		
RR668 – SPP ERAS	4/08/25	V		
CPP Policy/GRID Contribution Policy	3/11/25	V		
RRXXX – Provisional Load Process	4/08/25	V		
Annual Safe Harbor Review	4/08/25	V		
RRXXX – Seams Projects			V	
Consolidated Planning Process RR			V	
RRXXX - Outage Criteria			V	
RRXXX - FERC Order 1920 RR	TBD			
Demand Response Accreditation	TBD			

AGENDA ITEM 16 – ACTION ITEMS

1. Additional education on the 20% Wind Rule Safe Harbor criteria at a future CAWG Meeting.
2. SPP Staff will provide additional information on how Revenue Neutrality Uplift charges are collected and distributed.
3. SPP Staff to provide information related to FERC Order 881 and cost allocation of Dynamic Line Ratings.

AGENDA ITEM 17 – ADJOURNMENT

Chair Agata Malek adjourned the meeting at 2:47 pm CST.

CAWG MEMBERS

Agata Malek (NMPRC), Chair
Adam McKinnie (MOPSC)
Cindy Ireland (APSC)
Greg Rislov (SDPUC)
Justin Grady (KCC)
Jason Chaplin (OCC)

John Krajewski (NPRB), Vice-chair
Lane Sisung (LPSC)
Lise Trudeau (MN PUC)
Matt Alvarado (IUC)
Shawnee Claiborn-Pinto (PUCT)
Victor Schock (NDPSC)

MEETING PARTICIPANTS

Aaron Doll
Aaron Shipley
Adam McKinnie
Adam Schieffer
Agata Malek
Albert Mendoza
Alex Crawford
Amy Newton
Andrea Harrison
Andrew Daro
Angela Sartori
Ash Mayfield
Austin Morman
Bakhtawar Khan
Ben Bright
Ben Stearney
Bernie Liu
Beverly Laios
Brad Cochran
Bradley Payne
Brian Rounds
Brooke Keene
Bruce Doll
Carly Masenthin
Charles Hendrix
Charles Locke
Charlton Hill
Chris Cranford
Chris Green
Chris Haley
Chris Lyons
Christine Aarnes
Christopher Hanson

Cindy Ireland
Clint Savoy
Conor McKenzie
Dana Shelton
Darren Prince
David Busse
David Cohen
David Sonntag
Denise Martin
Dennis Reed
Derek Brown
Derek Sunderman
Diana Gastelum
Don Frerking
Eric Giddens
Eric Stoutenburg
Ethan Tedder
Gayle Freier
Greg Rislov
Heather Starnes
Jake Chapman
James Mindrup
James Peters
James Thomas
Jarred Cooley
Jason Chaplin
Jason Cox
Jason Davis
Jason Speer
Jena Arnold
Jeremy Severson
Jeremy Voll
Jill Ponder

Jim Flucke
Jodi Walters
John Borgmeyer
John Krajewski
John Luallen
John Stephens
John Varnell
John Weber
Jon Thurber
Joshua Pilgrim
Julie Bissen
Julie Tackett
Justin Grady
Justin Hinton
Kathy Champion
Kelsey Allen
Kyle Martinez
Lane Sisung
Lee Elliott
Leif Clark
Leigh Gibson
Lise Trudeau
Loren Ditsch
Lori Cobos
Marc A. Tupler
Marc Printy
Maria Gingras
Marisa Choate
Mark Price
Mateusz Neska
Matt Alvarado
Matt Welch
Maurice Moss

Maya Nevels
Meredith Powell
Nasser AlKhamis
Natasha Henderson
Nick Abraham
Nicole Wagner
Nikki Roberts
Oliver Burke
Olivia Hough
Patrick Clarey
Raleigh Mohr

Ramunda Russell
Randy Christmann
Rich Germinder
Richard Owen
Robert Pick
Robert Safuto
Ryan Benton
Shawn Geil
Shawnee Claiborn-Pinto
Steve Gaw
Steve Purdy

Sunny Raheem
Teresa Cooper
Tessie Kentner
Tiffany Wu
Tom Michelotti
Victor Schock
Walt Shumate
Walter Cecil
Werner Roth