

109 FERC ¶ 61,008
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, Joseph T. Kelliher,
and Suedeen G. Kelly.

Southwest Power Pool, Inc.

Docket No. ER04-1096-000

ORDER ON PROPOSED JOINT OPERATING AGREEMENT

(Issued October 1, 2004)

1. On August 2, 2004, pursuant to section 205 of the Federal Power Act (FPA),¹ Southwest Power Pool, Inc. (SPP) submitted an unexecuted, proposed joint operating agreement (SPP JOA) between itself and the Midwest Independent Transmission System Operator, Inc. (Midwest ISO). SPP submitted the SPP JOA as part of its compliance filing to prior Commission orders, issued on February 10, 2004² and July 2, 2004,³ in which we conditionally granted SPP's application to become a regional transmission organization (RTO). SPP submitted the remainder of its compliance filing in Docket Nos. RT04-1-004, *et al.*, and we address that filing in an order being issued concurrently with this one (Compliance Filing Order).

2. As discussed below, we will accept for filing the SPP JOA as an interim solution, and grant SPP RTO status, subject to SPP committing to file revisions noted in the Compliance Filing Order and committing to either: (1) file by December 1, 2004, a revised JOA that is executed by SPP and the Midwest ISO, and addresses market-to-non-market issues, including a Congestion Management Process and coordinated flowgates; or (2) file by December 1, 2004, the draft JOA included in the Midwest ISO's protest in this proceeding (draft JOA), executed by SPP and the Midwest ISO. This order benefits customers by furthering coordinated operations between RTOs and reducing seams issues.

¹ 16 U.S.C. § 824d (2000).

² Southwest Power Pool, Inc., 106 FERC ¶ 61,110 (2004) (February 10 Order).

³ Southwest Power Pool, Inc., 108 FERC ¶ 61,003 (2004) (July 2 Order).

I. Background

3. By order issued February 10, 2004 (February 10 Order),⁴ the Commission conditionally granted SPP's application for recognition as an RTO. Pursuant to Order No. 2000,⁵ we directed SPP to satisfy several prerequisites prior to receiving final RTO authorization. Relevant here, we required "SPP to have on file with the Commission a seams agreement with Midwest ISO and to participate in the Joint and Common Market with Midwest ISO and PJM [(PJM Interconnection, LLC)]."⁶ We imposed these requirements in order to address protestors' concerns regarding the adequacy of SPP's scope and configuration as required by Order No. 2000.

4. On May 3, 2004, SPP submitted its compliance filing to the February 10 Order which, among other things, included a memorandum of understanding (MOU) between itself and the Midwest ISO regarding seams issues. SPP further stated that it would participate in the Joint and Common Market under market-to-non-market protocols until it implements its imbalance market and determines whether a market-based congestion management system is cost-beneficial. SPP also stated that it was pursuing with the Midwest ISO a JOA to be based upon the JOA executed between the Midwest ISO and PJM (PJM JOA).

5. By order issued July 2, 2004 (July 2 Order),⁷ the Commission accepted in part and rejected in part SPP's compliance filing to the February 10 Order. On the matter of SPP's scope and configuration, we found that SPP had not fully complied with the February 10 Order's requirement that SPP have on file a seams agreement with the Midwest ISO. We stated that, in order to satisfy the February 10 Order, the seams agreement must be filed pursuant to section 205 (and meet Order No. 614 requirements). We further found that the seams agreement must provide detail on how SPP and the Midwest ISO will coordinate RTO operations, including, but not limited to, the following:

⁴ Southwest Power Pool, Inc., 106 FERC ¶ 61,110 (2004).

⁵ Regional Transmission Organizations, Order No. 2000, 65 Fed. Reg. 809 (January 6, 2000), FERC Stats. & Regs., ¶ 31,089 (1999), *order on reh'g*, Order No. 2000-A, 65 Fed. Reg. 12,088 (March 8, 2000), FERC Stats. & Regs. ¶ 31,092 (2000), *affirmed sub nom.* Public Utility District No. 1 of Snohomish County, Washington, *et al.* v. FERC, 272 F.3d 607 (D.C. Cir. 2001).

⁶ February 10 Order at P 63.

⁷ Southwest Power Pool, 108 FERC ¶ 61,003 (2004).

Procedures for ensuring Available Flowgate Capacity (AFC) and Available Transfer Capability (ATC) are calculated consistently, coordinated on a multi-system basis and published to all market participants;

Procedures for developing consistent treatment of Transmission Reliability Margin (TRM) and Capacity Benefit Margin (CBM);

Type, and timing, of information exchange related to AFC, ATC, TRM and CBM;

Procedures for coordinating emergency and restoration procedures, prevention of system collapse and instability;

Procedures for coordinating operational model data updates and exchanging such data; and

Details on notification and coordination of maintenance outages of generation and transmission lines impacting inter-RTO transfer capability.⁸

6. In the July 2 Order, the Commission recognized that the information described above may be reflected in the JOA that SPP planned to file. We stated that we would review such a filing to determine whether it satisfies the requirement of the February 10 Order for achieving RTO status. In addition, we required that a seams agreement (or JOA) between SPP and the Midwest ISO reflect that any termination will not be effective except upon Commission action on the filing of a notice of cancellation.⁹

7. On August 2, 2004, SPP submitted the SPP JOA at issue here, entitled, the “Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. and Southwest Power Pool, Inc.”

II. Notice of the Filing and Responsive Pleadings

8. Notice of the SPP JOA was published in the *Federal Register*,¹⁰ with interventions and protests due on or before August 23, 2004. The Missouri Public Service Commission and the Arkansas Public Service Commission each filed a notice of intervention. The Louisiana Public Service Commission (Louisiana Commission) filed a notice of intervention and comments. The Wisconsin Electric Power Company filed a timely

⁸ July 2 Order at P 53.

⁹ *Id.* at P 54.

¹⁰ 69 Fed. Reg. 50,376 (2004).

motion to intervene. The SPP Regional State Committee (RSC)¹¹ timely filed supporting comments. The Midwest ISO filed a timely motion to intervene and protest. Exelon Corporation (Exelon) and the Midwest Stand-Alone Transmission Companies (MSATC)¹² each filed an untimely motion to intervene and protest. The Indicated SPP Transmission Owner Members (Certain SPP TOs)¹³ jointly filed an untimely motion to intervene and supporting comments.

9. On September 7, 2004, SPP submitted an answer to the Midwest ISO's protest.

III. Procedural Matters

10. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2004), the notices of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. In addition, we will allow the late interventions of Exelon Corporation, the MSATC, and Certain SPP TOs, given their interest in this proceeding and the absence of any undue prejudice or delay.

11. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2004), prohibits an answer to a protest unless otherwise ordered by the decisional authority. However, we will accept SPP's answer, since it has assisted us in the decision-making process.

12. We further note that, in its protest, the Louisiana Commission disputes SPP's statement, set forth in its companion compliance filing in Docket Nos. RT04-1-004, *et al.*, that certain facilities owned by American Electric Power West have been transferred to SPP. This argument is beyond the scope of this proceeding and, therefore, we will not address it.

¹¹ The RSC includes one designated commissioner from the following state regulatory commissions: the Oklahoma Corporation Commission, Arkansas Public Service Commission, Public Utility Commission of Texas, New Mexico Public Regulation Commission, Missouri Public Service Commission, and Kansas Corporation Commission.

¹² MSATC includes: American Transmission Company LLC, GridAmerica LLC, International Transmission Company, and Michigan Electric Transmission Company.

¹³ Certain SPP TOs include: Westar Energy, Inc.; Kansas City Power & Light Company; Southwestern Electric Power Company and Public Service Company of Oklahoma; Midwest Energy, Inc.; Oklahoma Gas and Electric Company; and the Empire Electric District Electric Company.

IV. Discussion

A. Proposed SPP JOA

13. SPP states that the SPP JOA is consistent with the non-market-to-non-market principles included in the PJM JOA, which the Commission conditionally accepted for filing.¹⁴ SPP maintains that its stakeholders are supportive of the SPP JOA, and asserts that the Midwest ISO supports Phase 0, or non-market-to-non-market, provisions.

14. SPP contends that the SPP JOA includes all of the provisions necessary for non-market-to-non-market operations, as well as some provisions that address Phase 1, market-to-non-market, coordination issues. SPP states that negotiations with the Midwest ISO are pending, regarding the nature and extent of enhanced coordination principles needed in a Phase 1, market-to-non-market, operating environment. According to SPP, the Midwest ISO has declined to execute the SPP JOA without such principles, despite a provision in the agreement requiring that those principles be developed and agreed upon no later than 60 days prior to the time at which either party implements their respective market operations. In any case, SPP contends that the July 2 Order did not require that Phase 1, market-to-non-market, operations be in place or that a seams agreement fully address that phase.

15. SPP further notes that, in the February 10 Order, the Commission stated that whether SPP will implement a market-based congestion management design is subject to a cost/benefit analysis. SPP contends that any design that might come out of that process may differ from that which is approved and being implemented for Midwest ISO. Accordingly, SPP does not consider it necessary or reasonable to address market operations with any greater specificity than that already contained in the proposed JOA in order to achieve RTO status. SPP asserts that any provisions dealing with markets will be addressed within 60 days of either SPP or MISO commencing markets. SPP states that there must be a basis for negotiating such terms and that the basis will exist only upon further development of SPP's market operations design.

¹⁴ See *Midwest Independent Transmission System Operator, Inc.*, 106 FERC ¶ 61,251 (2004), *order on reh'g*, 108 FERC ¶ 61,143 (2004) (*PJM JOA Order*). We note that SPP JOA refers to three market phases, *i.e.*, non-market-to-non-market as Phase 0, market-to-non-market as Phase 1, and market-to-market as Phase 2, while the PJM JOA refers to the same phases as Phase 1, 2 and 3, respectively.

16. Based upon its filing, SPP requests that the Commission grant it RTO authorization. SPP asserts that, absent RTO authorization, it will be unable to continue to jointly develop with the Midwest ISO the appropriate enhanced coordination principles required in a Phase 1, market-to-non-market, environment.

B. Protests and Comments

17. The Midwest ISO argues that the Commission should reject the SPP JOA as patently deficient, for failing to comply with the February 10 and July 2 Orders. The Midwest ISO contends that SPP was required to file a seams agreement with the Midwest ISO and that, by filing an unexecuted document, SPP has failed to implement the Commission's mandate. According to the Midwest ISO, the unexecuted JOA constitutes an interim document that serves no useful purpose, because the Commission previously addressed other interim documents (including the MOU) and required SPP to submit an actual agreement. The Midwest ISO argues that, while the Commission permits public utilities to file unexecuted agreements under certain circumstances, those circumstances do not exist here.¹⁵ The Midwest ISO asserts that SPP lacks the authority to file purported tariffs on behalf of the Midwest ISO without the Midwest ISO's consent.¹⁶

18. The Midwest ISO further argues that the SPP JOA is deficient because it utilizes, in effect, an "agreement to agree," rather than substantive provisions, in critical sections addressing Phase 1, market-to-non-market issues, such as congestion management and flowgate coordination.¹⁷ The Midwest ISO asserts that, in the PJM JOA Order, the Commission recognized the essential nature of these provisions and stated that "the general principle of respecting flowgate capability between RTOs is one of the most

¹⁵ The Midwest ISO notes several circumstances in which filing unexecuted agreements may satisfy regulations, states that, in all such cases, the *pro forma* agreements must contain the standard essential terms and conditions prescribed by the OATT or the customer must direct the transmission provider to file the unexecuted agreement. Neither situation, asserts the Midwest ISO, is present here. Midwest ISO Protest at 6.

¹⁶ The Midwest ISO cites the fact that SPP has identified the JOA as "Midwest ISO FERC Electric Tariff, Rate Schedule No. 6" in support of this point. Midwest ISO Protest at 7.

¹⁷ For example, the Midwest ISO states that Article VI of the SPP JOA provides that the "Parties will develop and agree upon a Congestion Management Process by no later than 60 days prior to Phase 2 operations"

important aspects of the JOA.”¹⁸ The Midwest ISO asserts that the SPP JOA fails to address these critical coordination issues, and runs afoul of SPP’s own commitments and Commission decisions requiring that these issues be addressed consistent with the PJM JOA Order.

19. The Midwest ISO contends that there is no legitimate reason to delay the inclusion of market-to-non-market provisions in the SPP JOA, because the North American Electric Reliability Council (NERC) has accepted both parties’ congestion management plans, including reciprocal coordination of flowgates. In addition, the Midwest ISO states that a draft of the SPP/Midwest ISO Congestion Management Process, which is based on PJM JOA precedent, has been jointly developed by both parties. The Midwest ISO further asserts that it recently tendered the draft JOA to SPP, which, according to the Midwest ISO, came out of discussions with SPP, contains the requisite coordinated flowgate provisions, and is based upon the PJM JOA.

20. Further, the Midwest ISO states that, as a practical matter, any congestion management process that differs in any material aspect from the existing template already approved by the Commission will require the Midwest ISO to undertake information technology and operating protocol modifications to implement the different requirements of the new congestion management process. According to the Midwest ISO, this will require more than a 60-day lead time to resolve such issues before Phase 1, market-to-non-market, congestion management can be implemented.

21. The Midwest ISO urges the Commission to reject the SPP JOA and direct SPP to submit a new compliance filing that incorporates substantive congestion management and flowgate coordination procedures, patterned on those set forth in the PJM JOA. Alternatively, the Midwest ISO requests that the SPP JOA be set for hearing to address congestion management and flowgate coordination issues, and any other contested issues of material fact.

22. The MSATC supports the Midwest ISO’s effort to ensure that congestion management and flowgate provisions are included in any seams agreement with SPP. MSATC argues that executing a seams agreement without such provisions does little to achieve the level of coordination sought by the Commission.

23. The RSC reiterates SPP’s argument that neither the February 10 Order, nor the July 2 Order, require a seams agreement with respect to “Day 2” operations. The RSC states that, to the contrary, the February 10 Order contemplates that SPP will not commence market operations unless and until a cost-benefit analysis shows that such

¹⁸ *PJM JOA Order*, 106 FERC ¶ 61,251 at P 32.

operations will provide net benefits for customers in the SPP region. The RSC asserts that, at this juncture, it would be premature and inefficient for SPP to negotiate principles of market operations, because the design of any SPP Day 2 market, assuming one is implemented, cannot be known. The RSC urges the Commission to accept the SPP JOA as filed.

24. Certain SPP TOs also support the SPP JOA. They state that neither the July 2 Order nor Order No. 2000 require SPP to address all coordination issues that may exist when either SPP or the Midwest ISO implements its market, an event that may not occur for many months. They argue that SPP's approach is consistent with Order No. 2000, which, they contend, allows an RTO applicant to propose reporting requirements, including a schedule, for providing details as to how it will satisfy coordination requirements but does not require an RTO to address all coordination issues on Day 1.¹⁹

25. Exelon states that section 6.1.1 of the SPP JOA appears to require the allocation between SPP and the Midwest ISO of transmission capacity in excess of existing uses beyond day-ahead and real-time periods. According to Exelon, such allocation can result in SPP or the Midwest ISO denying transmission service when transmission capacity is available, simply because their allocated share of that available transmission capacity is insufficient. Exelon further argues that such allocation is "inconsistent with the policy of first-come, first served articulated [in] Order No. 888."²⁰

C. SPP's Answer

26. SPP states that, in accordance with the July 2 Order, the SPP JOA adequately addresses the seams issues necessary for Day 1 RTO compliance. SPP asserts that data coordination procedures are already in place between itself and the Midwest ISO.²¹ SPP contends that the terms and conditions urged by the Midwest ISO go beyond what the February 10 and July 2 Orders require, and would subject SPP to unprecedented Day 1 compliance standards for RTO recognition. SPP contends that the Midwest ISO seeks to "put the Day 2 congestion management 'cart' before the Day 1 reliability 'horse.'"²²

¹⁹ They state that under Order No. 2000, for example, measures to address parallel path flow between regions need not be in place on the first day of RTO operation.

²⁰ Exelon protest at 3.

²¹ In support of this point, SPP attaches to its answer the affidavit of Carl A. Monroe, SPP's Senior Vice President of Operations and Chief Operating Officer.

²² SPP's answer at 3.

27. SPP further argues that to reject the SPP JOA as non-compliant solely because of the Midwest ISO's unwillingness to sign it would leave the fate of SPP's RTO initiative in the exclusive control of the Midwest ISO and would, therefore, supplant the Commission's jurisdiction. SPP urges the Commission to accept the SPP JOA or, alternatively, exercise its authority under section 206 of the FPA²³ to "order that Day 1 seams coordination procedures reflected in the [SPP JOA] be incorporated into the respective tariffs of SPP and the Midwest ISO."²⁴

D. Commission Response

28. We find that the SPP JOA provisions pertaining to current non-market-to-non-market operations (Phase 0) are just and reasonable and in compliance with the February 10 and July 2 Orders for the period prior to Midwest ISO market start-up on March 1, 2005. Indeed no party has contended that the SPP JOA provisions pertaining to Phase 0 are not just and reasonable. However, we also find that the provisions regarding congestion management and flowgate coordination require modification. Accordingly, we will accept for filing the SPP JOA as an interim solution and grant SPP RTO status, subject to SPP committing to file revisions noted in the Compliance Filing Order and committing to make a compliance filing, as discussed below.

29. In this proceeding, the Commission has clearly and consistently stated that SPP must have a seams agreement with the Midwest ISO on file as a prerequisite for RTO status. The February 10 Order imposed the mandate and the July 2 Order reiterated and further clarified it. This mandate requires that the agreement be executed and adequate in scope, i.e., contain provisions to address an imminent circumstance, namely, the Midwest ISO market to SPP non-market conditions, expected to be in effect by March 1, 2005 (when the Midwest ISO commences its markets).

30. As stated in its previous RTO compliance filing, SPP anticipated that its seams agreement with the Midwest ISO would be based on the PJM JOA, and that SPP would finalize and file this agreement prior to being granted RTO approval.²⁵ SPP committed to participate in the Midwest ISO-PJM Joint and Common Market under market-to-non-market protocols until such time as it implements markets and market-based congestion

²³ 16 U.S.C. § 824e (2000).

²⁴ SPP answer at 10.

²⁵ See SPP's compliance filing in Docket No. RT04-1-002, *et al.*, filed May 3, 2004.

management. Building on SPP's commitments, in the July 2 Order, the Commission required SPP to file a seams agreement that provides detail on how SPP and the Midwest ISO will coordinate RTO operations. We further noted certain elements that must be included in the JOA, including provisions to coordinate AFC and other operational and reliability issues.²⁶

31. However, the SPP JOA is not a joint filing; it was unilaterally filed by SPP. While the Midwest ISO does not object to the provisions concerning non-market-to-non-market (Phase 0) conditions, it seeks rejection of the agreement for what it does not contain, i.e., explicit market-to-non-market coordination provisions. SPP contends that it is not "necessary or reasonable" to address market operations in the SPP JOA at this time because its market-based congestion management design is not yet developed or approved and may differ from the design being implemented by the Midwest ISO. We disagree. As the Midwest ISO points out, in the PJM JOA Order, we stressed the importance of flowgate coordination procedures, despite the fact that the PJM JOA was executed prior to the Commission's approval of a market design for the Midwest ISO. We recognized that "the general principle of respecting flowgate capability between RTOs is one of the most important aspects of the JOA" and that "respecting even a partial list of flowgates represents an improvement over the coordination that occurs [without a seams agreement]."²⁷ The SPP JOA leaves only placeholders for these critical market-to-non-market elements, elements that will need to be operational by March 1, 2005, when the Midwest ISO's markets commence. The July 2 Order calls for the seams agreement to "provide detail on how SPP and the Midwest ISO will coordinate RTO operations." Because the Midwest ISO's market operations are imminent, SPP's "agreement to agree" on congestion management and coordinated flowgates does not meet that requirement.

32. Moreover, while some minor adjustments may be necessary, we do not believe that the market-to-non-market provisions in the SPP JOA must significantly differ from those in the PJM JOA, which we have determined to be just and reasonable. This is particularly true, given SPP's commitment to participate in the Joint and Common Market, which would necessitate a common form of coordinated operations across all three RTOs.²⁸ Therefore, we see no reason to allow the negotiations to continue on an

²⁶ July 2 Order at P 52-55.

²⁷ PJM Order, P 32 and 34.

²⁸ Moreover, as discussed below, the market portion of the market-to-non-market provisions apply not to SPP, but to Midwest ISO, leaving undetermined the coordination procedures for when SPP operates markets.

open-ended basis, which could result in the Midwest ISO commencing its markets without a market-to-non-market JOA with SPP. Indeed, based on the record here, it would appear that both sides are approaching the negotiations with a common end-state in mind, namely, an agreement consistent with the PJM JOA. We note that the draft JOA contains market-to-non-market provisions that are consistent with those in the PJM JOA that is on file. We believe that the substantive components of the PJM JOA, which we have accepted, are appropriate for use in the market-to-non-market circumstances under which SPP and the Midwest ISO will operate.

33. Based upon the foregoing, we will accept for filing the SPP JOA as an interim solution and grant SPP RTO status subject to the following requirements. Given the need for timely resolution of the market-to-non-market provisions in the SPP JOA, we will direct SPP to either: (1) file by December 1, 2004, a revised JOA that is executed by SPP and the Midwest ISO, and addresses market-to-non-market issues, including a Congestion Management Process and coordinated flowgates; or (2) file by December 1, 2004, the draft JOA executed by SPP and the Midwest ISO.²⁹

34. In response to the RSC's concerns, we agree that the SPP JOA should not address Day 2 coordination at this time. While SPP and the Midwest ISO must have in place a JOA that recognizes the pending commencement of the Midwest ISO's market operations, if and when SPP chooses to operate markets (following a cost-benefit analysis), SPP and the Midwest ISO must execute a Phase 2 JOA, and SPP must file it, in sufficient time to ensure that all issues are addressed prior to commencement of SPP's markets.

35. We find that Exelon's concerns regarding section 6.1.1. of SPP's JOA (allocation of firm and non-firm capability) are premature. That section notes that the Congestion Management Process will set forth the procedure for reciprocal coordination. As discussed above, a Congestion Management Process document was not included in the SPP JOA. When SPP files a proposed Congestion Management Process in compliance with this order, Exelon may raise its concerns at that time.³⁰

²⁹ SPP may negotiate changes to the draft JOA, provided that such changes are fully supported as being consistent with or superior to the terms of that draft. Of course, such changes may not include elimination of market-to-non-market provisions.

³⁰ We note that Exelon, along with American Electric Power Service Corporation and Ameren Corporation raised the same issue in a request for rehearing of the Commission's August 5, 2004 order in Docket No. ER04-375-001, *et al.* The Commission established a briefing schedule in that proceeding.

The Commission orders:

The SPP JOA is hereby accepted for filing as an interim solution, and SPP is granted RTO status, subject to SPP committing to file revisions noted in the Compliance Filing Order and committing to either: (1) file by December 1, 2004, a revised JOA that is executed by SPP and the Midwest ISO, and addresses market-to-non-market issues, including a Congestion Management Process and coordinated flowgates; or (2) file by December 1, 2004, the draft JOA executed by SPP and the Midwest ISO. SPP shall document its commitment to file such revisions in a filing with the Commission to be made no later than 15 days from the date of this order.

By the Commission. Commissioner Brownell dissenting with a separate statement attached.

(S E A L)

Linda Mitry,
Acting Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Southwest Power Pool, Inc.

Docket No. ER04-1096-000

(Issued October 1, 2004)

BROWNELL, Commissioner, dissenting:

We have consistently stated that SPP must have an executed seams agreement with the Midwest ISO on file as a prerequisite for RTO status. Our February 10 Order imposed the requirement. Our July 2 Order required that the seams agreement provide very specific detail on how SPP and Midwest ISO will coordinate RTO operations, particularly with regard to congestion management and flowgate coordination. On August 2, 2004, SPP filed an unexecuted, proposed joint operating agreement (SPP JOA).

The Order issued today recognizes that it is necessary and reasonable that the seams agreement between SPP and Midwest ISO resolve the market-to-non-market coordination by the time Midwest ISO commences its markets on March 1, 2005. The Order also recognizes that the market-to-non-market provisions in the seams agreement between SPP and Midwest ISO should not significantly differ from those in the PJM JOA. This is particularly true given SPP's commitment to participate in the Joint and Common Market under market-to-non-market protocols which necessitates coordination across all three RTOs.

The unexecuted SPP JOA fails to comply with our directives. The unexecuted SPP JOA merely leaves placeholders for critical elements. Given the number of seams problems that we have seen historically as ISOs and RTOs evolve, it is unacceptable that SPP has filed an unexecuted seams agreement. Therefore, I am forced to dissent because an unexecuted, incomplete JOA is inconsistent with our orders.

For these reasons, I respectfully dissent.

Nora Mead Brownell
Commissioner