

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Suedeem G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

Southwest Power Pool, Inc.

Docket No. ER07-14-002

ORDER DISMISSING REQUESTS FOR
CLARIFICATION AND REHEARING AS MOOT

(Issued June 26, 2007)

1. In this order, we dismiss as moot requests for clarification or, in the alternative, rehearing of the letter order that was issued in this proceeding on January 19, 2007.

I. Background

2. On October 4, 2006, Southwest Power Pool, Inc. (SPP) proposed to terminate three agreements for transmission service to Oklahoma Municipal Power Authority (OMPA) (Operating Agreements). Each of the Operating Agreements is among SPP, OMPA and an individual transmitting utility in whose territory OMPA serves load: American Electric Power Company (AEP), Western Farmers Electric Cooperative and Oklahoma Gas and Electric Company (OG&E).

3. SPP proposed to terminate the Operating Agreements on the grounds that the agreements would be superseded by a proposed Network Integration Transmission Service Agreement (Integration Agreement) that was, at that time, pending the Commission's review. SPP requested that the Operating Agreements terminate as of December 1, 2005, the date on which the superceding Integration Agreement was proposed to take effect. On October 10, 2006, SPP clarified that the Operating Agreements should terminate only if the Commission accepted the Integration Agreement. On November 22, 2006, SPP withdrew its proposal to terminate the Operating Agreement with OG&E, reasoning that this agreement would not be affected by the Integration Agreement.

4. By letter order dated January 19, 2007, the Director of the Division of Tariffs and Market Development – Central accepted SPP’s proposal to terminate the Operating Agreements with AEP and Western “subject to the outcome” of the Commission’s review of the Integration Agreement.¹

5. On February 20, 2007, SPP requested clarification that, under the letter order, termination of the Operating Agreements would take effect only upon the Commission’s acceptance of the Integration Agreement.² SPP requested rehearing in the event that the Commission declined to grant the requested clarification. According to SPP, the Operating Agreements should not be allowed to terminate without being superseded by the Integration Agreement because, in that case, there would be no service agreement in effect for OMPA.³

6. Also on February 20, 2007, OMPA filed a late motion to intervene in this proceeding. OMPA asserted that its late intervention is justified because OMPA had previously attempted informally to clarify the appropriate conditions for terminating the Operating Agreements and because, upon issuance of the January 19 letter order, OMPA concluded that those informal efforts had been unsuccessful.⁴ OMPA requested clarification or rehearing of the January 19 letter order on the same grounds as SPP.⁵

7. On March 21, 2007, the Commission accepted the Integration Agreement with an effective date of December 1, 2005.⁶

II. Discussion

A. Procedural matters

8. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2006), we grant OMPA’s untimely motion to intervene. OMPA has a unique interest in the outcome of this proceeding. Granting OMPA’s motion will not prejudice other parties.

¹ Letter Order dated January 19, 2007 at 1.

² SPP Request for Clarification or Rehearing, dated February 20, 2007, at 5-6

³ *Id.* at 7-8.

⁴ OMPA Motion to Intervene and Request for Clarification or Rehearing, dated February 20, 2007, at 5-6.

⁵ *Id.* at 7-8.

⁶ *Southwest Power Pool, Inc.*, 118 FERC ¶ 61,230 (2007).

B. Requests for Clarification or Rehearing

9. SPP's and OMPA's requests for clarification or rehearing of the January 19 letter order are moot as a result of our March 20 acceptance of the Integration Agreement. By that action, the Integration Agreement became effective as of December 1, 2005. By action of the January 19 letter order, the Operating Agreements terminate as of the same date, so that a service agreement for OMPA has been continuously in effect.

The Commission orders:

(A) OMPA's untimely motion to intervene is hereby granted.

(B) SPP's and OMPA's requests for clarification or rehearing are hereby dismissed as moot.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.