

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**Coordination between Natural Gas)
and Electricity Markets)**

Docket No. AD12-12-000

**SOUTHWEST POWER POOL, INC.'s
REPORT REGARDING ITS SUMMER EXPERIENCE
AND WINTER PREPAREDNESS**

Southwest Power Pool, Inc. (“SPP”) respectfully submits to the Federal Energy Regulatory Commission (“Commission”) this report regarding SPP's experiences and continued coordination efforts during the summer 2013 season as well as SPP's preparedness for the upcoming winter season.

I. INTRODUCTION

SPP is pleased to update the Commission on SPP's continued efforts and progress in facilitating communication and coordination between the various gas industry players in its footprint and the SPP members and market participants they serve. This report will discuss developments since the May 2013 meeting with regard to SPP's coordination efforts through its stakeholder process, SPP's continued outreach to members of the gas industry, and SPP's continued development of tools to facilitate communication between SPP, generators, and gas suppliers.

II. DEVELOPMENTS SINCE MAY 2013 MEETING

During the summer operational period, the SPP region experienced a normal summer load pattern as was forecasted by SPP Operations Engineering. The SPP region did not experience any unfavorable issues regarding coordination between the gas and

electric industries during this time. In prior reporting to the Commission,¹ SPP described the efforts it was undertaking to enhance its awareness of gas-supply issues in its region and to prepare for any fuel supply concerns that may arise in the future. These efforts, overseen by SPP's Gas-Electric Coordination Task Force ("Task Force"), included outreach and communication with gas-industry professionals and development of tools to enhance operational awareness. SPP spent the summer months furthering these efforts, with an emphasis on two areas: (1) SPP's stakeholder process and (2) gas industry outreach. SPP previously advised the Commission that it supported a regionally tailored approach to gas-electric coordination.² Following a summer spent interacting with gas and electric industry players from its region, SPP continues to believe a region-by-region approach to coordination between industries is more appropriate than a one-size-fits-all approach.

III. CONTINUED COORDINATION EFFORTS

A. SPP's Stakeholder Process

SPP's Task Force has met regularly throughout the summer to work toward compliance with FERC initiatives, to guide SPP operations, and to gain better understanding of potential coordination issues across the SPP footprint. SPP's Task Force is comprised of representatives from SPP membership, other SPP stakeholders, the gas industry, and state regulatory agencies.

¹ See Statement of Don Shipley on Behalf of Southwest Power Pool, Inc. filed in Docket No. AD12-12-000 (May 16, 2013).

² *Id.* at 5.

B. Gas Industry Outreach

Representatives from SPP's Operations team met with the two primary gas pipeline operators in the SPP region as well as a gas marketing company involved in the region. SPP has observed numerous beneficial outcomes from these meetings, including: (1) a greater familiarity between SPP Operations and the pipeline companies' operations team with improved communications for both normal and emergency operational scenarios, (2) insight helpful to SPP's development of gas data displays and other SPP operations tools, and (3) the beginning stages of development for a weather-alert process to improve coordinated awareness of and preparedness for adverse weather conditions that could impact reliability.

SPP representatives traveled to the Omaha, Nebraska, offices of Northern Natural Gas ("Northern") for a coordination meeting and facilities tour. Each company shared information and guidance regarding their respective operations structure and procedures. The companies discussed communication processes and other issues in preparation for the coming winter season. SPP representatives toured Northern's operations control and studied system maps while onsite. Tenaska Energy Marketing, which had already participated in an educational meeting at SPP's headquarters, participated in the Omaha meeting with Northern as well.

SPP representatives also traveled to the Owensboro, Kentucky, headquarters of Southern Star Central Gas Pipeline, Inc. ("Southern Star") for a meeting geared toward the same goals accomplished at the meeting with Northern. In addition to discussing improved communication and weather-preparedness procedures, SPP representatives

toured Southern Star's operations control room. SPP also reviewed Southern Star's system topology and their various operation tools.

SPP's observations in the control centers of both Northern and Southern Star advanced SPP's understanding of the types of gas pipeline data that will be most effectively incorporated into the operations tools SPP is developing.³ As SPP has reported previously, these tools will include desktop data displays and desktop alarms that will identify information such as specific pipeline segments and generating units impacted by gas industry notifications. In addition, SPP, Northern, and Southern Star agreed to jointly develop a procedure for sharing information between SPP and the gas operations entities in the portions of SPP's region that may experience unfavorable winter weather conditions. SPP is in the process of finalizing this procedure along with these companies.

SPP is also preparing for a Gas-Electric Coordination Summit scheduled for December 5-6 of this year. This event will bring together the SPP Task Force and members of the gas industry for an overview of current coordination conditions in the SPP footprint and collaborative development of a plan for any remaining improvements deemed necessary. This meeting will also address relevant issues surrounding SPP's current operations and the impact of SPP's Integrated Marketplace, which will involve a

³ In order to further enhance SPP's situational awareness as System Operator, SPP is developing a process by which gas industry notification emails SPP receives will be incorporated into a gas pipeline display in SPP's operations control center. SPP is working with the primary pipeline companies in its region to best utilize the unique pipeline identifiers in the email notifications for purposes of highlighting relevant pipeline sections in the display tool.

Consolidated Balancing Authority⁴ and is scheduled for commencement on March 1, 2014. Participants in this summit will include SPP members, gas-industry representatives, industry experts, state regulatory agencies, and the North American Electric Reliability Corporation ("NERC").

IV. CONCLUSION

SPP spent the summer months furthering its efforts of outreach and interaction with gas-industry professionals and development of tools to enhance operational awareness, all as overseen by SPP's Task Force. SPP's efforts in this regard will continue as it prepares for the upcoming winter season.

Respectfully submitted,

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⁴ SPP's current footprint contains several Balancing Authorities ("BA"), which ensure sufficient generation and reliability for individual zones within the footprint. For the Integrated Marketplace, SPP is combining these BAs into one entity. SPP will serve as the Consolidated Balancing Authority ("CBA") for the entire market footprint. As the CBA, SPP will balance the region's supply and demand, maintain frequency, and maintain electricity flows between adjacent BAs. *See, generally*, SPP's Submission of Tariff Revisions to Implement SPP Integrated Marketplace of Southwest Power Pool, Inc., Docket No. ER12-1179-000 (Feb. 29, 2012).