

146 FERC ¶ 61,060  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Acting Chairman;  
Philip D. Moeller, John R. Norris,  
and Tony Clark.

Golden Spread Electric Cooperative, Inc.

Docket No. ER14-377-000

ORDER ACCEPTING COMPLIANCE FILING AND GRANTING  
WAIVER REQUEST

(Issued January 31, 2014)

1. On November 12, 2013, Golden Spread Electric Cooperative, Inc. (Golden Spread) filed revisions to Attachment N of its Open Access Transmission Tariff (OATT), its Large Generator Interconnection Agreement (LGIA), in compliance with Order No. 764.<sup>1</sup> Golden Spread requests waiver of Order No. 764's requirement to amend sections 13.8 and 14.6 of the OATT regarding intra-hour scheduling because Golden Spread does not perform the scheduling requirements under its OATT. As discussed below, we will accept Golden Spread's filing, effective November 12, 2013, and grant the requested waiver.

**I. Background**

2. On June 22, 2012, the Commission issued Order No. 764, which requires each public utility transmission provider to: (1) offer intra-hourly transmission scheduling at 15-minute intervals; and (2) incorporate provisions into the *pro forma* LGIA requiring interconnection customers whose generating facilities are variable energy resources

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<sup>1</sup>*Integration of Variable Energy Resources*, Order No. 764, FERC Stats. & Regs. ¶ 31,331, *order on reh'g and clarification*, Order No. 764-A, 141 FERC ¶ 61,232 (2012), *order on clarification and reh'g*, Order No. 764-B, 144 FERC ¶ 61,222 (2013).

(VER)<sup>2</sup> to provide meteorological and forced outage data to the public utility transmission provider for the purpose of power production forecasting. The Commission also provided guidance regarding the development and evaluation of proposals related to recovering the costs of regulation reserves associated with VER integration.<sup>3</sup>

3. The reforms adopted in Order No. 764 were designed to remove barriers to the integration of VERs and to ensure that the rates, terms, and conditions for Commission-jurisdictional services provided by public utility transmission providers are just and reasonable and not unduly discriminatory or preferential.<sup>4</sup> Upon noting the increasing number of VERs being brought online, the Commission found that reforms were needed to ensure that transmission customers are not exposed to excessive or unduly discriminatory charges, and that public utility transmission providers have the information needed to efficiently manage reserve-related costs.

4. In Order No. 764, the Commission amended the *pro forma* OATT to provide all transmission customers the option of using more frequent transmission scheduling intervals within each operating hour, at 15-minute intervals.<sup>5</sup> The Commission found transmission customers' inability to adjust their transmission schedules within the hour to reflect changes in generation output can cause charges for Schedule 9 generator imbalance service to be unjust and unreasonable or unduly discriminatory. Thus, this reform was designed to allow transmission customers the flexibility to adjust their transmission schedules, in advance of real-time, to reflect the variability of output in generation, more accurate power production forecasts, and other changes in load profiles and system conditions.<sup>6</sup> It was also designed to allow public utility transmission providers, over time, to use fewer reserves to maintain overall system balance.<sup>7</sup> Finally, the Commission implemented this reform to ensure that charges for generator imbalance

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<sup>2</sup> Order No. 764 defined a VER as a device for the production of electricity that is characterized by an energy source that: (1) is renewable; (2) cannot be stored by the facility owner or operator; and (3) has variability that is beyond the control of the facility owner or operator.

<sup>3</sup> Order No. 764, FERC Stats. & Regs. ¶ 31,331 at P 4.

<sup>4</sup> *Id.* P 1.

<sup>5</sup> *Id.* P 91.

<sup>6</sup> *Id.* P 92.

<sup>7</sup> *Id.* P 95.

service under Schedule 9 of the *pro forma* OATT and for other ancillary services through which reserve-related costs are recovered are just and reasonable and are not unduly discriminatory.

5. The Commission also amended the *pro forma* LGIA to require new interconnection customers whose generating facilities are VERs to provide meteorological and forced outage data to the public utility transmission provider with which the customer is interconnected.<sup>8</sup> Such data would only be required where it is necessary for that public utility transmission provider to develop and deploy power production forecasting. This reform was designed to facilitate public utility transmission providers' use of power production forecasts, which the Commission found can provide public utility transmission providers with advanced knowledge of system conditions needed to manage the variability of VER generation through the unit commitment and dispatch process, rather than through the deployment of more costly reserve service, such as regulation reserves. In requiring this change to the *pro forma* LGIA, the Commission specified that reporting requirements for meteorological and forced outage data would be set forth in Appendix C, Interconnection details of an LGIA, as they may change from time to time.<sup>9</sup> The Commission declined to modify existing LGIAs or to require changes to the *pro forma* OATT,<sup>10</sup> upon finding that such changes would, in effect, impose the data reporting requirements on existing interconnection customers, including small generator interconnection customers, retroactively.<sup>11</sup>

## II. Golden Spread Filing

6. On November 12, 2013, Golden Spread submitted its Order No. 764 compliance filing. Golden Spread proposes to incorporate the *pro forma* language adopted in Order No. 764 into its LGIA, Attachment N of its OATT.<sup>12</sup>

7. Golden Spread also requests waiver of the requirement to modify sections 13.8 and 14.6 of the OATT to allow for intra-hour transmission scheduling as directed by the Commission in Order No. 764. Golden Spread argues that good cause exists to grant the

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<sup>8</sup> *Id.* P 3.

<sup>9</sup> *Id.* P 193.

<sup>10</sup> *Id.* P 195.

<sup>11</sup> *Id.* P 196.

<sup>12</sup> Golden Spread Filing at 3.

waiver due to the limited nature of its OATT.<sup>13</sup> Specifically, Golden Spread states that, in 2012, the Commission accepted modifications to sections 13.8 and 14.6 of its OATT because Golden Spread is not a balancing authority area or a control area operator.<sup>14</sup> Sections 13.8 and 14.6 provide:

Transmission Customer must abide by all scheduling requirements established by the Control Area operator. No separate scheduling requirements are established by this Tariff.

8. Golden Spread notes that Southwest Power Pool (SPP) is the balancing authority area for Golden Spread and that Southwestern Public Service Company (Southwestern Public Service), a zone within SPP, is the control area operator under Golden Spread's OATT. Golden Spread argues that, as control area operator, Southwestern Public Service is the entity responsible for scheduling requirements.<sup>15</sup> As such, Golden Spread asserts that Southwestern Public Service is the entity responsible for incorporating the intra-hour scheduling reforms required by Order No. 764.<sup>16</sup>

9. Notice of Golden Spread's filing was published in the *Federal Register*, 78 Fed. Reg. 70,331 (2013) with interventions and protests due on or before December 3, 2013. No interventions or protests were filed.

### **III. Discussion**

10. The Commission will accept Golden Spread's revisions to the LGIA in compliance with Order No. 764. The Commission also will grant Golden Spread's request for waiver of the requirement to modify sections 13.8 and 14.6 of the OATT as directed by the Commission in Order No. 764. The currently-effective provisions of Golden Spread's OATT indicate that all transmission customers must abide by the scheduling requirements of the control area operator, Southwestern Public Service, and

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<sup>13</sup> Golden Spread states that it serves its three distribution cooperative members using discrete radial transmission facilities that do not form an integrated transmission grid (Special Facilities). On May 17, 2011, Golden Spread received a good faith request for small generator interconnection service across one of the Special Facilities and subsequently submitted an OATT, albeit a limited OATT, in recognition of the unique nature of the Special Facilities. *Id.* at 2.

<sup>14</sup> *Golden Spread Electric Cooperative, Inc.*, 139 FERC ¶ 61,067 (2012).

<sup>15</sup> Golden Spread Filing at 3.

<sup>16</sup> *Id.* at 3-4.

that no separate scheduling requirements are established under the OATT. Because Golden Spread does not perform the scheduling requirements under its OATT and those duties rest with Southwestern Public Service, the Commission finds waiver of Order No. 764's requirement to modify sections 13.8 and 14.6 on intra-hour scheduling to be appropriate in this case.

The Commission orders:

(A) Golden Spread's compliance filing is hereby accepted, effective November 12, 2013, as discussed in the body of this order.

(B) Golden Spread's request for waiver is hereby granted, as discussed in the body of this order.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.