

146 FERC ¶ 61,140
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

February 28, 2014

In Reply Refer To:
Public Service Company of Colorado
Docket No. ER14-766-000

Xcel Energy Services Inc.
1800 Larimer Street
Suite 1400
Denver, CO 80202

Attention: Mark C. Moeller

Reference: Request to Waive, Suspend, and Cancel Ancillary Services Schedules

Dear Mr. Moeller:

1. On December 20, 2013, you filed, on behalf of Public Service Company of Colorado (PSCo) and its operating company affiliate Southwestern Public Service Company (SPS), a request for waiver and suspension and eventual cancellation of Schedule 3 (Regulation and Frequency Response Service), Schedule 5 (Operating Reserve – Spinning Reserve Service), and Schedule 6 (Operating Reserve - Supplemental Reserve Service) (collectively, ancillary services schedules) of the Xcel Energy Operating Companies Joint Open Access Transmission Tariff (Joint OATT) as those schedules relate to services provided by SPS.¹

¹ PSCo also provides services under Schedules 3, 5, and 6 of the Joint OATT. In this filing, PSCo is only requesting waiver, suspension, and cancellation of the ancillary services schedules as they relate to services provided by SPS.

2. PSCo states that Southwest Power Pool, Inc.'s (SPP) Integrated Marketplace is scheduled to launch on March 1, 2014.² PSCo further states that assuming that the Integrated Marketplace runs smoothly, SPS will stop providing service under the ancillary services schedules because those services will be provided by SPP as the sole balancing authority for the SPP footprint.³ PSCo notes, however, that, in the event of a severe operations failure when SPP attempts to launch the Integrated Marketplace, SPP may have to implement its Integrated Marketplace Reversion Plan (Reversion Plan)⁴ under which market operations shall revert back to SPP's Energy Imbalance Service Market, and current balancing authority areas will resume their balancing authority functions. To address this possibility, PSCo proposes a two-step approach in the instant filing.

3. First, during the period in which SPP's Reversion Plan window is active, PSCo requests waiver and suspension of the ancillary services schedules as they relate to services provided by SPS. PSCo requests that such waiver and suspension be made effective upon the launch of SPP's Integrated Marketplace, expected to be March 1, 2014.⁵ Second, PSCo requests that the cancellation of the ancillary services schedules as

² PSCo explains that SPP is transitioning from its Energy Imbalance Service Market, with 16 separate balancing authority areas in the SPP footprint, to the Integrated Marketplace, with SPP as the sole balancing authority for the SPP footprint. The Commission conditionally accepted SPP's proposal to implement the Integrated Marketplace on October 18, 2012. *Southwest Power Pool, Inc.*, 141 FERC ¶ 61,048 (2012), *order on reh'g*, 142 FERC ¶ 61,205 (2013).

³ PSCo Transmittal Letter at 4.

⁴ PSCo states that there is a "reversion window" during which SPP can implement the Reversion Plan. PSCo explains that the reversion window must remain open for at least 10 operating days after launch of the Integrated Marketplace and it may remain open for up to 30 operating days from launch, as warranted. PSCo asserts that if the Reversion Plan is implemented, and market operations revert to the Energy Imbalance Service Market, the reversion window will start anew upon the re-launch of the Integrated Marketplace. The Commission conditionally accepted SPP's proposed Reversion Plan in an order issued September 20, 2013. *Southwest Power Pool, Inc.*, 144 FERC ¶ 61,224, at PP 10, 403 (2013).

⁵ PSCo requests that, if the launch of the Integrated Marketplace is after March 1, 2014, the waiver and suspension be effective upon that date. PSCo Transmittal Letter at 1-2.

they relate to services provided by SPS be made effective as of the date the Reversion Plan window closes – March 11, 2014 or later.⁶ PSCo states that, if appropriate, it will submit a compliance filing notifying the Commission of the effective date of cancellation of the ancillary services schedules as applicable to SPS.⁷

4. Notice of PSCo's filing was published in the *Federal Register*, 79 Fed. Reg. 122 (2013), with interventions and protests due on or before January 10, 2014. No interventions or protests were filed.

5. We grant PSCo's request for waiver and suspension of the ancillary services schedules as they apply to SPS to accommodate the initial launch of SPP's Integrated Marketplace, effective March 1, 2014, or the date of actual initial launch of the SPP Integrated Marketplace. The waiver and suspension is effective upon the initial launch of SPP's Integrated Marketplace and continues until the earlier of: (1) the termination of the initial Reversion Plan window and the concurrent cancellation of those schedules; or (2) the implementation of the Reversion Plan.⁸ If the Reversion Plan terminates, waiver and suspension of those schedules will be terminated as of the date of the Reversion Plan termination and the schedules at issue will be cancelled. If the Reversion Plan is implemented, however, waiver and suspension of those schedules will be terminated as of the Reversion Plan implementation date and, accordingly, the ancillary services schedules will not be cancelled.

6. We also direct PSCo to file a compliance filing notifying the Commission of the effective date of cancellation of the ancillary services schedules as applicable to SPS, within 30 days of such cancellation. The compliance filing should contain the appropriate tariff records to effectuate the cancellation.

By the direction of the Commission.

Kimberly D. Bose,
Secretary.

⁶ *Id.* at 2.

⁷ *Id.* at 5.

⁸ Upon a re-launch of the Integrated Marketplace, a new reversion window would begin.