

147 FERC ¶ 61,078
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 30, 2014

In Reply Refer To:
Southwest Power Pool, Inc.
Docket No. ER14-1423-000

Southwest Power Pool, Inc.
201 Worthen Drive
Little Rock, AR 72223

Attention: Tessie Kentner, Attorney

1. On March 4, 2014, Southwest Power Pool, Inc. (SPP) submitted for filing, pursuant to section 205 of the Federal Power Act (FPA),¹ two agreements. The first agreement is an executed Network Integration Transmission Service Agreement (NITSA) between SPP (as transmission provider) and American Electric Power Service Corporation (AEP), as agent for Public Service Company of Oklahoma (PSO) and Southwestern Electric Power Company (SWEPCO) (as network customer) (Seventeenth Revised AEP NITSA). The second agreement is an unexecuted Network Operating Agreement (NOA) among SPP (as transmission provider), AEP, as agent for PSO and SWEPCO (as network customer), and Western Farmers Electric Cooperative (Western Farmers) (as host transmission owner) (Seventeenth Revised AEP NOA). Together, the Seventeenth Revised AEP NITSA and NOA are referred to as the Agreement.² In this order, we accept the Agreement, effective February 1, 2014, as requested, subject to the outcome of the ongoing hearing and settlement judge procedures in Docket No. ER14-67-000, as discussed below.

¹ 16 U.S.C. § 824d (2012).

² SPP designated the Agreement as Seventeenth Revised Service Agreement No. 1148 under its Open Access Transmission Tariff (Tariff). Southwest Power Pool, Inc., FERC FPA Electric Tariff, Service Agreements Tariff, [1148 AEP NITSA & NOAs, 1148 American Electric Power NITSA and NOAs, 2.0.0.](#)

2. On October 9, 2013, in Docket No. ER14-67-000, SPP filed the Sixteenth Revised AEP NITSA, the Sixteenth Revised AEP NOA, and the Sixteenth Revised Western Farmers NOA (together, the Sixteenth Revised AEP Agreement) partially unexecuted due to a dispute between AEP and Western Farmers regarding the design, configuration, and cost allocation of facilities for certain delivery points – the Ellis and Wapanucka points of delivery – that AEP requested in Western Farmers’ service area. On December 6, 2013, the Commission issued an order that accepted the Sixteenth Revised AEP Agreement for filing, suspended it for a nominal period, effective October 1, 2013, subject to refund, and established hearing and settlement judge procedures.³

3. SPP states that since the December 6 Order, the parties updated the network resources in Appendix 1 of the Sixteenth Revised AEP NITSA and combined the Sixteenth Revised AEP NOA and Sixteenth Revised Western Farmers NOA into the Seventeenth Revised AEP NOA. SPP states that while the changes necessitating the revisions to the Agreement conform to SPP’s *pro forma* agreements, there are certain non-conforming changes that remain from prior iterations of the Agreement. Specifically, SPP explains that the Seventeenth Revised AEP NITSA retains non-conforming language in sections 3.0 and 5.0 of Attachment 1 providing that the load for Minden, Ringgold, and Castor will be dynamically telemetered to the AEP control area. SPP notes that the Commission has previously accepted earlier iterations of the Seventeenth Revised AEP NITSA that contain similar language.⁴

4. SPP also indicates that the Seventeenth Revised AEP NITSA retains non-conforming language identical to the Sixteenth Revised AEP NITSA to incorporate AEP’s desired design, configuration, and cost allocation for facilities associated with the Ellis and Wapanucka points of delivery.⁵ SPP explains that those changes are included in

³ *Southwest Power Pool, Inc.*, 145 FERC ¶ 61,204 (2013) (December 6 Order). The Commission found issues of material fact remained with regard to, among other things: (1) whether Western Farmers’ proposed design and configuration for facilities associated with the Ellis and Wapanucka points of delivery met Western Farmers’ facility standards and system requirements and were comparable to the design and configuration for facilities Western Farmers had constructed for customers with similar service requirements; and (2) whether facilities associated with each delivery point should be designated as delivery point facilities or transmission facilities. *Id.* P 27.

⁴ SPP Transmittal at 3 (citing *Southwest Power Pool, Inc.*, 143 FERC ¶ 61,295 (2013); *Southwest Power Pool, Inc.*, Docket No. ER12-444-000 (Jan. 11, 2012) (delegated letter order); *Southwest Power Pool, Inc.*, Docket No. ER11-3487-000 (June 28, 2011) (delegated letter order); *Southwest Power Pool, Inc.*, Docket No. ER10-2489-000 (Oct. 13, 2010) (delegated letter order)).

⁵ *Id.* at 3-5.

sections 2.0, 3.0, 5.0, 8.1, 8.3, and 8.11 of Attachment 1 of the Seventeenth Revised AEP NITSA as well as the Ellis Delivery Point Agreement (attached to the Seventeenth Revised AEP NITSA as Appendix 4) and the Wapanucka Delivery Point Agreement (attached to the Seventeenth Revised AEP NITSA as Appendix 5). SPP states that both the Ellis and Wapanucka Delivery Point Agreements are only partially executed due to the dispute between AEP and Western Farmers.⁶

5. With regard to the Seventeenth Revised AEP NOA, SPP states that this agreement includes changes to the *pro forma* NOA accepted by the Commission in Docket No. ER14-125-000.⁷ SPP explains that Western Farmers declined to execute the Seventeenth Revised AEP NOA based on the ongoing settlement procedures in Docket No. ER14-67-000.⁸

6. SPP requests an effective date of February 1, 2014 for the Agreement. To accommodate this effective date, SPP requests waiver of the Commission's 60-day prior notice requirement, set forth in 18 C.F.R. § 35.3 (2013). SPP argues that waiver is appropriate because the Agreement is being filed within 30 days of the commencement of service.⁹

7. Notice of SPP's March 4, 2014 filing was published in the *Federal Register*, 79 Fed. Reg. 14,242 (2014), with interventions and protests due on or before March 25, 2014. Western Farmers submitted a timely motion to intervene and comments, requesting that the Commission condition any acceptance of the Agreement on the outcome of the hearing and settlement judge procedures in Docket No. ER14-67-000.¹⁰ Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2013), the timely, unopposed motion to intervene serves to make Western Farmers a party to this proceeding.

8. We accept the Agreement, effective February 1, 2014, as requested, subject to the outcome of the hearing and settlement judge procedures in Docket No. ER14-67-000. As noted by SPP and Western Farmers, the Agreement contains the same non-conforming

⁶ SPP states that it is not a party to either delivery point agreement. *Id.* at 4-5.

⁷ *Id.* at 2 (citing *Southwest Power Pool, Inc.*, Docket No. ER14-125-000 (Dec. 17, 2013) (delegated letter order)).

⁸ *Id.*

⁹ *Id.* at 7 (citing *Prior Notice and Filing Requirements under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, at 61,983-84, *order on reh'g*, 65 FERC ¶ 61,081 (1993)).

¹⁰ Western Farmers Comments at 4-5.

language relating to the Ellis and Wapanucka points of delivery currently subject to ongoing hearing and settlement judge procedures in Docket No. ER14-67-000. Thus, the rulings in Docket No. ER14-67-000 have a direct bearing on those same changes proposed in the instant proceeding and will apply to the Agreement.

By direction of the Commission.

Kimberly D. Bose,
Secretary.