

155 FERC ¶ 61,003
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 1, 2016

In Reply Refer To:
Southwest Power Pool, Inc.
Docket No. ER16-854-000

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

Attention: Tessie Kentner

Dear Ms. Kentner:

1. On February 1, 2016, under section 205 of the Federal Power Act (FPA),¹ and section 35.13 of the Commission's regulations,² Southwest Power Pool, Inc. (SPP) filed a revised agreement consisting of: (1) an unexecuted network integration transmission service agreement (Service Agreement) between SPP as transmission provider and Western Farmers Electric Cooperative (Western Farmers) as network customer; and (2) an executed network operating agreement (Operating Agreement) among SPP as transmission provider, Western Farmers as network customer, and Western Farmers, American Electric Power Service Corporation, and Oklahoma Gas and Electric Company as host transmission owners.³ In this order, we accept the Eighth Revised Western Farmers Agreement subject to condition, effective January 1, 2016, as discussed below.

¹ 16 U.S.C. § 824d (2012).

² 18 C.F.R. § 35.15 (2015).

³ The Service Agreement and Operating Agreement are referred to herein collectively as the Eighth Revised Western Farmers Agreement.

2. SPP states that the Eighth Revised Western Farmers Agreement modifies and supersedes the seventh revised Service Agreement and seventh revised Operating Agreement accepted by the Commission on November 20, 2015.⁴ SPP states that the Service Agreement updates the network upgrade charges information in Section 8.10 of Attachment 1; the network resources in Appendix 1; the delivery points in Appendix 3; and the redispatch requirements in Attachment A. SPP states that it filed the Service Agreement because it includes terms and conditions that do not conform to the standard forms of service agreements in the SPP Open Access Transmission Tariff (Tariff).⁵

3. SPP also states that Western Farmers requested changes to the list of delivery points in Appendix 3 to the Service Agreement because the list was not accurate or complete. SPP notified Western Farmers that Western Farmers first had to submit requests to modify delivery points through the delivery point assessment study process pursuant to Attachment AQ of the Tariff. As a result, Western Farmers requested that SPP file the Service Agreement unexecuted.

4. SPP requests that the Commission waive the 60-day prior notice requirement to permit an effective date of January 1, 2016 for the Eighth Revised Western Farmers Agreement.

5. Notice of SPP's filing was published in the *Federal Register*, 81 Fed. Reg. 6845 (2016), with interventions and protests due on or before February 22, 2016. Western Farmers filed a timely motion to intervene and comments. On March 8, 2016, SPP filed an answer.

6. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2015), Western Farmers' timely, unopposed motion to intervene serves to make it a party to this proceeding. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2015), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept SPP's answer because it aided us in our decision-making.

7. Western Farmers requested that SPP file an unexecuted version of the Service Agreement because SPP failed to correctly identify Western Farmers' delivery points under the Service Agreement. According to Western Farmers, the list of delivery points

⁴ *Sw. Power Pool Inc.*, Docket No. ER16-6-000 (November 20, 2015) (delegated letter order).

⁵ *See* Exhibit No. SPP-1 (highlighting non-conforming terms and conditions). According to SPP, the Operating Agreement conforms to the *pro forma* network operating agreement in the Tariff.

in Appendix 3 includes some points that should not be listed because they were abandoned or are not in fact delivery points; fails to include some delivery points that are in-service and should be listed; and requires a change in the voltage level for one delivery point that is listed. Western Farmers states that SPP has refused to include Western Farmers' requested changes to the delivery points until each has gone through the delivery point assessment study process under Attachment AQ of the Tariff.

8. Western Farmers objects to conducting a delivery point assessment for delivery points that were added, modified, or abandoned prior to the May 2010 adoption of Attachment AQ. Western Farmers argues that imposing the delivery point assessment requirement on such delivery points constitutes a form of retroactive ratemaking, as the governing tariff provision was not in effect at the time those delivery points were added, modified, or abandoned. Western Farmers requests that SPP revise Appendix 3 to the Service Agreement to reflect those pre-Attachment AQ changes to delivery points without further study or process.

9. Western Farmers does not object to a delivery point assessment for changes in delivery points that were proposed after Attachment AQ of the Tariff was adopted, and acknowledges that those delivery points are subject to Attachment AQ. Western Farmers asserts that it is providing reliable service over all of the delivery points it has requested that SPP change in Appendix 3 of the Service Agreement. Western Farmers notes that Appendix 3 would provide an accurate and complete listing of all of Western Farmers' delivery points that are in-service if SPP were to adopt the requested changes. Western Farmers requests that the Commission accept the Eighth Revised Western Farmers Agreement, subject to: (1) SPP making a compliance filing to correct Appendix 3 to the Service Agreement to make the changes to delivery points requested by Western Farmers; and (2) performance of delivery point assessment studies for changes to delivery points that were proposed after the adoption of Attachment AQ of the Tariff.

10. SPP notes in its answer that it was unable to verify that the majority of the changes to delivery points requested by Western Farmers were made prior to the May 2010 adoption of Attachment AQ of the Tariff. SPP argues that these changes must be studied through the delivery point assessment process outlined in Attachment AQ. SPP, however, agrees to make changes to Appendix 3 for those delivery points that it has been able to verify were included in SPP models prior to the adoption of the Attachment AQ process in 2010.

11. We accept the Eighth Revised Western Farmers Agreement, subject to condition, effective January 1, 2016.⁶ We require SPP to revise Appendix 3 to include those delivery points that SPP was able to verify were included in SPP models prior to the 2010 adoption of Attachment AQ of the Tariff. We will not, however, require SPP to include the remaining delivery point changes in Appendix 3 until they can be verified pursuant to the established Attachment AQ delivery point assessment process or otherwise be verified as pre-dating the May 2010 effective date of Attachment AQ. Accordingly, we direct SPP to submit a compliance filing within 30 days of the date of this order that revises Appendix 3 of the Service Agreement as discussed above.

By direction of the Commission. Commissioner Clark is not participating.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁶ The Commission can revise a proposal filed under section 205 of the FPA as long as the filing utility accepts the change. *See City of Winnfield v. FERC*, 744 F.2d 871, 875-77 (D.C. Cir. 1984). The filing utility is free to indicate that it is unwilling to accede to the Commission's conditions by withdrawing its filing.