

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Suedeem G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

Southwest Power Pool, Inc.

Docket No. EL06-83-000

ORDER TERMINATING PROCEEDINGS

(Issued May 17, 2007)

1. On December 14, 2006, Southwest Power Pool, Inc. (SPP) submitted an Offer of Settlement calculated to dispose of all issues outstanding in this proceeding. The Offer of Settlement was the result of a settlement judge's working with the participants to resolve the outstanding issues. On January 18, 2007, the settlement judge certified this Offer of Settlement as an uncontested settlement to the Commission,¹ which resolves all issues in dispute in this settlement proceeding.

I. Background

2. On August 31, 2005, SPP filed a proposed executed service agreement for 35 MW of long-term firm point-to-point transmission service (Agreement) with Southwestern Public Service Company (Southwestern), d/b/a Xcel Energy Marketing (Xcel). The Agreement has a term of one year and five months, and would terminate on January 1, 2007. As originally filed, section 2.0 of the specifications for the Agreement proposes to limit Southwestern's exercise of rollover rights after November 30, 2007, because SPP's analysis indicated that, beginning December 1, 2007, insufficient voltage support and thermal capacity existed to accommodate the future rollover of the Agreement. Section 2.0 went on to explain that this limitation is due to "the forecasted increase in native and network load and due to currently committed network and point-to-point reservation

¹ *Southwest Power Pool, Inc.*, 118 FERC ¶ 63,012 (2007).

flowing during and either extending beyond the period of this request or having no rollover limitations.” On October 27, 2005,² the Commission determined that SPP, among other things, failed to demonstrate with specificity that native load growth would limit its ability to provide rollover rights to Southwestern. Accordingly, the *October 27 Order* accepted the Agreement for filing, with certain modifications, and directed SPP to make a compliance filing removing limitations on Southwestern’s rollover rights. SPP made that compliance filing on November 28, 2005 in Docket No. ER05-1416-002. On July 28, 2006, the Commission granted rehearing, instituted section 206 proceedings, and established hearing and settlement judge procedures.³ Thereafter, the participants negotiated in settlement conference sessions before the judge and also negotiated privately. Their negotiations resulted in SPP’s Offer of Settlement.

3. As noted in SPP’s settlement filing,⁴ on November 1, 2006, Xcel notified SPP of its intention to roll over its service under the Agreement. Subsequently, however, Xcel elected not to confirm its renewal request as required by the SPP Tariff. Accordingly, as SPP notes, the Agreement will terminate under its own terms as of January 1, 2007.⁵ SPP also notes that such termination “might seem to effectively moot the issues set for hearing.”⁶ SPP nonetheless submitted the settlement because SPP believes the settlement represents the results of the parties’ discussions and is an appropriate procedural vehicle to terminate the proceeding.

4. As the settlement judge’s certification noted, no parties opposed this Offer of Settlement.⁷ The settlement judge also noted that Trial Staff took no position on the Offer of Settlement because the issues were moot.⁸

² *Southwest Power Pool, Inc.*, 113 FERC ¶ 61,101 (2005) (*October 27 Order*); *order on reh’g* ² *Southwest Power Pool, Inc.*, 116 FERC ¶ 61,092.

³ *Id.*

⁴ Southwest Power Pool’s Explanatory Statement at 5.

⁵ *Id.*

⁶ *Id.*

⁷ Certification of Uncontested Offer of Settlement of Settlement at PP 8-11.

⁸ *Id.* at 9; *see also* Initial Comments of Trial Staff on the Offer of Settlement (January 3, 2007) at 1.

II. Discussion

5. The Commission finds that Xcel's election not to confirm its renewal request as required by the SPP Tariff renders the issues in this proceeding moot. We, therefore, terminate this docket.

The Commission orders:

All proceedings in this docket are hereby closed.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.