

SPP/SERTP Order 1000
Draft Interregional Straw Man
April 15, 2013

I. Interregional Coordination

[Requirement: Develop and implement procedures that provide for the sharing of information regarding the respective needs of neighboring transmission planning regions.]

Representatives of the SERTP and SPP will meet no less than once per year to facilitate the interregional coordination procedures described below (as applicable). Representatives of the SERTP and SPP may meet more frequently during the evaluation of proposed interregional project(s) for cost allocation purposes between the SERTP and SPP.

Responsibilities:

1. Perform annual model and data exchange procedures described in Section III.
2. Biennially review each region's proposed regional plans as provided by either region, along with other issues pertaining to the identification/evaluation of potential interregional facilities.
 - The review of each region's proposed regional plan(s), which includes the solutions identified within each respective region to address regional transmission needs, will occur on a mutually agreed to timetable taking into consideration each region's planning process timeline.
3. Jointly evaluate potential interregional transmission facilities as described in Section IV.
4. Coordinate materials posted on each region's website on the SERTP and SPP interregional coordination process

Stakeholders

- A. Stakeholders will have an opportunity to provide input and feedback, within the respective regional planning processes of SERTP and SPP, related to interregional facilities identified, analysis performed, and any determination/results.
- B. Stakeholders may participate in both regions' regional planning processes to provide their input and feedback regarding the interregional coordination between the SERTP and SPP. Both planning regions will make available, on their respective regional websites, links to where stakeholders can register (if applicable/available) for the stakeholder committees or distribution lists of the adjacent region.

II. Transparency

- A. Procedures for Coordination and Joint evaluation will be posted on the SERTP and SPP regional websites.

- If applicable, this will include links to where stakeholders can register for the stakeholder committees or distribution lists of adjacent regions
- B. Access to the data utilized will be made available, subject to the appropriate clearance, as applicable (such as CEII and confidential non-CEII clearances).
- C. The SERTP and SPP will provide, within their respective regional processes, an update on the status of interregional activities, including interregional facilities identified, analysis performed, and any determination/results.

III. Data Exchange

[Requirement: Through clearly described procedures, exchange planning data and information between neighboring planning regions at least annually.]

ANNUAL DATA EXCHANGE

Data will be exchanged between the SERTP and SPP on an annual basis. The annual data exchange will include the following items:

1. Power flow models utilized in the respective regional planning processes for projected system conditions for the planning horizon (up to next ten (10) years);
2. Contingency lists;
3. The SERTP and SPP will exchange current regional plans, which include the solutions identified within each respective region to address regional transmission needs regions.
 - Annual data exchange will be completed based upon the availability of data in the respective regional planning processes of the SERTP and SPP. Typically, this will occur during the first calendar quarter of the year.
 - Models, data, and information provided will be consistent with those used in the SERTP's and SPP's respective regional planning processes.
 - Data exchanged will be subject to any applicable confidentiality and/or CEII requirements.
 - SERTP and SPP are not required to share or develop data, models, and/or information which they do not have available.

ADDITIONAL DATA EXCHANGE

Additional transmission based models or information may be exchanged between SPP and the SERTP as necessary and if requested, subject to the following:

- Data exchanged between the SERTP and SPP will be subject to any applicable confidentiality and/or CEII requirements.
- SERTP and SPP are not required to share or develop data, models, and/or information which they do not have available nor use in their respective regional planning processes.

IV. Joint Evaluation

[Requirement: Develop and implement procedures for neighboring planning regions to identify and jointly evaluate transmission facilities that are proposed to be located in both regions that may more efficiently or cost effectively address the individual needs identified in their respective local and regional processes.]

IDENTIFYING & EVALUATING INTERREGIONAL FACILITIES

- A. Biennially, the SERTP and SPP will review data provided by each region as described in Section I. Interregional Coordination
- B. If, through this review, the SERTP or SPP identify an interregional transmission facility that could be more efficient and cost effective, each region will perform the required transmission planning analysis/evaluation of the facility to determine if projects in the respective regional plan(s) may be displaced.
- C. Each region, acting through their respective regional transmission planning processes, will evaluate proposed interregional transmission facilities to determine whether the proposal addresses current transmission needs, and if so, which projects in the respective regional plan(s) could be displaced and/or deferred by the proposal.

Throughout this joint evaluation, the SERTP and SPP will coordinate assumptions, as necessary, for interregional projects, including but not limited to:

- Expected timelines/milestones associated with the evaluation
- Study assumptions (i.e. years under study)
- Regional benefit calculations

If the interregional facility is proposed for cost allocation purposes, this evaluation will quantify the benefits identified in each region using the benefit metrics identified in Section V. Interregional Cost Allocation.

V. Cost Allocation

[Requirement: Develop a method or set of methods for allocating the costs of new interregional transmission facilities proposed for cost allocation purposes (“CAP”) that neighboring transmission planning regions determine resolve the individual needs of each region more efficiently and cost effectively and that meets all six cost allocation principles prescribed in Order 1000.]

If an interregional project is proposed for CAP, then the following methodology applies.

INTERREGIONAL FACILITY DEFINITION

- A. For a transmission project to be considered for interregional CAP within the SERTP and SPP, the transmission project must be interregional in nature:
 - Be inter-connected to SPP and to the SERTP and;

- Satisfy the respective regional criteria of SPP and SERTP for cost allocation proposals

SUBMITTAL/DEVELOPER QUALIFICATIONS

- The interregional facility must be proposed in SPP and the SERTP, as well as any other region that interconnects with the proposed interregional facility, by the dates/timeframes defined in the respective regional processes.
- The transmission developer and project submittal must satisfy all criteria specified in the respective regional processes

Determination of BENEFITS for an SPP-SERTP Interregional Project

- B. SPP and the SERTP will coordinate the benefits analysis of the proposed SPP-SERTP interregional project. The benefits will be based upon the transmission costs that each region are projected to avoid due to transmission project(s) in their regional plan(s) being displaced by the proposed by SPP-SERTP interregional project.
 - The identification of potential displaced projects to be used in determining the regions’ benefits will be consistent with the respective regions’ processes.
 - Ex: For SERTP, local or regional project(s) may be displaced, and for SPP, proposed regional projects may be displaced.
- C. The SERTP and SPP may voluntarily agree, with applicable regional approvals, to alternative cost sharing arrangements should one region be willing to bear more of the cost of the interregional project than identified in Section VB above.

INTERREGIONAL COST ALLOCATION

- D. The cost of a SPP-SERTP Interregional Project will be allocated to each region as follows:
 - 1) For the SERTP, in proportion to the share of the identified SERTP benefits compared to the total benefits between SPP and the SERTP; and
 - 2) For SPP, in proportion to the share of the identified SPP benefits compared to the total benefits between SPP and the SERTP.
- Allocation would be based upon the benefits as calculated in Section V.B.
- Costs allocated to each region would be further allocated within the region pursuant to the regional cost allocation methodology.

INCLUSION IN REGIONAL PLANS

- E. An interregional facility proposed for CAP in the SERTP and SPP will be included in the respective regional plans only when:
 - Each region has performed all evaluations, as prescribed in their respective regional processes, necessary for a facility proposed for CAP to be included in the regional plan.
 - This includes any regional benefit to cost (“BTC”) ratio calculations. The projected interregional cost allocation to be used by SPP and SERTP in their respective BTC calculations will be those identified pursuant to Section V.D.
 - Each region has obtained all approvals, as prescribed in their respective regional processes, necessary for a facility proposed for CAP to be included in the regional plan

ONGOING EVALUATIONS/DEVELOPMENTAL MILESTONES

- F. SPP and SERTP will notify each other if, based on regional reevaluations or failure of a project/developer to meet developmental milestones, the SPP-SERTP Interregional facility has been removed from a regional plan for CAP.