

Aggregate Transmission Service Study Process

SPP (Southwest Power Pool Inc. (SPP)) shall aggregate all Completed Applications for Long-Term Firm Point-to-Point Transmission Service and Long-Term Network Integration Transmission Service that start no earlier than 6 months after the close of the second (in the pair) of open seasons into one Aggregate Facilities Study (AFS). Each open season will be 4 months in duration. Beginning January 1, 2008, the AFS shall begin following the close of the second of two consecutive open seasons during which Eligible Customers (Customer(s)) may enter OASIS requests for service. The pairing of open seasons shall continue until January 31, 2010.

Completed Applications

Completed Application requirements for Long-Term Firm Point-to-Point Transmission Service

The Open Access Same-Time Information System (OASIS) request for Long-Term Firm Point-to-Point Transmission Service along with the executed Aggregate Facilities Study Agreement (AFSA), and study deposit, if any, shall constitute the Completed Application for Long-Term Firm Point-to-Point service.

1. The OASIS request as defined by the SPP Open Access Transmission Tariff (OATT);

The Completed Application shall provide all of the information included in 18 CFR § 2.20 including but not limited to the following:

- a. The identity, address, telephone number and facsimile number of the entity requesting service;
- b. A statement that the entity requesting service is, or will be upon commencement of service, a Customer; SPP OATT;
- c. The location of the Point(s) of Receipt (POR) and Point(s) of Delivery (POD) and the identities of the Delivering Parties and the Receiving Parties;
- d. The location of the generating facility(ies) supplying the capacity and energy and the location of the load ultimately served by the capacity and energy transmitted. SPP will treat this information as confidential except to the extent that disclosure of this information is required by SPP OATT, by regulatory or judicial order, by law or by statute, for reliability purposes pursuant to Good Utility Practice or pursuant to RTG transmission information sharing agreements. SPP shall treat this information consistent with the standards of conduct contained in Part 37 of the Commission's regulations;

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- e. A description of the supply characteristics of the capacity and energy to be delivered;
- f. An estimate of the capacity and energy expected to be delivered to the Receiving Party;
- g. The Service Commencement Date and the term of the requested Transmission Service;
- h. The transfer capability requested for each POR and each POD on SPP's Transmission System; Customers may combine their requests for service in order to satisfy the minimum transfer capability requirement;
- i. A statement indicating that, if the Customer submits a Pre-Confirmed Application, the Customer will execute a Service Agreement upon receipt of notification that SPP can provide the requested Transmission Service; and
- j. Any additional information required by SPP's planning process established in Attachment O of the SPP OATT.

2. A Completed Application for Firm Point-To-Point Transmission Service also shall include all information required for SPP to complete a Credit Assessment pursuant to its Credit Policy set out in Attachment X of the SPP OATT, and satisfaction of all requirements set out therein.

3. Each Customer shall submit an executed AFSA electing to include one or any number of its active OASIS requests in the subsequent AFS. If the Customer elects not to execute the AFSA, its Application shall be deemed withdrawn and its Financial Security shall be returned with interest, if any. Only OASIS requests that are included in the election will be included in the AFS.

SPP shall work with each Customer to help assure that each Long Term Firm Point to Point OASIS request is complete prior to the close of the open season. If an Application for Firm Point to Point Transmission Service fails to meet the requirements SPP shall notify the Customer requesting service of the reasons for failure within the applicable time period shown in Attachment P of the SPP OATT for responding to Applications. Wherever possible, the SPP will attempt to remedy deficiencies in the Application through informal communications with the Customer. Upon receipt of a new or revised Application that fully complies with the requirements of Part II of the SPP OATT, the Customer shall be assigned a new priority consistent with the date of the new or revised Application. If such efforts are unsuccessful, SPP will return the Application, along with all Financial Security, with accrued interest, if any.

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Completed Application requirements for Long-Term Firm Network Integrated Transmission Service

The OASIS request for Long-Term Firm Network Integrated Transmission Service along with the executed AFSA, study deposit, if any, and the Network Application in accordance with Section 29 of the SPP OATT shall constitute the Completed Application for Long-Term Firm Network Integrated Transmission service.

1. The OASIS request as defined by in section 29.2 of the SPP OATT.
2. A Completed Application for Network Integrated Transmission Service also shall include all information required for SPP to complete a Credit Assessment pursuant to its Credit Policy set out in Attachment X of the SPP OATT, and satisfaction of all requirements set out therein.
3. Each Customer shall submit an executed AFSA electing to include one or any number of its active OASIS requests in the subsequent AFS. If the Customer elects not to execute the AFSA or does not return the Completed Application, its Application shall be deemed withdrawn and its Financial Security shall be returned with interest, if any. Only OASIS requests that are included in the election will be included in the AFS.

SPP shall work with each Customer to help assure that each Network Integrated Transmission Service OASIS request is complete prior to the close of the open season. If an Application for Network Integrated Transmission Service fails to meet the requirements of this section, the SPP shall notify the Customer requesting service within fifteen (15) days of receipt and specify the reasons for such failure. Wherever possible, the SPP will attempt to remedy deficiencies in the Application through informal communications with the Customer. If such efforts are not successful SPP will return the Application without prejudice to the Customer who will in turn be assigned a new priority consistent with the date of the new or revised Application.

The ability of SPP to help assure that each OASIS request is valid for Long-Term Firm Point to Point and Network Integrated Transmission Service becomes limited as the close of the open season date draws near. Customers that put in an OASIS request in the last two weeks of the open season are at risk that SPP will not be able to assist in determination of valid OASIS requests.

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Customers may submit and withdraw requests for Long-Term Firm Point to Point and Network Integrated Transmission Service during the open season without any obligation. At the close of the open season, all transmission service requests subject to an AFSA will be included in the related AFS.

All Customers required to provide a deposit shall submit the deposit with the signed AFSA. SPP will allow these Customers to wire the funds if they contact SPP accounting for wiring instructions.

AFS Commencement and Timeline

Upon receipt of an executed AFSA, SPP in coordination with the appropriate Transmission Owner(s) will use due diligence to complete the required Facilities Study within a sixty (60) day period. If the SPP together with the affected Transmission Owner(s) are unable to complete the Facilities Study in the allotted time period, the SPP shall notify the Customer and provide an estimate of the time needed to reach a final determination along with an explanation of the reasons that additional time is required to complete the study.

Approximately one week prior to the required posting date for an ATSS, SPP will meet to discuss SPP's ability to meet the posting date. In addition, during the last week prior to the posting, the Manager, Tariff Studies (or his designee) will continue to monitor to make sure that the ATSS can be, and in fact is, posted in accordance with the required time frame under the SPP Tariff. If the Manager, Tariff Studies determines that the ATSS will be late, he (or his designee) will send a notification to all interested parties, including all Customers with pending requests for service, using the Aggregate Studies Exploder. The notification will identify the delay in processing the ATSS, including estimated completion dates and an explanation of the reasons for the delay. The following link provides the procedure to be included in this email exploder.

[Guidelines for Entering Long-Term Firm Transmission Service Requests as Part of the SPP Aggregate Transmission Service Study \(ATSS\)](#)

Subsequent Aggregate Facilities Studies and Associated Costs

In some cases an iterative series of AFSs may be required to complete the analysis. SPP, in conjunction with the applicable Transmission Owners, shall determine the optimal set of solutions to reduce the overall costs for the study group and reliably provide the requested service in a timely manner.

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The cost of each of the studies will be as follows:

- (i) The cost of the first AFS will be prorated among the Customers based on the MW capacity requested.
- (ii) If a single AFS is not sufficient for the SPP to accommodate the requests for service, the costs of subsequent studies will be prorated among the Customers based on a per request basis using the cost causer methodology as defined in Sections 19.4.a.iii through 19.4.a.vi and Section 32.4a.iii through 32.4.vi of SPP's OATT respectively.
- (iii) Customers who withdraw their requests following the initial study are still obligated to pay for a second AFS if one is required subject to qualified exemptions.

Qualified exemptions include requests that result in:

- a) Costs being directly assigned to the Customer that are in excess of the Safe Harbor Cost Limit (as defined in Attachment J of the SPP OATT) for Service Upgrades or,
- b) For Point to Point requests, the Customer being required to pay more than the Point-to-Point base rate.

If all withdrawn requests qualify for exemption, study costs will be paid by those remaining in AFS prorated based on a per request basis.

- (iv) Customers who withdraw their requests following the second AFS are still obligated to pay for a third AFS as defined by the SPP Open Access Transmission Tariff (OATT) ;

Qualified exemptions include requests that result in:

- a. Costs being directly assigned to the Customer that are in excess of the Safe Harbor Cost Limit (as defined in Attachment J of the SPP OATT) for Service Upgrades or,
- b. For Point to Point requests, the Customer being required to pay more than the Point-to- Point base rate.

If all withdrawn requests qualify for exemption, study costs will be paid by those remaining in AFS prorated based on a per request basis.

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- (iv) For a third AFS a qualified exemption requires a greater than 20% increase in the Customer's upgrade revenue requirement from the first study to the second study and:
 - a. Costs being directly assigned to the Customer that are in excess of the Safe Harbor Cost Limit (as defined in Attachment J of the SPP OATT) for Service Upgrades or,
 - b. For Point to Point requests, the Customer being required to pay more than the Point-to- Point base rate.

If all withdrawn requests qualify for exemption, study costs will be paid by those remaining in AFS prorated based on a per request basis.

- (v) Cost obligations for any subsequent AFS will be determined using the same methodology and qualified exemptions as they were for the third study, pursuant to Section 19.4.a.v and 32.4of the SPP OATT.
- (vi) The cost obligations are capped at \$35,000 per request per study iteration for Customers who withdraw their requests. Remaining costs will be paid by Customers remaining in AFS prorated on a per request basis and by Customers who withdrew their request that did not qualify for an exemption.
- (vii) Customers whose withdrawal of requests only requires a reallocation of upgrade costs and not a complete restudy and will be charged actual reallocation cost, capped at \$2,000 per request. Remaining study costs will be paid by those remaining in AFS prorated on a per request basis and by Customers who withdrew their request that did not qualify for an exemption.

Completed AFS

When completed, the AFS will include a good faith estimate of:

- (i) The cost of Direct Assignment Facilities to be charged to the Customer,
- (ii) The Customer's appropriate share of the cost of any required Network Upgrades as determined pursuant to the provisions of Part II of the SPP OATT, and,
- (iii) The time required to complete such construction and initiate the requested service.

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The AFS Report shall provide the following information:

- (i) List of projects needed for transmission service,
- (ii) The Engineering and Construction Cost of each project,
- (iii) Third party impacts with associated cost,
- (iv) The relevant classification of each project. Each project shall be classified as one of the following:
 - a) A Transmission Owner Planned project. A Transmission Owner Planned project consists of a project for which a Transmission Owner has independently committed to construct, own and maintain the project.
 - b) A project included in the approved SPP Transmission Expansion Plan (STEP),
 - c) A Reliability project. Reliability projects are those transmission upgrades and additions that are required to meet NERC, SPP and the Transmission Owner's local area reliability criteria as described in Attachment O, Section III of the SPP OATT. This determination is made outside of the STEP process but consistent with the most recently approved STEP.
 - d) A Sponsored Upgrade project for which revenue credits are due. A Sponsored Upgrade is a project that has been endorsed and approved pursuant to Attachment O, Sections V and VII.
 - e) A Generation Interconnection upgrade project for which credits are due.
 - f) A service upgrade project previously assigned for which a directly assigned component is due credits.
 - g) A project for which construction is pending,
 - h) Third party facilities impacted by the request(s), or
 - i) A service upgrade project. A service upgrade may take the form of an acceleration of a previously identified Network Upgrade.
- (v) The expected funding mechanism(s) for each project. The cost or cost responsibility of each of the above identified project classifications shall be allocated as follows:
 - a) A Transmission Owner shall be responsible for incurring the cost of a Transmission Owner Planned project as described in Attachment J, Section I of the SPP OATT.
 - b) The cost of any Base Plan projects will be displaced or deferred in accordance with Base Plan Funding as described in Attachment J, Section III of the SPP OATT.

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- c) The cost of a Reliability project may be allocated in accordance with Base Plan Funding as described in Attachment J, Section III of the SPP OATT.
 - d) A Sponsored Upgrade project shall be funded by a Project Sponsor as described in Attachment J, Section V. A. of the SPP OATT.
 - e) A Generation Interconnection upgrade project costs as described in Attachment V, Section 13.3 of the SPP OATT.
 - f) The cost for a project for which construction is pending shall be allocated as previously determined.
 - g) The cost of a project to accommodate a third party impact shall be allocated as follows:
 - For a third party impact on Southwestern Power Administration. SWPA, the cost shall be allocated as agreed to by SPP and SWPA pursuant to their agreement in Attachment AD of the SPP OATT.
 - i. The cost of the upgrade shall be assessed to the Customer and collected by SPP,
 - ii. SPP and SWPA shall enter into a contract to facilitate the upgrade(s), and
 - iii. The funds collected by SPP shall be provided to SWPA to fund the required upgrades.
 - For a third party impact on all other first tier transmission systems, the cost shall be allocated to the SPP Customer as determined by the third party Transmission Provider.
 - h) The cost of a service upgrade project shall be allocated as described in Attachment J, Section V. B. of the SPP OATT.
 - i) If a service upgrade takes the form of a Displacement or Deferral of a previously identified Base Plan Upgrade, the cost shall be allocated as required in Attachment J, Section V. B. of the SPP OATT including an achievable Base Plan Avoided Revenue Requirement, in accordance with Attachment J, Section VII.B.
- (vi) Any modification to the term of the request to accommodate construction schedules including interim redispatch or deferral of the start date,
 - (vii) Letter of Credit requirements for each project in accordance with attachment X of the SPP OATT,
 - (viii) Potential Base Plan funding for the request,
 - (ix) The revenue requirement for each project contingent upon base plan funding,

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- (x) A final total cost allocation to each Customer,
- (xi) A listing of the potential start and stop dates of service,
- (xii) Minimum allocated ATC,
- (xiii) Point to Point base rate (if applicable), and
- (xiv) A listing of upgrades for which interim redispatch is available (if applicable) with associated generation pairs to mitigate impacts.

At the completion of each iteration of the AFS, the study results will be posted under the Studies link on OASIS. The Customer will receive email notification using the Aggregate Studies Exploder and a Letter of Intent (LOI). The LOI will list options the Customer must choose within 15 days to clarify their commitment to remain in the Aggregate Transmission Service Study (ATSS). The Customers are generally given six options in the LOI:

- (i) **Remain in the ATSS**
The OASIS request remains in study mode through the next phase of the AFS with deferred term of service (if applicable). Initial cost estimates of network upgrades and other charges necessary for transmission service are detailed in Table 2 and Table 3 of the posting of the applicable AFS. The estimated monthly revenue requirement or PTP base rate (if applicable) can be determined by dividing the total revenue requirement or PTP base rate listed by the number of months of service requested.
- (ii) **Remain with Redispatch**
This option is only applicable if the reservation period is deferred and redispatch is available. The OASIS request remains in study mode through the next phase of the AFS. The Customer agrees to pursue generation redispatch agreements for interim service prior to completion of assigned network upgrades to avoid deferral of the start of transmission service. Revenue requirements for network upgrades in consideration of interim redispatch will be determined in the final AFS.
- (iii) **Remain with Curtailment**
This option is only applicable if the reservation period is deferred and curtailment of existing confirmed reservations is available. The OASIS request remains in study mode through the next phase of the AFS. The Customer agrees to provide a list of confirmed transmission requests to be considered for curtailment for interim service prior to completion of assigned network upgrades to avoid

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deferral of the start of transmission service. Revenue requirements for network upgrades in consideration of interim request curtailment will be determined in the final AFS.

(iv) Expedited Service Agreement

The OASIS request remains in study mode through the next phase of the AFS because the Customer agrees to reimburse the SPP and all affected Transmission Owner(s) for the costs of any network upgrades, as determined at the conclusion of the ATSS process. The Customer agrees to invoke the terms and conditions defined in the OATT requesting an Expedited Service Agreement for the subject transmission service request.

If the Customer elects to request expedited service, their OASIS request will be withdrawn from the AFS process and such requests will not be included in the subsequent AFSs. The Customer may exercise this option pursuant to Sections 19.8 and 32.9 of the SPP OATT.

(v) Accept Available Transmission Capacity (ATC)

The OASIS request is accepted for Customer confirmation. The Customer agrees to take and pay for the portion of the ATC, up to the requested amount that can be accommodated without assigning the cost of facilities upgrades to the Customer. The Customer's minimum allocated portion of ATC during the requested reservation period will be outlined. Selection of this option will result in SPP accepting the request on OASIS, tendering a service agreement and completing the ATSS process for this request. Customers may elect to accept the available ATC only under the following conditions:

- (a) All prior Aggregate Facility Studies are complete;
- (b) There are no third party impacts; and
- (c) There are no upgrades required for the available ATC.

In the event a Customer elects to accept the available ATC, including partial ATC, SPP shall tender to the Customer a Service Agreement in the amount of the available ATC and counter offer this amount on OASIS.

If SPP determines via the ATSS process that there will be adequate transfer capability to satisfy the full or any partial amount of a Completed Application without the addition of any facilities, and the Customer has made the election to accept the amount of transfer

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capability, then the SPP shall provide that Customer a Service Agreement. The Customer shall have (30) days to execute a Service Agreement or request the filing of an unexecuted Service Agreement and to provide the required Security or the request will no longer be a Completed Application and shall be deemed terminated and withdrawn.

If the Customer elects to accept the available ATC, their OASIS request will be withdrawn from the AFS process and such requests will not be included in the subsequent AFS's

(vi) **Withdraw from Study**

The Customer withdraws its request from the current ATSS.

If the Customer elects to withdraw from the study their OASIS request will be withdrawn from the AFS process and such requests will not be included in the subsequent AFS's

Customers who elect to remain in the AFS

This ATSS process will continue iteratively with additional AFS processed until each Customer's request has been resolved. At this point all Customers shall execute Service Agreements or request the filing of an unexecuted Service Agreement.

If any election of any Customer in a LOI deviates in any respect from the elections made in the immediate prior letter of intent, SPP shall conduct a subsequent AFS reflecting the changes in election made in the subsequent LOI. SPP shall repeat the process outlined above until the AFS is considered final as noted in the Final AFS section of this document.

Restudy Options:

- (i) A full load flow analysis is required,
- (ii) In some cases the only required analysis is to make a simple costs allocation, and
- (iii) In both cases a new Facility study will be posted

Final AFS

1. When the following conditions are met, the AFS shall be considered final:

- (i) All Customers remain in the study,
- (ii) All prior AFSs have been completed,

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- (iii) All third party impacts have been resolved and
 - (iv) All OASIS requests are confirmed.
- 2. Once an AFS is considered final, SPP shall require that all Customers provide the following:
 - (i) All redispatch and/or curtailment agreements necessary to facilitate the elections made under 10(iv) above; and
 - (ii) All agreements necessary to resolve third party impacts identified in 9iii, above; and
 - (iii) Any required Letter of Credit.
- 3. Upon SPP's receipt of all LOI for an AFS that it determines to be final and its satisfaction that the conditions in part 2 above have been satisfied, SPP shall create new OASIS requests, as required to reflect the revised term of service, and ACCEPT each request on OASIS.
- 4. Each Customer shall confirm its service requests on the OASIS within 15 days of SPP's acceptance of the original service requests with associated designated resource attestation requirements, as applicable, per SPP OATT section 29.2viii. If at Customer fails to confirm they will have been deemed to have withdrawn from the ASFS.
- 5. Once all the modified transmission requests have been confirmed, SPP shall tender Service Agreements to all of the Customers with service requests in the final AFS. All Customers shall sign and submit such signed Service Agreements to SPP or request SPP file unexecuted Service Agreements within 30 days of receiving the Service Agreements.
- 6. Once SPP has filed all Service Agreements, it shall issue Notifications to Construct for all upgrades identified in the final AFS.
- 7. SPP Tariff Studies will provide SPP Operations copies of the interim redispatch and/or curtailment requirements, if applicable, required for transmission service.
- 8. SPP Tariff Studies will provide SPP Settlements the revenue credit and upgrade revenue requirement data for network upgrades as applicable.
- 9. SPP Tariff Studies provides SPP Operations an updated list of all newly confirmed designated network resources for posting on OASIS.
- 10. SPP Tariff Studies notifies SPP Regulatory Policy of upgrades that are partially base plan funded for revenue requirement determination.

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