



**ORGANIZATION OF MISO STATES, INC.
Board of Directors Meeting
Conference Call Minutes
July 17, 2014**

Approved August 21, 2014

Eric Callisto, President of the Organization of MISO States, Inc. (OMS), called the July 17, 2014 meeting of the OMS Board of Directors to order via conference call at approximately 1:00 p.m. (CDT). The following board members or their proxies participated in the meeting:

John Colgan, Illinois
Angela Weber, Indiana
Libby Jacobs, Iowa
Linda Breathitt, Kentucky
Noel Darce, proxy for Eric Skrmetta, Louisiana
Regis Gosselin, Manitoba
Sally Talberg, Michigan
David Boyd, Minnesota
Robert Kenney, Missouri
Phil Movish, proxy for Jason Williams, City of New Orleans
Greg Rislov, proxy for Gary Hanson, South Dakota
Ken Anderson, Texas
Eric Callisto, Wisconsin

Absent

Arkansas
Mississippi
Montana
North Dakota

Agency members participating

Randy Rismiller, Linda Wagner – Illinois
Beth Roads – Indiana
Chris Devon – Michigan
Adam McKinnie – Missouri
Andrew Kell, Don Neumeyer, Julie Urban – Wisconsin

Others on the call

Bill Smith, Tanya Paslawski, Colleen Dougherty, Julie Mitchell – OMS Staff

The directors and proxies listed above established the necessary quorum for the meeting of at least nine directors being present.

The Organization of MISO States Board of Directors will hold its monthly meeting via conference call Thursday, July 17, 2014 at 1:00 pm (Central).

- Call-in number is **866-554-6142**. The conference code is **1385092764** followed by the # sign.
- Board members who cannot attend the call should notify Secretary Linda Breathitt (Linda.Breathitt@ky.gov) with a copy to Julie at OMS (julie@misostates.org) to designate a proxy for this meeting.

Agenda

Call Meeting to Order – President Eric Callisto 1:00
Attendance, Recognition of Proxies, Declaration of a Quorum
Approval of Minutes – June 12 2014 Board meeting
Treasurer’s Report – June 2014 – Colette Honorable
Review of Executive Committee meeting – June 26, 2014

Administrative Update

Report from the Executive Director 1:05

- Discussion with Market Monitor, August 26, St. Paul

Business

1. MISO Advisory Committee – July 23 - cancelled
2. Planning Advisory Committee – Sally Talberg 1:10
3. Discussion: EPA 111d Rules 1:15
4. Update: FERC dockets 1:30
5. Possible action item: MISO Prohibited investments, FERC Docket ER14-1970 1:35
6. MI-IN-IL potential letter to RTOs on cross-border planning – **new item** 1:45
7. NARUC meeting update – **new item** 1:55
8. OMS Annual Meeting October 21, 2014 Update – **new item** 2:05

OMS Work Group Status Reports

- a. Demand Response WG
- b. Transmission Cost Allocation WG
- c. Markets and Tariffs WG
- d. Resources WG
- e. Regional Planning WG
- f. Governance and Budget WG
- g. Seams WG
- h. Administrative Ad Hoc WG
- i. Ad Hoc 111d WG

Announcements

- Next OMS Executive Committee meeting: Thursday, July 31 2014 at 1:00 pm CT
- Next regular OMS Board of Directors meeting: Thursday, August 21, 2014 at 1:00 pm CT
- OMS Quarterly Call with MISO Closed WGs: Friday, August 8, 2014 at 12:00 noon CT

Adjourn

2:20

Approval of Minutes from June 12th Board Meeting

Eric Callisto requested the addition of the word "Principles" to Resource Adequacy on page 2. The minutes were approved as amended.

Treasurer's Report

John Colgan requested additional information on the travel monies paid to the Minnesota PUC and the funds paid to the Expert Plan MG Trust. Bill Smith explained the number of trips that the Minnesota PUC was being reimbursed for and that the Expert Plan MG Trust payments were the May and June 401k contributions for the OMS staff. The June 2014 treasurer's report was accepted as submitted.

Review of the June 26, 2014 Executive Committee Meeting:

Eric Callisto highlighted the following items from the meeting:

- Discussion of 111d modeling done by MISO;
- Discussion of the potential purchase of EGEAS software by OMS. It was decided to not pursue that purchase;
- Discussion on the SPP-MISO Dispute;
- Administrative issues including Nominating Committee meeting, budget issues and an update from the Ad Hoc Administrative Work Group;

Executive Director's Report

A written report was distributed prior to the meeting.

- Linda Breathitt asked for an update on FERC acceptance of MISO's plan to exceed the 1000MW flows on SPP facilities. Bill Smith provided a brief update of the issue and Ken Anderson provided some additional information;
- Bill Smith indicated the IRS Form 990 has been filed and posted to the website, along with the audit report;
- There is a meeting scheduled with the IMM on August 26 in St. Paul;

BUSINESS

1. MISO Advisory Committee

- The July 23rd meeting has been cancelled.
- The August meeting will be held in St. Paul. Eric Callisto noted the hot topic is 111d. Dave Johnston is working on the hot topic questions.
- Libby Jacobs noted that the MISO nominating committee process is underway. She and Joann Thompson are representing the AC on that committee. Robert Kenney asked for additional information on the Board nomination process, which she provided.

2. MISO Planning Advisory Committee

- Sally Talberg provided an update on the June PAC meeting. She highlighted the following activities being looked at by the PAC:
 - 111d modeling;
 - MTEP futures;
 - MTEP 15;
 - Transmission Developer Qualifications;
 - Triennial Review of MVPs.
- Julie Urban gave a detailed update on the status of these issues and the draft comments the work group has put together for the Triennial Review of MVPs.

3. Discussion: EPA 111d Rules

- Eric Callisto provided background details on the issue and what the OMS Ad Hoc WG on 111d has been working on.
- The Board discussed the draft comments written on behalf of OMS and MSEER providing suggested direction to MISO's 111d modeling efforts.
- At this time, no action has been taken by the OMS Board.

4. Update: FERC Dockets

- Bill Smith provided a verbal update on the status of several FERC dockets.

5. Possible Action Item: MISO Prohibited Investments, FERC Docket ER14-1970

- Bill Smith provided an update on this item.
- The work group recommends no additional filings be made on this issue, but wishes to convey its concerns to the Board.

6. MI-IN-IL Potential Letter to RTOs on Cross-Border Planning

- Angela Weber provided background on this letter to MISO and PJM and explained the issues it addresses. John Colgan also provided information on why this letter is being sent.
- The involved commissions plan to present it at the upcoming Joint and Common Markets meeting. It has already been presented to OPSI.
- If commissions wish to sign on to the letter, they can let Angela Weber or Beth Roads know by the close of business on 7/17/14.

7. NARUC Meeting Update

- Eric Callisto gave a review of the NARUC meeting in Dallas.
- David Boyd indicated NARUC will be having a meeting on July 28th regarding the issue of multi-state plans.
- John Colgan talked about electricity-gas coordination issues that were discussed.

8. OMS Annual Meeting October 21, 2014 Update

- Bill Smith indicated this is a meeting reminder and if you have discussion points or matters you'd like included, you should make those suggestions to the OMS staff.

Updates and Work Group Status Reports

Demand Response WG

- Andrew Kell gave a verbal update;

Transmission Cost Allocation WG

- No report;

Markets and Tariffs WG

- Hwikwon Ham provided a verbal update. A written report was provided;

Resources WG

- Don Neumeyer provided a verbal update. A written report was provided;

Regional Planning WG

- Julie Urban provided a verbal update. A written report was provided;

Governance and Budget

- Gail Maly provided a verbal update.

Seams WG

- Chris Devon provided a verbal update. A written report was submitted;

Administrative Ad Hoc WG

- Libby Jacobs provided a verbal update.

Ad Hoc 111d WG

- No additional update.

NEW ITEMS GOING FORWARD

Eric Callisto updated the Board on Rob Berntsen's move from MISO to MidAmerican Energy and wished him well on his future.

ADJOURNMENT

The meeting of the OMS Board of Directors meeting adjourned at 2:20 pm CDT.

OMS

**Organization of MISO States
Report of the Treasurer
Chairman Colette Honorable, Arkansas Public Utilities
Commission
to the Board of Directors
Report for July 2014**

CASH ON HAND

The beginning balance for the Wells Fargo Business Performance Savings Account on July 1 was \$25,333.60. Interest earned for this month totaled \$0.65 and there was no other activity. The July 31, 2014, ending balance was \$25,334.25.

The beginning book balance for the Chase Bank One Checking account on July 1 was \$201,556.85. The total disbursements from the checking account for July 2014 amounted to \$63,102.72. Deposits, interest and adjustments were \$60,001.99 which includes one month of MISO funding transactions. As of July 31, 2014, the checking account bank balance was \$207,828.07 (with 14 check payments outstanding) and the book balance was \$198,456.12.

The total savings plus checking account balance as of July 31, 2014, is \$223,790.37.



TREASURER'S REPORT
Organization of MISO States
July 31, 2014

Wells Fargo Business Performance Savings Account

Book Balance as of 6/30/14			\$	25,333.60
7/31/2014	DEP	Interest on Savings	\$	0.65
				<hr/>
Business Performance Savings Account Balance at 7/31/2014				<u>\$ 25,334.25</u>

Chase Bank One Commercial Checking with Interest

Book Balance as of 6/30/14			\$	201,556.85
7/7/14	ACH	Midcontinent ISO	\$	60,000.00
7/31/14	DEP	Interest on checking	\$	1.99
				<hr/>
Total Deposits				\$ 60,001.99

Checks and Charges

Date	Check #	Descriptions		
07/08/2014	4754	Ryun.Givens & Co. PLC	\$	5,796.11
07/08/2014	w/d	VISA (Chase Bank One)	\$	3,442.11
07/08/2014	4751	100 Court Investors LLC	\$	1,924.69
07/08/2014	4750	Bill Smith	\$	67.99
07/08/2014	4753	Diversified Management Services (DMS)	\$	19.50
07/08/2014	4752	Crystal Clear Water	\$	7.50
07/09/2014	4763	David Carr (MS)	\$	969.99
07/09/2014	4761	Al Freeman (MI)	\$	859.40
07/09/2014	4755	David Johnston (Indiana)	\$	859.17
07/09/2014	4764	Minnesota PUC (Burl Haar)	\$	835.25
07/09/2014	4759	Brian Ballinger (MI)	\$	823.98
07/09/2014	4762	Chris Devon (MI)	\$	736.13
07/09/2014	4766	Wisconsin PSC (Eric Callisto)	\$	718.68
07/09/2014	4756	Linda Breathitt (KY)	\$	547.13
07/09/2014	4765	Walt Cecil (MO)	\$	468.34
07/09/2014	4757	Kurt Simonsen (MB)	\$	403.72
07/09/2014	4767	Bill Smith	\$	142.27
07/09/2014	4760	State of Michigan (B. Ballinger)	\$	71.76
07/21/2014	4775	Walt Cecil (MO)	\$	1,140.00
07/21/2014	4769	Pradeep Sircar (IN-OUCC)	\$	904.25
07/21/2014	4770	Richard Raff (KY)	\$	757.88
07/21/2014	4774	State of Michigan (Sally Talberg)	\$	350.00
07/21/2014	4772	Sally Talberg (Michigan)	\$	344.73
07/21/2014	4773	State of Iowa (Chancy Bittner)	\$	316.03
07/21/2014	4768	Bill Smith	\$	26.57
07/24/2014	4781	Minnesota PUC (H. Ham)	\$	1,949.53
07/24/2014	4782	State of Iowa (V. Bujimalla)	\$	735.73
07/24/2014	4780	Bill Smith	\$	67.99
07/24/2014	4779	Amy Schmelzer (OMS)	\$	11.50
07/09/2014	4758	Province of Manitoba (Simonsen)	\$	616.97
07/21/2014	4778	Wisconsin PSC (Lori Sakk)	\$	617.78
07/21/2014	4771	Robert Mork (IN-UCC)	\$	598.33
07/21/2014	4776	Wisconsin PSC (Ellen Nowak)	\$	593.07
07/21/2014	4777	Wisconsin PSC (Julie Urban)	\$	505.40
07/28/2014	4785	Customized Energy Solutions	\$	3,500.00
07/28/2014	4786	Midcontinent ISO (MISO)	\$	918.00
07/28/2014	4784	Conference Suite	\$	766.30
07/28/2014	4788	Qwest/CenturyLink	\$	229.69
07/28/2014	4790	Combined Systems Technology (CST)	\$	111.30
07/28/2014	4783	Combined Systems Technology (CST)	\$	108.65
07/28/2014	4789	Triplett Office Essentials	\$	76.85
07/28/2014	4787	Premier Copiers	\$	49.41
07/30/2014	4792	Walt Cecil (MO)	\$	680.20
07/29/2014	w/d	WF Payroll Service - Net Wages	\$	19,210.81
07/29/2014	w/d	WF Payroll - Taxes	\$	9,115.43
07/29/2014	w/d	WF Payroll Service - Processing Fee	\$	106.60

Total Disbursements - Checks and Charges			\$	63,102.72
				<hr/>
CHECKING ACCOUNT BALANCE at 7/31/14			\$	198,456.12

TOTAL Certificates of Deposit, Savings and Checking Account Balances as of: 7/31/14			\$	223,790.37
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CHASE CHECKING ACCOUNT RECONCILIATION

Bank Balance 7/31/14	\$	207,828.07
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Less Checks Outstanding

07/09/2014	4758	Province of Manitoba (Simonsen)	\$	616.97
07/21/2014	4778	Wisconsin PSC (Lori Sakk)	\$	617.78
07/21/2014	4771	Robert Mork (IN-UCC)	\$	598.33
07/21/2014	4776	Wisconsin PSC (Ellen Nowak)	\$	593.07
07/21/2014	4777	Wisconsin PSC (Julie Urban)	\$	505.40
07/28/2014	4785	Customized Energy Solutions	\$	3,500.00
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07/28/2014	4789	Triplett Office Essentials	\$	76.85
07/28/2014	4787	Premier Copiers	\$	49.41
07/30/2014	4792	Walt Cecil (MO)	\$	680.20
Total Outstanding Checks			\$	<u>9,371.95</u>
Book Balance 7/31/14			\$	<u><u>198,456.12</u></u>



OMS Treasurer Report for Month of June 2014

Wells Fargo Business Performance Savings Account

Beginning Balance	25,333.60	
Interest Earned this Month	0.65	
Ending Balance		<u><u>25,334.25</u></u>

Chase Bank One Checking Account

Beginning Balance	201,556.85	
Total Disbursements	(63,102.72)	
Deposits/Interest/Adjustments	<u>60,001.99</u>	
Ending Bank Balance		<u><u>198,456.12</u></u>
Bank Balance	207,828.07	
Outstanding Deposits	0.00	
Outstanding Checks	<u>(9,371.95)</u>	
Book Balance	<u><u>198,456.12</u></u>	

Total Savings & Checking Balances as of June 30, 2014

223,790.37

8 checks outstanding at 6/30/14



Organization of MISO States

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OMS Executive Director Report August 15, 2014

FERC Issues

1. The FERC will hold an additional settlement conference on MISO's proposed recovery of SPP charges on August 20. Docket ER14-1736. That docket is not consolidated with other MISO-SPP dockets.
2. On July 16, MISO filed a revised plan to exceed 1000 MW flows on SPP facilities when beneficial ("hurdle rate"). Docket ER14-2445. OMS filed comments August 5.
3. An additional settlement conference on the MISO-SPP disputes is scheduled for August 21.
4. FERC has noticed a Technical Conference on SPP's proposed modification to the JOA to implement market to market with MISO. OMS plans to have staff attend to monitor the conference.
5. On August 15, the US Court of Appeals for the DC Circuit affirmed FERC's rulemaking in Order 1000.

OMS Documents Filed

1. On July 31, the OMS filed an Answer to MISO's motion for clarification and rehearing with respect to its recovery of SPP charges. Docket ER14-1736.

Recent and Upcoming MISO filings

1. MISO anticipates filing its Extended Locational Marginal Pricing ("ELMP") reconciliation. ELMP has been in development for several years, and has been tested for three months. It is now ready for parallel testing.

Public Relations

1. Presentations:
 - OMS briefed the Multistate Tax Commission on wholesale electric markets developments. July 28. The MTC is an interstate

- compact organization of state tax officials to facilitate equitable apportionment of tax bases of multistate taxable entities, including utilities and energy companies. That group decided not to work on a revision of electric utility tax allocation at this time.
- OMS will speak about regional cooperation at Camp NARUC on August 13.
2. Pending speaking/meeting invitations:
- MISO and OMS have been asked to brief FERC on responses to resource adequacy issues following the FERC meeting on September 18.
 - OMS has been invited to participate in a panel at Morningstar's investment management conference in Chicago September 17.
 - Commission Callisto will join officers of OPSI and the SPP-RSC on a panel at the Midwest Governors Association Transmission meeting on September 16. Bill Smith has been asked to moderate the panel.

Upcoming dates:

- Next regular OMS Board of Directors meeting: August 21, 2014, at 1:00 pm CT
- Next OMS Executive Committee meeting: September 4, 2014, at 1:00 pm CT
- Future OMS Board meetings: September 18, October 16
- OMS Annual Meeting: October 21, 9-2:30, Carmel
- Future OMS Executive Committee meetings: October 2, October 30
- Next OMS meeting with IMM: August 26, 1-5, St. Paul

1. MISO August 5 Market Subcommittee (MSC) Meeting

Status: monitoring

At the August 5, 2014 MSC meeting, MISO presented “hurdle rate” performance for the second half of July. MISO filed changes to the Sub Regional Power Balance Constraint (SRPBC) Demand Curve on July 16, 2014 for an effective date of July 17, 2014. The report showed that “hurdle rate” was in effect for 5.9% of hours in the Day Ahead market and 8.7% of hours in the Real Time market.

MISO will implement its Extended Locational Marginal Pricing (ELMP) on October 1, 2014. The Independent Market Monitor (IMM) worries about MISO’s ELMP calculation. In some instances, MISO’s methodology will forgo the efficient choice. Dr. Patton will provide his recommendations to address his concerns soon. His recommendations will likely necessitate tariff changes for implementation. The resolution of the IMM’s concern could determine the frequency and size of 5-minute price spikes in the real-time energy market, with the IMM preferring more than MISO.

2. MISO August 6 Financial Transmission Rights Working Group (FTRWG) Meeting

Status: monitoring.

At the August 6 meeting, MISO presented summary of the 2014-15 Annual ARR Allocation and FTR Auction.

3. OMS call with the IMM Status: Meeting on August 26

OMS/IMM I meeting with David Patton is scheduled on August 26. Workgroup is collecting questions and will provide them to IMM.

For those interested, please note the following MISO meetings:

MISO Board of Dirs Markets Committee – monthly meetings (8/27 next mtg)

MISO Market Subcommittee - monthly meetings (9/2 next mtg)

MISO FTR Working Group – monthly meetings (9/3 next mtg)

The **OMS Markets and Tariffs Work Group** covers: Energy and Operating Reserve markets, Market Monitoring and Mitigation. See

<http://www.misostates.org/index.php/work-groups-2/workscopereference/63-markets-a-tariffs-workscopereference>

http://www.misostates.org/images/stories/work_groups/OMS2013WGOverviewForWebsiteRevised23August2013.pdf

Allan Freeman and Hwikwon Ham, Markets and Tariffs Work Group co-chairs

OMS Resources WG Report to OMS Board – Aug. 21, 2014

Supply Adequacy Work Group

MISO – OMS Survey

FERC has invited Clair Moeller (MISO), OMS President Commissioner Callisto, and the Michigan Commission for a short presentation at the end of their September 18 meeting. The topic will be the results of the MISO – OMS Survey and the transition period of 2016-2017 planning year after the EPA rules are going into effect.

MISO RA Comments

OMS and 12 other stakeholders posted comments on MISO's RA Principles, etc. MISO did use some of the OMS comments and explicitly noted the State's role in Resource Adequacy. A few comments were made at the August 7th meeting. The next version will be presented at the August 27th Markets Committee of the Board of Directors.

LOLE

MISO announced that the final 2015-16 Planning Year (PY) Planning Reserve Margin (PRM), on an Unforced Capacity (UCAP) basis, is 7.1% (0.2% lower than the 2014-15 PRM).

By: Don Neumeyer & Walt Cecil, Co-Chairs Resources Work Group.

OMS Regional Planning Work Group Report for August 21, 2014 Board meeting

Co-Chairs: Dave Johnston and Julie Urban

The Regional Planning Work Group (RPWG) held two calls since the last OMS Board meeting. These calls were to develop the OMS draft comments for the MISO August Hot Topic on the EPA Clean Power Plan.

The August Planning Advisory Committee has a full agenda, but occurs the day before the OMS Board meeting, so an oral report will be given.

Feedback Opportunities:

On August 14, MISO announced that feedback will be taken on the Top Down Planning final draft of the Business Planning Manual. This will be presented at the Aug. 20 PAC, and the deadline for feedback is September 5.

On August 8, MISO posted the first draft of the MVP Triennial Review, and asked for feedback by August 29.

On August 8, MISO posted the MTEP14 draft report, and asked for feedback by August 15. A second draft will be posted on August 20 with a feedback deadline on August 29. MISO will post a third draft on Sept 8 with feedback on Sept. 29.

On August 8, following the Voltage and Local Reliability (VLR) Planning study update discussion at the July 29 Planning Subcommittee meeting, MISO posted the results of the contingency analyses performed including system violations observed. Two items for feedback were requested:

- Solution ideas discussed at the July meeting, including cost estimates
- Additional solution ideas to address system violations posted

Feedback is due on August 29.

The RPWG has not filed any feedback but will discuss whether to do so in the upcoming weeks.

OMS Seams Work Group

August 2014 Report to OMS Board of Directors

Co-Chairs: Adam Mckinnie and Chris Devon

MISO PJM Seams Update

JCM Initiative Update

Next MISO PJM JCM meeting is scheduled for September 10, at PJM in Valley Forge, PA.

Coordinated Transaction Scheduling - Interchange Optimization:

- MISO and PJM continue to develop the Interchange Optimization (IO) project modeled after PJM's and NYISO's Coordinated Transaction Scheduling (CTS). The RTOs and stakeholders generally agree it would be best to develop the details after observing the impacts of PJM's and NYISO's CTS implementation in November.

Firm Flow Entitlement Freeze Date Alternatives:

- The RTOs have been working on the Firm Flow Entitlement Freeze Date issue through the Congestion Management Process Working Group (CPMWG), there seems to be general agreement among MISO and PJM that some changes or updates could better reflect changes in the topology of the system and generation that is assumed. Problems arise when trying to fairly reflect the current use of the system but also respect investments that were made to the transmission system prior to the freeze date and market start. Some other non-market area parties that participate in the CMPWG have not agreed with MISO and PJM on the basic concepts of a need for change surrounding the issue but the group is working through it.
- At the July JCM the RTOs updated stakeholders that the CMPWG was unable to agree on guiding principles but it agreed to move forward with consideration of Freeze Date alternatives while it continues to work in parallel to develop guiding principles, which may help the group reach agreement on an alternative to the current Freeze Date.

Capacity Deliverability:

- The Fact Finding that was initiated at the request of OMS and OPSI has been developing goal of capacity deliverability is to extend network transmission service across the seam for transfers of capacity between regions. MISO and PJM do not agree on how to perform the deliverability studies or how to fund any upgrades needed to retain the granted service levels. PJM contends that load

should fund any subsequent upgrades, putting the risk of any further transmission costs on load, but MISO contends that the generators should fund any necessary upgrades, keeping the risk squarely on the generators.

- The RTOs asked for stakeholder feedback on transmission cost allocation aspects as well as how to ensure energy resources are not curtailed. Many questions still left to be addressed on the issue and expect continued discussions at upcoming JCMs.

Cross Border Planning Projects:

- MISO and PJM have yet to approve and build a Cross Border project under the current JOA but they have had Cross Border planning provisions in the JOA for many years. The misalignment of project benefit criteria could be one of the major barriers to approving projects.
- MISO and PJM are reviewing the Cross Border (CB) and regional planning processes to identify differences in project criteria and where and how they can be aligned, and the RTOs and stakeholders are hopeful that they will reach agreement on opportunities for alignment to eliminate some of these barriers.
- These discussions could take place at the Interregional Planning Stakeholder Advisory Committee (IPSAC) or MISO and PJM may organize a separate joint stakeholder group specifically to address this issue.
- They expect to bring proposed changes before stakeholders in January.

MISO SPP Seams Update

Recent MISO activities on the Sub-Regional Power Balance Constraint (SRPBC):

- (1) On July 10, 2014, MISO made a compliance filing at FERC, Docket ER14-1713, on circumstances involving a temporary override of the 1,000 mW SRPBC between MISO North and MISO South. This compliance filing involves what information will be included in a public posting by MISO of when such a temporary override will go into effect. Comments are due at FERC July 31, 2014.
- (2) MISO made a tariff filing on July 16, 2014 in ER14-2445, to do the following, according to a MISO e mail.

“...this revision will introduce a separate single price demand curve to provide a hurdle rate and cost recovery mechanism for efficiently dispatching resources while considering potential SPP transmission charges for intra-regional dispatch flows exceeding 1000 MW. The filing will also adjust the values of the existing SRPBC Demand Curve, which will be associated with managing intra-regional flows under the existing ORCA coordination agreement.”

- **OMS filed an [Intervention and Comments](#) on August 5th**, following discussion during the July OMS Executive Committee call. These comments generally supported the hurdle rate proposal, especially as an “an interim step that should be eliminated through settlement of pending MISO-SPP dockets, market-to-market seams management processes expected in 2015, or other avenues settling.” [footnote omitted]

FERC accepts and suspends the unexecuted MISO-SPP Service Agreement subject to refund:

- FERC Docket ER14-1174, related to the SPP Complaint in FERC Docket EL14-21.
- The effective date for any refunds related to the SPP Complaint (EL14-21) has been set for January 29, 2014. The effective date for any refunds from the MISO Complaint (EL14-30) has been set for February 18, 2014 (see below for the request by MISO TOs to change the effective date).
- Settlement proceedings have been ordered in this and the consolidated dockets below. The last settlement conference was in Washington DC on June 3, 2014. The next settlement conference is currently scheduled for August 21, also in Washington DC.

MISO files to limit MISO North to MISO South transfers to the 1,000 mW contract path between SPP and MISO

- FERC Docket ER14-1713 is the FERC Docket where MISO has made a tariff filing to limit such flows. MISO first discussed this flow limit in the March 31, 2014 Seams Management Working Group meeting. MISO began limiting the flow on Saturday, April 12, 2014.

SPP and MISO Complaints – FERC Dockets No. EL14-21 and EL14-30

- These dockets have been consolidated (order released March 28, 2014), along with the docket involving the unexecuted SPP Service Agreement (ER14-1174) and the remanded court decision on Section 5.2 of the MISO-SPP JOA (EL11-34-002, as discussed below).

Request for “Stay” – Consolidated Docket, including EL14-21 and EL14-30

- MISO Transmission owners, on April 28, 2014, filed a “Motion to Stay Effectiveness of Service Agreement Pending Decision on Rehearing”. OMS filed comments at FERC in support of the motion on May 16, 2014. FERC rejected the “stay” request in a filing on July 21, 2014.

SPP – MISO Joint Operating Agreement meeting, June 27, 2014, Egan, Minnesota

- The meeting served as a “sneak preview” of issues that will need to be dealt with in the future. These issues include: looking at alternatives to the current Congestion Management Process (CMP) 2044 freeze date; interface pricing issues (SPP isn’t certain this is an issue for them yet); excess flowgate capacity distribution; a multitude of issues related to the expected beginning of “Market to Market” in Spring 2015; and issues related to “third party impacts” due to Generation Interconnection and Transmission Service Requests within MISO and SPP.
- No date is currently set for a future meeting on these topics, though the goal is to have one in October or November of 2014.

SPP Seams Steering Committee Issues

Items of importance:

(1) SPP-MISO Joint Planning:

- MISO and SPP released the scope of their current joint “Coordinated System Plan” on June 25, 2014. The plan is to study potential transmission needs involving reliability and economic issues. This scope includes a sensitivity of a 1,000 MW contract path limitation between MISO North and MISO South.
- SPP Stakeholders are still working to develop a proposal for how transmission capacity would be allocated for a project paid for by both SPP and non-SPP parties.
- The next MISO-SPP meeting on the Coordinated System Plan is scheduled for October 7, 2014. The following issues are expected to be discussed at that meeting:
 - Historical congestion analysis
 - Projected congestion analysis
 - RTO developer selection process
 - Process for submitting potential solutions
 - Coordination activities with the current MISO and SPP regional planning processes

(2) SPP-AECI Joint Planning:

- August 19, 2014, scheduled IPSAC call to discuss a “low hydro” scenario. The expectation is to ask for transmission solutions to identified issues in August, and concluding the study by December 2014.

(3) FERC is holding a technical conference on SPP's Integrated Marketplace (IM) tariff filing on 3 topics:

- 1 – Interface Pricing;
- 2 – Market to Market flowgate creation process (MISO and SPP didn't agree on this topic in the IM filing, when flowgates could be added to the process); and,
- 3 – MISO and SPP having agreed to defer the Day-Ahead Firm Flow Entitlement (FFE) process. The MISO / PJM Joint Operating Agreement says they would coordinate and exchange FFEs on a day ahead basis to allow parties to swap unused FFEs, but apparently that has never actually occurred.
- The technical conference has been set for September 22, 2014. SPP noted these sorts of technical conferences are rare.

(4) Other issues of note:

- SPP, MISO, and PJM all had their “market flow” tariff filings approved by FERC
- ORCA issues – SPP and MISO are currently in phase 3 of the ORCA - a “one day ahead process” of looking at coordinating energy flows. SPP and MISO skipped phase 2, as they could not agree on an agreement interpretation for looking at congestion on a 2day ahead basis.
- MISO and SPP continue to work on JOA language related to third party impacts for Generator Interconnection and Transmission Service request studies.

Upcoming SPP Seams meetings:

- August 19: SPP-AECI IPSAC Call
- October 7: SPP-MISO IPSAC Meeting
- October/November TBD: SPP-MISO JOA Meeting
- December 10: SPP-AECI JOA Meeting

OMS Administrative Ad Hoc Work Group Status Report

August 21, 2014 OMS Board meeting

The Administrative Ad Hoc Work Group (AAHWG) met on July 21st.

Summary of July 21 meeting

The AAHWG continued its discussion of a shared repository for group development of OMS documents. A subgroup of the AAHWG has studied various options and has focused on three: a) Office 365 SharePoint; b) CST hosted SharePoint; and c) Google Drive. This narrowing of the field was based on considerations of cost and the ability of the applications to meet the basic levels of functionality identified by the AAHWG (i.e., a basic environment for collaborative work by work group members and Board members, and a system to also allow storage and searching of all historical OMS documents.) The subgroup has been having conversations with service providers. A goal is to develop a testing environment that could be used by a broader OMS group to evaluate comparative merits of SharePoint and Google Drive. The AAHWG also discussed comparative costs differences and other functionality of the applications (e.g., calendars).

It was agreed that the subgroup should continue to develop the testing environment and schedule the next AAHWG meeting once there is greater experience working with these applications.

Other topics discussed by the AAHWG were the following: a) standardized format for developing draft documents; b) revisions to the OMS Style Manual to address some of the changes being contemplated (e.g., standardized format); and c) the process for reporting work group activities to the OMS Board.

There was discussion of these additional topics at the July 25th OMS Work Group Chair meeting. Developing a reporting a draft reporting mechanism was seen as a necessary step before the group could have further meaningful discussion. The AAHWG subgroup is developing that mechanism and will be bringing it back to the OMS WG Chair group for further consideration.

Subsequent to the July 21st meeting, the subgroup has had more detailed conversations with CST, the IT service provider for OMS. There discussions have included issues like the following:

- Licenses costs
- Services included
- On-going technical support
- Setting up a testing environment
- Training

The subgroup plans to have a testing environment established very soon. The plan would be to ask the WG Chairs to use the environment for some of its reporting. Once there is some experience with the test environment, the AAHWG will reconvene to discuss next steps.