

## Questions

1. What do you believe to be the single most important/impactful seams issue and what barriers are preventing resolution? If applicable, include two to four additional priority items the regulators should focus on.

The MISO approval process for seams projects has been the biggest hurdle toward getting seams projects constructed. Projects with a reasonable benefit/cost ratio can be developed through the inter-regional planning process. By the time they reach a point where MISO's stakeholders may approve the project, MISO evaluates "other alternatives" and makes a determination they have a better internal project that may not benefit SPP. This implicit right-of-first-refusal to develop an internal project leaves the appearance to an outsider that MISO has no interest in developing seams projects with SPP.

2. How should the RTOs weigh the benefits of more efficient seams operation against focusing on maximizing intra-RTO efficiencies and operation?

This shouldn't be an either/or proposition. If there are internal projects that meet the benefit/cost ratio thresholds to be built, they should be built. I realize each RTO should look first at its own benefits and costs, but if a seams project can produce \$10 million of benefits while a non-seams project produces \$9 million for the single entity, it appears that the seams project should be built and that reasonable accommodations be made for dividing benefits so neither RTO is disadvantaged.

3. What areas of the whitepaper do you agree and disagree with? Why?

Nebraska agrees with much of the white paper; particularly statements about the complexity of seeking approval from multiple stakeholder groups makes implementing seams projects difficult. Nebraska is a strong supporter of expanding the projects that can be implemented through seams projects to include lower voltage projects (i.e., < 300 kV) and include lower cost projects. Making these two changes could open projects (e.g., reactors or capacitor banks, small transformers and terminal equipment upgrades) to funding through the seams planning processes.

One core value that should be maintained is the idea that, if negative APC benefits accrue to one entity or the other, there should be a mechanism for compensation. This could be through a market-to-market payment or upfront transfer of project related costs.

The only disagreement Nebraska has with the white paper has to do with RSC authority. There are a number of statements made that appear to delve into areas that may not be consistent with the RSC's delegated

authorities. For example, the discussions of the January 17 event, while important, appear to be related to operational issues as opposed to areas related to cost allocation, resource adequacy or market implementation. While Nebraska is of the opinion it is good background information, the RSC should refrain from exerting influence over areas best left to the respective RTO staffs and the affected utilities.

4. Are there seams issues that you believe were left out?

No.

5. What seams issue(s) require additional analysis and study prior to solution identification? What should the goal of such an analysis/study be and what metrics or other measurable information should it include?

The current process is robust and includes the appropriate analysis. Benefits should not be overly expanded into areas of questionable merit in an effort to justify marginal projects.