

Docket No. ER12-2387-002

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Balanced Portfolio Process underwent an exhaustive stakeholder review and approval process before being filed and accepted by the Commission.¹⁸ SPP and Empire contend that, as required by SPP's Tariff, SPP used data inputs provided by transmission owners and/or entities responsible for construction of the upgrades, as well as an adjusted production cost metric to project the first ten years of benefits of the Balanced Portfolio.¹⁹ SPP and Empire assert that none of the commenters raise any objections to SPP's compliance with the Tariff provisions.²⁰ Therefore, Empire argues that this section 205 filing is not the appropriate proceeding to address the concerns raised by commenters regarding how the Balanced Portfolio Tariff provisions function. According to Empire, commenters may choose to file a separate section 206 complaint to initiate an investigation regarding the justness and reasonableness of those Tariff provisions.

19. SPP, Empire, and KCP&L-GMO contend that commenters generally seek to delay the effective date of SPP's filing until after an unintended consequences review is completed under section IV.B of Attachment J of the Tariff. However, SPP and KCP&L-GMO point out that section IV.A.1 of Attachment J of the Tariff expressly provides that the Trigger Date for the initial reallocation of the Balanced Portfolio revenue requirements shall occur when at least 10 percent of the Balanced Portfolio revenue requirements have been included in rates under the Tariff.²¹ SPP and KCP&L-GMO note that this event occurred on January 1, 2012. Accordingly, they contend that the initial reallocation will already be delayed for nine months past the Trigger Date. SPP, Empire, and KCP&L-GMO contend that a further delay of the initial reallocation would contravene the language and intent of the Tariff to implement the initial reallocation when 10 percent of the revenue requirements are included in rates.²²

20. SPP, Empire, and KCP&L-GMO also claim that further delaying the initial reallocation until the completion of the unintended consequences review would cause an uncertain and indefinite delay.²³ SPP, Empire, and KCP&L-GMO argue that section IV.B of Attachment J creates a process for the unintended consequences review that includes reports and recommendations by the transmission provider and by the Markets and Operations Policy Committee, and a vote by the SPP Board of Directors. However, SPP, Empire, and KCP&L-GMO point out that there is no specified time limit for the

¹⁸ Empire Response at 3.

¹⁹ SPP Answer 4-6; Empire Response at 3.

²⁰ *Id.*

²¹ SPP Answer at 6-9; KCP&L Response at 2.

²² SPP Answer at 9; KCP&L-GMO Response at 2; Empire Response at 5-6.

²³ SPP Answer at 8; KCP&L-GMO Response at 3; Empire Response at 5.

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completion of this process, and there is no certainty that any reconfiguration will be successfully developed and then approved by the SPP Board of Directors.²⁴

21. SPP clarifies that it does not intend for its request to defer action on the August 2, 2012 filing to affect the requested October 1, 2012 effective date, because the purpose of the request was to allow SPP to comply with Commission orders in collateral dockets.²⁵

IV. Discussion

A. Procedural Matters

22. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2012), the timely, unopposed motions to intervene serve to make the entities that filed them parties to the proceeding.

23. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure 18 C.F.R. § 385.214(d) (2012), the Commission will grant Lincoln Electric System and the East Texas Cooperatives' late-filed motions to intervene given the entities' interests in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

24. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2012), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We will accept Empire and KCP&L-GMO's responses and SPP's answer because they have provided information that has assisted us in our decision-making process.

B. Commission Determination

25. The Commission accepts, effective October 1, 2012, SPP's proposed Tariff revisions to update the revenue requirements and associated rates in order to implement the initial reallocation of revenue requirements pursuant to the Balanced Portfolio Process, and effective October 1 for all subsequent annual reallocations for years two through five. We find that SPP has properly implemented the Balanced Portfolio Process to reallocate revenue requirements associated with the Balanced Portfolio projects as approved by the Commission. SPP's proposed Tariff revisions in this filing merely update the revenue requirements and associated rates in Attachments H and T of its Tariff in order to implement the initial reallocation of revenue requirements as mandated by the Balanced Portfolio Process.

²⁴ *Id.*

²⁵ SPP Answer at 12.

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26. We find that commenters' concerns involve issues outside the scope of this section 205 proceeding to update the revenue requirements of transmission owners that do not have formula rates to reflect the initial reallocation pursuant to the Balanced Portfolio Process. While the estimated costs for the Balanced Portfolio projects may have increased since the projects were initially approved through SPP's stakeholder process, this does not release SPP from its duties of implementing its Tariff provisions. Moreover, SPP is currently undertaking an unintended consequences review of this Balanced Portfolio. According to SPP, it is currently in the beginning stages of the review.²⁶ Some commenters request that the Commission defer action in this proceeding until SPP has concluded its unintended consequences review, but we find that this is unwarranted. We find that SPP has appropriately calculated the reallocated revenue requirements as required under the Balanced Portfolio Process, and the revisions to Attachments H and T proposed in this filing update the Tariff to reflect the reallocation of the revenue requirements following the Trigger Date. In fact, none of the commenters claim that SPP has incorrectly applied its Tariff provisions.

The Commission orders:

(A) SPP's Tariff revisions, as amended, are accepted for filing, effective October 1, 2012, and October 1 for all subsequent annual reallocations for years two through five, as discussed in the body of this order.

(B) SPP's motion to amend SPP's Answer in this proceeding is granted.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

²⁶ SPP Answer at 8.

**Plant Production O&M Expenses
By FERC Account**

plant name	FERC	2007	2008	2009	2010	2011 Test Year
Carlsbad	505		57			
	506	1,831				
	546		256	-	-	63
	548		36	1,938	58	356
	549	984	934	1,668	1,167	1,443
	551			18	63	-
	552	1,336	553	29	4,167	3,258
	553	41,768	15,966	17,683	28,421	59,292
	554		59	2,854	24	419
	550			-	20	-
Carlsbad Total		45,919	17,861	24,190	33,921	64,831
Celanese	510		27,570			
	511	5,874	13,462	15,138	3,545	1,365
	513	37,953	7,759	57	(1,382)	-
	514	2,569	507			
	548	434,433	468,623	5,998	-	-
	549	(183)				
	552	121,036		594	455	-
	553	234,577	23,706	1,240	955	1,422
	554			-	(531)	-
	550			1,576	-	-
Celanese Total		836,260	541,626	24,602	3,043	2,787
Cunningham	500	84,091	71,606	21,788	14,777	53,952
	502	1,039,826	1,231,760	797,992	892,041	829,535
	505	996,649	1,081,585	642,673	654,707	749,748
	506	538,484	511,840	547,095	528,024	728,291
	507		10	-	-	(596)
	510	75,187	50,553	27,439	43,547	49,442
	511	175,491	155,016	197,128	266,546	328,826
	512	546,232	331,023	460,852	654,528	484,937
	513	525,043	461,818	366,048	1,622,246	537,515
	514	799,473	585,375	604,311	764,696	561,592
	546			34,719	532	14
	548	272,205	260,680	235,813	271,917	266,183
	549	964		1,184	307	1,913
	551	64		-	192	-
	552	60,853	54,971	33,136	46,569	69,101
	553	3,157,978	275,979	1,590,668	200,108	1,291,517
	554	95	117	494	4,342	-
	550			-	122	-
Cunningham Total		8,272,635	5,072,331	5,561,341	5,965,200	5,951,969
Harrington	500	918,438	928,495	818,047	895,032	958,863
	502	3,093,002	3,082,152	2,229,296	2,815,730	2,331,689
	505	3,992,723	4,997,682	3,404,575	2,758,550	2,789,571
	506	2,174,290	1,798,396	2,177,034	2,297,995	2,576,186
	507	485	224	(10)	1,274	319
	509			315,193	772,570	46,855
	510	746,531	422,741	358,154	397,558	412,723
	511	930,773	992,024	734,554	920,185	1,261,888
	512	5,668,292	6,914,114	6,186,252	8,063,794	7,409,541
	513	3,471,279	1,942,077	1,388,658	1,621,594	2,273,835
	514	3,472,546	2,946,624	3,264,482	3,103,193	3,391,966
	546	3,711	61			
	549	1,079	356			
	552	16,895	15,190	95	91	(3)
	553	148,049	40,140	8,598	275	105
	554	440	2,288			
Harrington Total		24,638,333	24,082,564	20,884,930	23,647,841	23,453,538
Jones	500	193,578	173,420	179,475	181,982	255,151
	502	914,210	1,014,596	1,033,841	1,059,325	1,211,118
	505	1,839,068	1,670,933	1,910,477	1,638,855	1,735,159
	506	366,836	433,283	630,738	647,246	638,108
	507			-	70	100
	510	199,320	260,165	292,117	307,088	273,094
	511	172,522	125,591	165,448	139,376	305,443
	512	339,022	966,647	265,996	1,672,561	449,096
	513	283,942	533,419	555,649	1,410,022	623,208
	514	529,538	567,531	755,841	664,775	771,441
	549	78		-	148	-
	552			-	-	-
	553			-	-	8,351
Jones Total		4,838,115	5,745,587	5,789,583	7,721,448	6,334,331
Maddox	500	227	1,821	12,007	22,195	20,063
	502	2,703	57,300	531,390	595,920	623,353
	505	20,423	8,970	417,239	386,812	402,337
	506	182,313	153,800	200,095	330,090	375,284

	507			(8)	-	-	
	510			48,734	37,574	40,709	41,169
	511	17,917	33,568	95,244	159,784	158,033	123,974
	512	47,129	44,918	116,648	959,874	325,882	253,212
	513	118,156	182,220	340,770	321,168	418,557	384,587
	514	72,559	116,244	354,521	523,474	324,937	355,474
	546			3,353	6,432	360	360
	548	3,393	21,834	76,611	104,048	76,295	73,327
	549			-	108	196	
	552	635,596	928,844	13,851	32,028	45,819	25,863
	553	192,908	140,123	62,661	114,983	89,892	97,579
	554	(87)		1,521	749	-	
Maddox Total		1,293,236	1,689,641	2,274,638	3,595,239	2,901,715	2,898,035
Moore County	500		5,166	216	1,212	2,621	2,426
	502	21,490	32,823	293,194	228,499	203,475	152,716
	505	18,127	113,708	285,266	226,410	348,228	360,738
	506	51,603	93,648	100,007	191,600	190,234	180,817
	510	5,315		5,459	741	620	147
	511	13,210	692	47,114	31,112	24,619	92,715
	512	14,435	19,285	24,764	1,055,156	250,166	113,182
	513	23,067		14,183	39,785	64,960	120,623
	514	8,861	49,248	55,710	26,144	46,426	37,200
Moore County Total		156,107	314,569	825,914	1,800,658	1,131,350	1,060,545
Nichols	500	7,484	777	183,583	168,635	155,450	178,608
	502	43,399	45,478	647,285	743,559	804,686	851,601
	505	9,185	3,582	651,546	809,958	760,710	793,713
	506	652,812	633,276	- 2,340,853	2,761,165	2,821,372	2,959,473
	507		365	(21)	-	-	
	510	14,162	5,556	106,111	150,711	69,619	34,719
	511	170,213	206,549	420,353	260,924	232,117	199,004
	512	430,026	254,617	1,554,701	2,051,679	928,510	958,633
	513	553,342	729,388	1,184,157	1,310,511	1,002,676	1,052,849
	514	342,475	424,955	867,065	870,481	881,567	812,328
	553	709	428				
Nichols Total		2,223,809	2,304,971	7,955,613	9,127,624	7,656,706	7,840,929
Plant X	500	3,921	4,856	60,429	64,298	80,271	84,407
	502	57,692	52,457	608,134	683,692	741,006	784,096
	505	30,205	34,811	715,340	741,502	856,160	1,055,919
	506	207,452	207,077	635,472	714,025	740,722	730,371
	507			(0)	-	-	
	510	4,182	3,767	186,444	203,145	136,543	179,528
	511	196,156	299,302	382,647	447,210	1,102,637	1,070,102
	512	492,000	580,531	621,994	1,023,711	1,596,587	1,280,761
	513	540,157	1,521,681	2,091,167	2,522,123	1,001,779	1,033,246
	514	280,195	(120,510)	707,399	1,084,062	750,320	730,318
Plant X Total		1,811,960	2,583,972	6,009,025	7,483,767	7,006,024	6,948,749
Riverview	506	(2)	(1)	-	(14)	(3)	
	546	8,083	7,997	8,122	388	588	1,626
	548			486	1,564	2,708	2,708
	549	99,528	187,439	95,995	152,127	212,921	272,178
	551			-	115	2,153	2,198
	552	2,399	42,620	63,281	867,435	873,671	91,411
	553	28,766	24,225	52,482	188,324	109,833	107,951
	554		1,211	1,734	19,966	4,318	35,632
Riverview Total		138,774	263,491	222,101	1,229,903	1,206,190	513,703
Tolk	500	444,722	490,774	398,020	463,997	622,286	686,073
	502	2,094,332	2,051,300	1,805,589	1,666,286	1,604,996	1,633,915
	505	3,120,119	3,630,513	3,094,958	3,132,140	3,522,851	3,595,544
	506	1,204,327	1,568,250	2,083,039	2,102,817	2,360,165	2,348,774
	507	60		(272)	-	74	
	509			315,193	772,570	46,855	34,633
	510	325,313	287,583	96,002	131,962	286,693	288,847
	511	1,747,488	1,523,269	1,593,812	2,132,928	2,181,280	2,713,285
	512	5,773,804	7,904,303	5,956,509	5,603,049	7,281,368	7,661,733
	513	2,936,563	1,332,465	3,277,521	1,433,007	2,003,014	1,673,597
	514	2,577,872	2,399,117	3,585,038	3,259,793	3,601,236	2,995,559
	548	2,529	1,100				2,444
	549	37					
	552		163	-	92	-	
	553	114	552	411	(280)	219	
	554	512	253				
Tolk Total		20,227,792	21,189,643	22,005,821	20,698,360	23,491,038	23,634,403
Tucumcari	546	147		-	-	300	
	548	294	744	(10,662)	(9,361)	(5,471)	(9,716)
	549	8,723	8,087	7,257	4,513	849	208
	552	1,605	12,512	17,135	2,015	-	
	553	84		583	16,391	32,576	459
	554	8		-	32,780	(18,366)	
	550			-	3,189	-	
Tucumcari Total		10,861	21,342	14,313	49,528	9,887	(9,049)
Grand Total		64,493,801	63,827,600	71,592,070	81,356,532	79,210,365	82,842,084

Planned Outage Table from 2007 - 2011

Sum of Eq Hrs			Year					
Plant	Unit	Type	2007	2008	2009	2010	2011	Grand Total
CARLSBAD	5	PO	247.167					247.167
	5 Total		247.167					247.167
CARLSBAD Total			247.167					247.167
CELANESE	1	PD	120					120
		PO	246.183					246.183
	1 Total		246.183	120				366.183
	2	PD	19.397					19.397
		PO	315.6	309.567				625.167
2 Total		315.6	328.964				644.564	
CELANESE Total			561.783	448.964				1010.747
CUNNINGHAM	1	PD	7.549					7.549
		PO	1407.717					1407.717
	1 Total		1407.717 7.549					1415.266
	2	PD	1244.123 1170.18 7.396				2421.699	
		PO	1770.499	488.05	1410	460.034	4128.583	
	2 Total		1770.499	1732.173	2580.18	467.43	6550.282	
	3	PO	3017	248.4	1600.25	1553.267	2961.333	9380.25
	3 Total		3017	248.4	1600.25	1553.267	2961.333	9380.25
CUNNINGHAM Total	4	PO	3052.85 513.217 3180.117				6746.184	
	4 Total		3052.85 513.217 3180.117				6746.184	
			4787.499	248.4	6385.273	6054.381	6616.429	24091.982
HARRINGTON	1	PD	71.555	5.65				77.205
		PE	326.483	105.05				431.533
		PO	1177	190.367	1355.934			2723.301
	1 Total		1575.038	190.367	1466.634			3232.039
	2	PE	63.933 73.317				137.25	
		PO	149.017	1312.25	961.267		2422.534	
	2 Total		149.017	1376.183	1034.584		2559.784	
	3	PD	0.615					0.615
HARRINGTON Total		PO	319.667	863.95	184.933			1368.55
	3 Total		319.667	863.95	0.615	184.933	1369.165	
			2043.722	1376.183	1054.317	1467.249	1219.517	7160.988
JONES	1	PD	4.407 6.964					11.371
		PE	44.833					44.833
		PO	334.383 1079.934 198.117				1612.434	

		1 Total		334.383	1129.174	205.081	1668.638
		2 PD		6.338	26.727		33.065
		PE	128.083				128.083
		PO	1356.3	121.767			1478.067
		2 Total	1484.383	128.105	26.727		1639.215
JONES Total			1484.383	462.488	1155.901	205.081	3307.853
MADDOX	1 PD					33.767	33.767
	PE				158.783	85.05	243.833
	PO	682.783	1618.983	156.883	679.334	473.317	3611.3
	1 Total	682.783	1618.983	156.883	838.117	592.134	3888.9
	2 PO	1961.233	1186.15		80.033		3227.416
	2 Total	1961.233	1186.15		80.033		3227.416
	3 PE					64	64
	PO					113	113
		3 Total				177	177
MADDOX Total			2644.016	2805.133	156.883	918.15	7293.316
MOORE COUNTY	3 PD				938.668	14.03	952.698
	PO			0.533	0.35	15.384	16.267
	3 Total			0.533	939.018	29.414	968.965
MOORE COUNTY Total				0.533	939.018	29.414	968.965
NICHOLS	1 PD	2.788	117.305				120.093
	PO			415	676.617		1091.617
	1 Total	2.788	117.305	415	676.617		1211.71
	2 PD	71.707					71.707
	PO	494.533	232.7	152.1	526.433		1405.766
	2 Total	566.24	232.7	152.1	526.433		1477.473
	3 PD	28.237					28.237
	PO			1160.733	1159.883	135.484	2456.1
		3 Total	28.237	1160.733	1159.883	135.484	2484.337
NICHOLS Total			597.265	350.005	1727.833	2362.933	5173.52
PLANT X	1 PD				22.595		22.595
	PO	511	1451.75		2277.899		4240.649
	1 Total	511	1451.75		2300.494		4263.244
	2 PD			24.169			24.169
	PO	510.833	1582.083	3489.917	493.966	2707.35	8784.149
	2 Total	510.833	1582.083	3514.086	493.966	2707.35	8808.318
	3 PD		28.908				28.908
	PO	715.484	3302.633		309.434	263.683	4591.234
		3 Total	715.484	3331.541	309.434	263.683	4620.142

	4	PD	500.814		27.051		527.865	
		PO	302	113.333	1540.95	227.067	2183.35	
	4 Total		802.814	113.333	1568.001	227.067	2711.215	
PLANT X Total			2540.131	6478.707	3514.086	4671.895	3198.1	20402.919
RIVERVIEW	6	PO	3095.233	257.1	2113.017	3848.233	9313.583	
		6 Total		3095.233	257.1	2113.017	3848.233	9313.583
RIVERVIEW Total			3095.233	257.1	2113.017	3848.233	9313.583	
TOLK	1	PD	12.27	2.784	63.376		78.43	
		PE			24.083		24.083	
		PO	988.533	232.283	1224.933	339.55	2785.299	
	1 Total		1000.803	235.067	1288.309	363.633	2887.812	
	2	PD	0.927	84.479		48.216	133.622	
		PE	570.167	151.483	20.1	119.95	861.7	
		PO	542.15	1087.333	180.2	430.283	1748.618	3988.584
	2 Total		1113.244	1323.295	180.2	450.383	1916.784	4983.906
	TOLK Total			2114.047	1558.362	1468.509	814.016	1916.784
Grand Total			18383.7	15007.24	15017.09	20496.56	17938.18	86842.758

Acronym Table

OUTAGE / DERATING CODES (ACTIVE STATES)

PO	PLANNED OUTAGES
MO	MAINTENANCE OUTAGE
PE	PLANNED OUTAGE EXTENSION
ME	MAINTENANCE OUTAGE EXTENTION
SF	STARTUP FAILURE
U1	UNPLANNED (Forced) OUTAGE - IMMEDIATE
U2	UNPLANNED (Forced) OUTAGE - DELAYED
U3	UNPLANNED (Forced) OUTAGE - POSTPONED
PD	PLANNED DERATING
D4	MAINTENANCE DERATING
DP	PLANNED DERATING EXTENSION
DM	MAINTENANCE DERATING EXTENSION
D1	UNPLANNED (Forced) DERATING - IMMEDIATE
D2	UNPLANNED (Forced) DERATING - DELAYED
D3	UNPLANNED (Forced) DERATING - POSTPONED
RS	RESERVE SHUTDOWN
NC	NONCURTAILING EVENT

OUTAGE / DERATING CODES (INACTIVE STATES)

IR	INACTIVE RESERVE
MB	MOTHBALLED
RU	RETIRED

Forced Outage Table from 2007 - 2011

Sum of Equivalent Hrs			Year					
Plant	Unit	Type	2007	2008	2009	2010	2011	Grand Total
CARLSBAD	5	U1	597.916	1031.167	550.4	2.15	823.384	3005.017
CARLSBAD Total			597.916	1031.167	550.4	2.15	823.384	3005.017
CELANESE	1	U1	14.833	19.383				34.216
		U2	1864.917	25.583				1890.5
	1	Total	1879.75	44.966				1924.716
	2	U1	550.45	21.067				571.517
	2	Total	550.45	21.067				571.517
CELANESE Total			2430.2	66.033				2496.233
CUNNINGHAM	1	U1			7.367	1.25	21.718	30.335
	1	Total	0		7.367	1.25	21.718	30.335
	2	U1	93.784		135.816	3.833	218.817	452.25
		U2		29.083				29.083
		U3			9.933			9.933
	2	Total	93.784	29.083	145.749	3.833	218.817	491.266
	3	U1	50.083	43.533			44.8	138.416
	3	Total	50.083	43.533			44.8	138.416
	4	U1		3455.383	426.933		52.1	3934.416
	4	Total		3455.383	426.933		52.1	3934.416
CUNNINGHAM Total			143.867	3527.999	580.049	5.083	337.435	4594.433
HARRINGTON	1	U1	53.583	0.633	137.916	4.033	1280.367	1476.532
		U2	54.616	35.1		16.017	74.2	179.933
		U3	146.449	157.984	94.751	44.85	55.117	499.151
	1	Total	254.648	193.717	232.667	64.9	1409.684	2155.616
	2	U1	10.833	24.667	54.766	1499.033	188.033	1777.332
		U2	4.567	165.968	46.983		55.5	273.018
		U3			1	48.583		49.583
	2	Total	15.4	190.635	102.749	1547.616	243.533	2099.933
	3	U1	4.333	19.4	55.3	30	1676.683	1785.716
		U2			31.183	27.95		59.133
		U3	80.467	19.033	134.616		102.233	336.349
	3	Total	84.8	38.433	221.099	57.95	1778.916	2181.198
HARRINGTON Total			354.848	422.785	556.515	1670.466	3432.133	6436.747
JONES	1	U1	123.7	116.067	92.2	89.467	1.8	423.234
		U2		68.066		20.55		88.616
	1	Total	123.7	184.133	92.2	110.017	1.8	511.85
	2	U1	56.584	70.483	156.45	146.883	7.816	438.216
		U2		73.101				73.101
		U3				37.783	190.65	228.433
	2	Total	56.584	143.584	156.45	184.666	198.466	739.75
	3	U1					185.916	185.916
	3	Total					185.916	185.916
JONES Total			180.284	327.717	248.65	294.683	386.182	1437.516
MADDIX	1	U1	4.333	50.7	261.066	10.117	256.517	582.733
		U2	132.283					132.283
		U3				3.933		3.933
	1	Total	136.616	50.7	261.066	14.05	256.517	718.949
	2	U1	240.083	1981.516	407.901	50.983	80.999	2761.482
	2	Total	240.083	1981.516	407.901	50.983	80.999	2761.482

	3	U1		104.283		4.233	472.899	581.415
	3	Total	0	104.283	0	4.233	472.899	581.415
MADDOX	Total		376.699	2136.499	668.967	69.266	810.415	4061.846
MOORE COUNTY	3	U1	7.6	7.316	8.683	12.05	86.716	122.365
		U2		132.133		4.3	48.217	184.65
		U3	22.9	71.05				93.95
	3	Total	30.5	210.499	8.683	16.35	134.933	400.965
MOORE COUNTY	Total		30.5	210.499	8.683	16.35	134.933	400.965
NICHOLS	1	U1	9.517	0.95	77.3		18.417	106.184
		U2	175.583	44.499	20.283		108.116	348.481
	1	Total	185.1	45.449	97.583	0	126.533	454.665
	2	U1	6.034		0.25	2.333	4.817	13.434
	2	Total	6.034		0.25	2.333	4.817	13.434
	3	U1	1.15	1.917	1.434	4.45	2.783	11.734
		U2		113.117	197.117			310.234
		U3				71	52.7	123.7
	3	Total	1.15	115.034	198.551	75.45	55.483	445.668
	Total		192.284	160.483	296.384	77.783	186.833	913.767
PLANT X	1	U1	2	109.8	30.183	2.067	2210.367	2354.417
		U2		194.25			4.55	198.8
	1	Total	2	304.05	30.183	2.067	2214.917	2553.217
	2	U1	849.267	78.2		44.283	79.817	1051.567
		U2	26.033	36.417	27.433	186.2	24.3	300.383
		U3			170.7			170.7
	2	Total	875.3	114.617	198.133	230.483	104.117	1522.65
	3	U1	136.384	77.567	27.617		235.933	477.501
		U2	123.2					123.2
	3	Total	259.584	77.567	27.617		235.933	600.701
	4	U1	18.333	53.983	32.8	115.533	561.584	782.233
		U2				40.083		40.083
		U3	38.983		152.883	35.4		227.266
	4	Total	57.316	53.983	185.683	191.016	561.584	1049.582
PLANT X Total			1194.2	550.217	441.616	423.566	3116.551	5726.15
RIVERVIEW	6	U1	5.1	390.316	70.884	1114.484	674.5	2255.284
		U2		39.701			340.383	380.084
	6	Total	5.1	430.017	70.884	1114.484	1014.883	2635.368
RIVERVIEW Total			5.1	430.017	70.884	1114.484	1014.883	2635.368
TOLK	1	U1	41.983	115.099	12.766	174.65	23.633	368.131
		U2	80.983			162.984	65.633	309.6
		U3	34.866	74.517				109.383
	1	Total	157.832	189.616	12.766	337.634	89.266	787.114
	2	U1	55.917	80.067	390.219	123.783	67.183	717.169
		U2		74.801		108.433		183.234
		U3		93.867	32.4	42.683	3.017	171.967
	2	Total	55.917	248.735	422.619	274.899	70.2	1072.37
TOLK Total			213.749	438.351	435.385	612.533	159.466	1859.484
Grand Total			5719.647	9301.767	3857.533	4286.364	10402.215	33567.526

OUTAGE CODES (ACTIVE STATES)

U1 UNPLANNED (Forced) OUTAGE - IMMEDIATE
U2 UNPLANNED (Forced) OUTAGE - DELAYED
U3 UNPLANNED (Forced) OUTAGE - POSTPONED

CBS capital - Total ES	
Version 39	
2013-2017 Budget	
Plant	2013
ES Corp SPS	1,045,575
ES Carlsbad Plant	0
ES Cunningham Plant	9,262,695
ES Maddox Plant	3,197,983
ES Gen Mgr TX / NM	2,442,000
ES Harrington Plant	35,065,595
ES Moore County Plant	300,000
ES Nichols Plant	2,627,258
ES Quay County CT	3,339,561
ES Riverview Plant	145,277
ES Jones Plant	30,982,001
ES Plant X Plant	579,670
ES Tolk Plant	52,409,120
TOTAL SPS 5 Years	141,396,735

Lvl 3 Desc BC27	FERC Full Acct Description	2013 Budget
ES Carlsbad Plant	549 Oth Oper Misc Gen Exp	6,262
	552 Oth Maint of Structures	1,313
	553 Oth Mtc of Gen & Ele Plant	23,115
ES Carlsbad Plant Total		30,690
ES Cunningham Plant	500 Stm Prod Op & Supr	196,454
	502 Steam Expenses Major	2,417,332
	505 Stm Gen Elec Exp. Major	150,672
	506 Misc Steam Pwr Exp	329,961
	511 Stm Maint of Structures	118,113
	512 Stm Maint of Boiler Plt	166,329
	513 Stm Maint of Elec Plant	1,359,967
	514 Stm Maint of Misc Stm Plt	349,634
	546 Oth Oper Super&Eng	4,545
	548 Oth Oper Gen Exp	64,595
	549 Oth Oper Misc Gen Exp	77,267
	552 Oth Maint of Structures	3,333
	553 Oth Mtc of Gen & Ele Plant	741,478
ES Cunningham Plant Total		5,979,681
ES Harrington Plant	500 Stm Prod Op & Supr	763,287
	502 Steam Expenses Major	3,385,581
	505 Stm Gen Elec Exp. Major	3,855,306
	506 Misc Steam Pwr Exp	2,260,554
	510 Stm Maint Super&Eng	389,964
	511 Stm Maint of Structures	763,759
	512 Stm Maint of Boiler Plt	8,233,381
	513 Stm Maint of Elec Plant	3,215,385
	514 Stm Maint of Misc Stm Plt	2,247,600
	549 Oth Oper Misc Gen Exp	0
	553 Oth Mtc of Gen & Ele Plant	22,373
ES Harrington Plant Total		25,137,190
ES Jones Plant	500 Stm Prod Op & Supr	135,077
	502 Steam Expenses Major	1,096,753
	505 Stm Gen Elec Exp. Major	1,984,569
	506 Misc Steam Pwr Exp	623,382
	510 Stm Maint Super&Eng	142,333
	511 Stm Maint of Structures	138,689
	512 Stm Maint of Boiler Plt	1,328,354
	513 Stm Maint of Elec Plant	597,421
	514 Stm Maint of Misc Stm Plt	709,668
	553 Oth Mtc of Gen & Ele Plant	0
ES Jones Plant Total		6,756,247
ES Maddox Plant	500 Stm Prod Op & Supr	445
	502 Steam Expenses Major	114,995
	505 Stm Gen Elec Exp. Major	167,181
	506 Misc Steam Pwr Exp	75,454
	511 Stm Maint of Structures	25,335
	512 Stm Maint of Boiler Plt	1,053,510

	513 Stm Maint of Elec Plant	109,567
	514 Stm Maint of Misc Stm Plt	117,922
	548 Oth Oper Gen Exp	12,300
	549 Oth Oper Misc Gen Exp	21,200
	552 Oth Maint of Structures	3,000
	553 Oth Mtc of Gen & Ele Plant	579,900
ES Maddox Plant Total		2,280,809
ES Moore County Plant	502 Steam Expenses Major	77,083
	505 Stm Gen Elec Exp. Major	56,667
	506 Misc Steam Pwr Exp	271,460
	511 Stm Maint of Structures	210,000
	512 Stm Maint of Boiler Plt	132,262
	513 Stm Maint of Elec Plant	29,788
	514 Stm Maint of Misc Stm Plt	41,200
ES Moore County Plant Total		818,460
ES Nichols Plant	502 Steam Expenses Major	368,409
	505 Stm Gen Elec Exp. Major	99,164
	506 Misc Steam Pwr Exp	1,271,766
	511 Stm Maint of Structures	227,489
	512 Stm Maint of Boiler Plt	1,061,440
	513 Stm Maint of Elec Plant	516,091
	514 Stm Maint of Misc Stm Plt	569,891
ES Nichols Plant Total		4,114,249
ES Plant X Plant	500 Stm Prod Op & Supr	24,519
	502 Steam Expenses Major	152,626
	505 Stm Gen Elec Exp. Major	545,852
	506 Misc Steam Pwr Exp	295,754
	511 Stm Maint of Structures	474,439
	512 Stm Maint of Boiler Plt	1,831,766
	513 Stm Maint of Elec Plant	267,408
	514 Stm Maint of Misc Stm Plt	289,500
ES Plant X Plant Total		3,881,864
ES Quay County CT	549 Oth Oper Misc Gen Exp	0
	552 Oth Maint of Structures	75,250
ES Quay County CT Total		75,250
ES Riverview Plant	506 Misc Steam Pwr Exp	0
	549 Oth Oper Misc Gen Exp	25,500
	553 Oth Mtc of Gen & Ele Plant	11,000
ES Riverview Plant Total		36,500
ES Tolk Plant	500 Stm Prod Op & Supr	749,279
	502 Steam Expenses Major	2,969,522
	505 Stm Gen Elec Exp. Major	4,043,057
	506 Misc Steam Pwr Exp	1,731,788
	510 Stm Maint Super&Eng	715,327
	511 Stm Maint of Structures	1,772,677
	512 Stm Maint of Boiler Plt	4,333,600
	513 Stm Maint of Elec Plant	978,972
	514 Stm Maint of Misc Stm Plt	2,872,144
	549 Oth Oper Misc Gen Exp	42,361
ES Tolk Plant Total		20,208,728

123 FERC ¶ 61,054
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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

Golden Spread Electric Cooperative, Inc.
Lyntegar Electric Cooperative, Inc.
Farmers' Electric Cooperative, Inc.
Lea County Electric Cooperative, Inc.
Central Valley Electric Cooperative, Inc.
Roosevelt County Electric Cooperative, Inc.

Docket Nos. EL05-19-003

v.

Southwestern Public Service Company

Southwestern Public Service Company

ER05-168-002
(consolidated)

Southwestern Public Service Company

ER06-274-008

ORDER APPROVING UNCONTESTED PARTIAL SETTLEMENT
SUBJECT TO MODIFICATION

(Issued April 21, 2008)

1. On December 3, 2007, Southwestern Public Service Company (SPS), submitted revised sheets to its Open Access Transmission Tariff (tariff) in a joint Offer of Settlement and Settlement Agreement (Settlement Agreement), between itself, Golden Spread Electric Cooperative and Lyntegar Electric Cooperative, Inc. (collectively Golden Spread), and Occidental Permian Ltd. and Occidental Power Marketing L.P. (collectively Occidental), resolving among themselves all but one of the issues in the above-captioned dockets. The dockets listed above represent two separate proceedings that are not consolidated: (1) the Complaint Proceeding in Docket Nos. EL05-19 and ER05-168

Docket No. EL05-19-003, *et al.*

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(consolidated),¹ and (2) the Rate Proceeding in Docket No. ER06-274.² The Settlement Agreement does not resolve, in either the Complaint Proceeding or the Rate Proceeding, the issue of the appropriate demand cost allocator for use on the SPS system.³ In addition, because the Settlement Agreement is only between SPS, Golden Spread, and Occidental, the Settlement Agreement does not resolve the Complaint Proceeding as to all parties.⁴

2. On December 20, 2007, Commission Trial Staff submitted comments in support of the Settlement Agreement. Trial Staff suggests that the Commission make one minor change to the Settlement Agreement. Specifically, Trial Staff recommends that SPS be required, in the same time frame that it provides the Annual Update to its formula rate customers, to make an informational filing with the Commission providing the agency with the same information. On January 18, 2008, the Settlement Judge certified the

¹ Docket No. EL05-19-000 is a complaint proceeding filed by parties under section 206 of the Federal Power Act against SPS alleging historical and continuing violation of various provisions of SPS's fuel cost adjustment clause (FCAC). Docket No. ER05-168-000 is a proceeding wherein SPS filed to revise its FCAC. The Commission consolidated EL05-19-000 and ER05-168-000 and set them for hearing and settlement judge procedures. The parties participated in a hearing in February and March 2006, and the judge issued an Initial Decision on May 24, 2006. Contemporaneously with this order, the Commission issued an order on the merits of the Initial Decision resolving all issues in the Complaint Proceeding. See *Golden Spread Electric Cooperative, Inc.*, 123 FERC ¶ 61,047 (2008) (Opinion No. 501 and Order on Initial Decision).

² SPS filed the Rate Proceeding on December 1, 2006. Subsequently, SPS settled with all of the parties involved in the Rate Proceeding, except Golden Spread and Occidental, and the Commission approved that settlement on September 20, 2007. See *Southwestern Public Service Co.*, 120 FERC ¶ 61,243 (2007).

³ The issue of the appropriate demand cost allocator for use on the SPS system is currently being litigated in the Rate Proceeding. In the Complaint Proceeding, the Commission addressed the demand cost allocator issue in the Opinion and Order on Initial Decision.

⁴ Farmers' Electric Cooperative, Inc., Lea County Electric Cooperative, Inc., Central Valley Electric Cooperative, Inc., Roosevelt County Electric Cooperative, Inc., though listed in the caption above, are not parties to this Settlement Agreement.

Docket No. EL05-19-003, *et al.*

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Settlement Agreement to the Commission as uncontested.⁵ On January 7, 2008, SPS filed an answer wherein it agreed to make the informational filing recommended by Trial Staff.

3. The Commission finds that the Settlement Agreement is fair, reasonable, and in the public interest, with the minor change suggested by Trial Staff above. However, the Commission notes that the revised tariff sheets filed in the Settlement Agreement are not in compliance with Order No. 614.⁶ We direct SPS to file revised tariff sheets with the correct designations in a compliance filing within 30 days of the date this order issues. Accordingly, the Settlement Agreement is hereby approved, as modified. The Commission's approval of this Settlement Agreement does not constitute approval of or precedent regarding, any principle or issue in this proceeding.

4. According to the Settlement Agreement, the standard of review for any future changes to this settlement by the parties shall be the just and reasonable standard.⁷ The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁵ *Southwestern Public Service Co.*, 122 FERC ¶ 63,003 (2008). The Commission notes that though Public Service Company of New Mexico does not oppose the Settlement, PNM did file comments on the Settlement describing its impact on other matters. The Commission finds that PNM's comments are not relevant to the Commission's consideration of the Settlement.

⁶ *Designation of Electric Rate Schedule Sheets*, Order No. 614, 65 Fed. Reg. 18,221, FERC Stats. & Regs., Regulations Preambles July 1996-December 2000 ¶ 31,096 (2000).

⁷ See Article II.G.6 of the Settlement Agreement.

20080421-3030 FERC PDF (Unofficial) 04/21/2008

Document Content(s)

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