

**Outline of Presentation by Adam McKinnie, staff of Missouri Public Service Commission  
for “All Seams Considered”, Wednesday July 18, 2012**

Note that I am speaking for myself

- these comments haven't been vetted by the Missouri Public Service Commission

**(1) Operations issues**

- (A) SPP-MISO Joint Operating Agreement (JOA) Dispute “contract path sharing” or loop flow issue, especially if Entergy joins MISO.

Quoting from a FERC docket:

SPP argued in the case that MISO's interpretation of their deal would lead to free use of its members' transmission capacity without compensation for the purpose of integrating Entergy Arkansas into the Midwest market.

FERC ruled in favor of MISO in the JOA dispute but also asked for the JOA to be renegotiated. Missouri is on the one tie between Entergy and MISO.

Offer up FERC dockets if people want a list of them, include the JOAs SPP has recently filed with third parties that MISO has intervened into - EL11-34.

This issue is difficult for Missouri Commission to talk about, because we don't want to choose sides between SPP and MISO, but frustrating to have Missouri ratepayers funding both sides of this dispute, or any other issue of dispute between SPP and MISO (Entergy, e.g.).

- (B) SPP moving to a “Day 2” market, currently scheduled to open in April 2014. SPP and MISO will need to work on market to market issues. There have been some preliminary discussions to change the JOA to include those issues.

- (C) Others?

**(2) Planning issues**

- (A) If Entergy joins, need to properly plan along southwest Missouri / Branson area.

One of the most congested areas in SPP is in southwest Missouri along the “triple seam” – Entergy, AECL, and SPP. Missouri Commission Staff have been to several meetings about the area between AECL and SPP, and no transmission plans have been made to solve the problem. Note that MISO has no existing JOA with AECL.

(B) Candidate MVP project dropped in Missouri, running from Adair to Thomas Hill

This project, if built, would have completed a 345 kV loop in the Missouri and Illinois area, but the project was not selected because, amongst other reasons, “not enough MISO energy was running along the line”, and because it terminated at an AECl substation.

(C) General planning – “demilitarized zone”

Missouri Commission Staff hears chatter in SPP planning meetings that they don’t want to build close to the MISO seam if MISO is going to use the excess capacity to deliver energy to Entergy.

Also, without an interregional cost allocation methodology, it is difficult to have enough benefits to justify a project near a seam because benefits spill out into the next region, who normally wouldn’t be paying for the project.

(D) SPP-MISO joint future. Appreciation for the work, and it is a good start.

**(3) Transparency – Focus**

(A) In SPP, there is a regular “Seams Steering Committee” meeting where stakeholders get updated once a month on seams issues, including meetings that SPP staff has with other planning regions, and also provide guidance to SPP on seams activities. SPP also produces a monthly “Seams Activity Report” to show what activities are taking place.

(B) While the MISO Seams Management Working Group handles the Operations issues, MISO may wish to consider a transparent process closer to SPP on Planning issues. Even if MISO does not create a separate stakeholder group, at the very least the creation of a quarterly seams report to PAC or the PSC would help stakeholders have confidence in MISO Staff actions on seams issues.