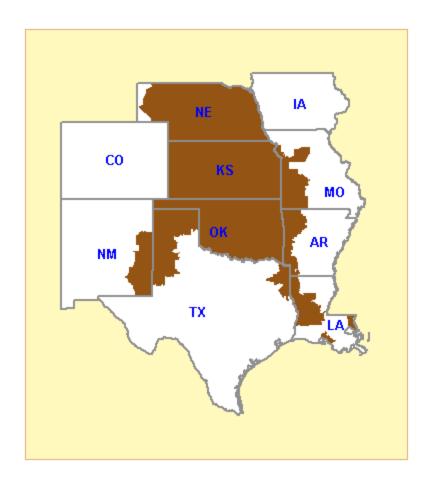
# Southwest Power Pool (SPP) Electric Region



Source: Velocity Suite Intelligent Map March 2012

#### Southwest Power Pool Electric Market: Overview and Focal Points

#### Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

#### **Overview**

#### Geography

On April 1, 2009, SPP added a new municipal member, Lincoln Electric System (LES); and two new state agencies, Nebraska Public Power District (NPPD) and Omaha Public Power District (OPPD).

**States covered:** Kansas, Oklahoma, most of Nebraska, and parts of New Mexico, Texas, Louisiana, Missouri,

Mississippi and Arkansas

Reliability region: Southwest Power Pool (SPP)

**Balancing authorities:** Balancing authorities are responsible for managing the minute-to-minute supply/demand balance for electricity within their borders to assure reliability. The SPP regional footprint is comprised of 16 balancing authorities:

CSWS - (AFPW	American Electric Power West *	CLEC - CLECO Power
COVVO - IALI VV	I Allielicali Electric i Owel West	CLLC - CLLCC I OWEI

EDE - Empire District Electric GRDA - Grand River Dam Authority

INDN - Independence Power & Light KACY - Kansas City Board of Public Utilities

KCPL - Kansas City Power & Light LAFA - City of Lafayette, Louisiana

LEPA - Louisiana Energy & Power Authority MPS - KCP&L Greater Missouri Operations

OKGE - OG+E Electric Services SECI - Sunflower Electric

SPA - Southwestern Power Administration SPS - Southwestern Public Service

WR - Westar Energy WFEC - Western Farmers Electric Cooperative

There are five different SPP footprints: Regional Entity, Reserve Sharing Group, Reliability Coordinator (RC) Area, Regional Transmission Organization/Tariff, EIS Market Region. More information regarding these footprints is available at:

http://www.spp.org/publications/SPP\_Footprints.pdf

<sup>\*</sup> Formerly Central and South West Services

#### RTO/ISO

Southwest Power Pool (SPP) (granted RTO status in 2004) provides transmission service on the transmission facilities owned by its members and operates the region's real-time energy imbalance service (EIS) market. Market participants trade physical electricity bilaterally, either directly or through brokers, and through the EIS market.

#### SPP 2008 State of the Markets Report

#### **Market Monitor:**

Richard Dillon – Director, Market Development & Analysis Boston Pacific Company, Inc. – External Market Advisor

### **Generation/Supply**

Marginal fuel type: Natural gas (55%) and coal (35%) Firm generating capacity - summer 2008: 50,600 MW

Capacity reserve - summer 2008: 7,709 MW

Reserve margin - summer 2008: 18%

#### **Demand**

Regional Footprint Peak Demand for 2008: 42,891 MW, reached in August.

**Peak Demand Growth 2007-2008:** 0.7%

All time peak demand:

Reliability Footprint: 43.3 GW (set August 14, 2007) Market Footprint: 35.9 GW (set August 14, 2007)

In the summer of 2007 demand reached record levels due to extremely hot weather.

#### **Demand (continued)**

### **Summer Peak Demand (GW):**

2004: 39.4 2005: 40.5 2006: 42.2 2007: 43.2 2008: 42.9

#### **Spot Prices**

Annual Average of Platts SPP North Daily Spot Price Index

**2004:** \$45.19/MWh **2005:** \$67.44/MWh **2006:** \$55.84/MWh **2007:** \$60.21/MWh **2008:** \$68.77/MWh

### Locational Imbalance Prices (From SPP's Monthly

SPP 2009 Average Monthly Locational Imbalance Price (LIP)													
													2009
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg
LIP (\$/MWh)	32.5	24.9	27.4	22.2	23.7	25.8	27.8	25.7	23.3	29.9	28.3	37.9	27.44

#### **Contact Information**

For specific issues regarding the Midwest Natural Gas Region please contact one of the following Analysts:

Laura Vallance - Laura. Vallance@ferc.gov

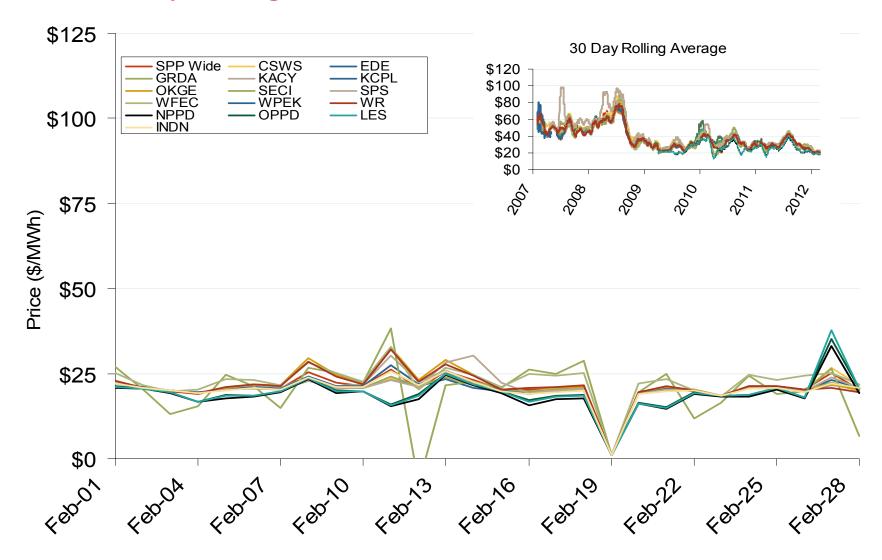
# **Southwest Annual Average Bilateral Prices**

Annual Average Day Ahead On Peak Prices (\$/MWh)

	2007	2008	2009	2010	2011	5-Year Avg
SPP North	\$60.21	\$68.77	\$32.94	\$38.71	\$36.41	\$51.30
ERCOT North	\$59.53	\$73.42	\$34.89	\$41.15	\$61.55	\$53.98

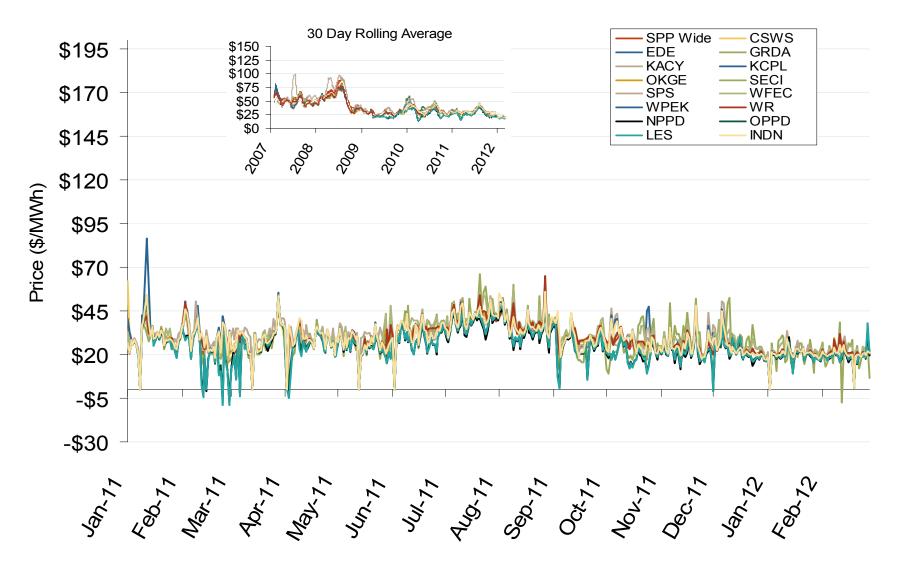
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## Daily Average of SPP Real Time Prices - All Hours

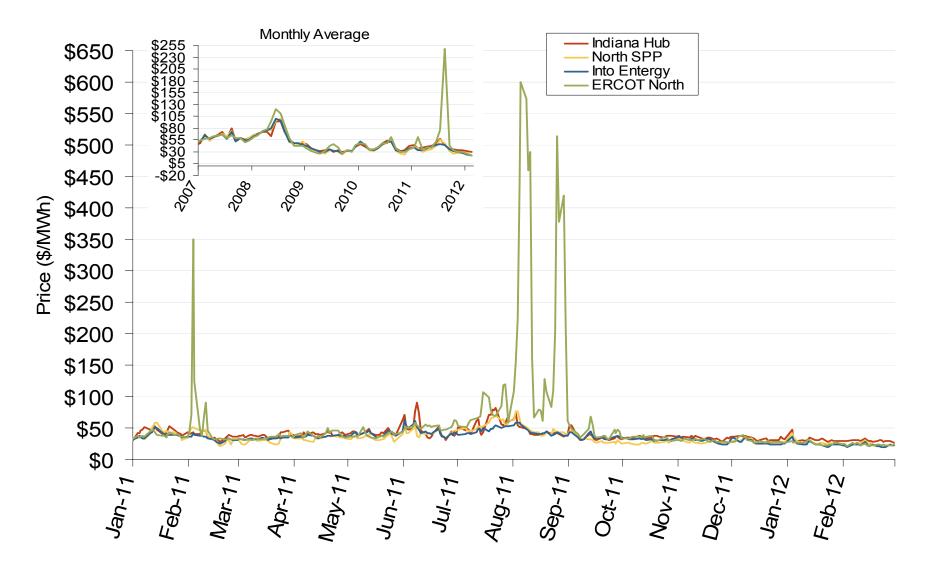


Note: *ICE* on-peak forward (physical) volumes are for Entergy, Southern and TVA and include monthly, dual monthly, quarterly, and calendar year contracts traded for each month.

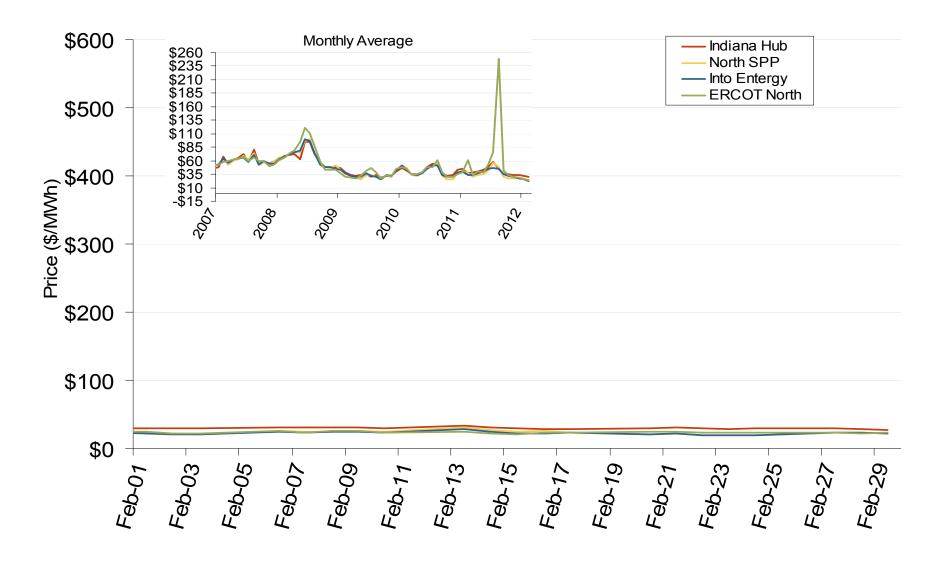
## Daily Average of SPP Real Time Prices - All Hours



## **Central Daily Index Day-Ahead On-Peak Prices**



### **Central Daily Index Day-Ahead On-Peak Prices**



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### **Weekly Power Generation & Temps. - South Central**

