



City of Grand Island

Tuesday, July 26, 2022

Council Session

Item I-12

**#2022-207 - Consideration of Approving Southwest Power Pool
Metering Agent Service Agreement**

Staff Contact: Tim Luchsinger

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Stacy Nonhof, Interim City Attorney

Meeting: July 26, 2022

Subject: Southwest Power Pool Metering Agent Service Agreement

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The Grand Island Electric Department participates in the Southwest Power Pool (SPP). This regional market is the current method that Nebraska utilities buy and sell power, and allows Grand Island to sell excess generation and purchase lower cost power when available.

Discussion

The City of Grand Island has completed several forms and the necessary credit information in order to become a Market Participant in the SPP IM. The attached agreement is needed to establish correct contact information and terms and conditions as the City transitions to a new Market Participant Representative.

Alternatives

It appears that the Council that the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to a future date
4. Take no action on the issue

Recommendation

City Administration recommends the SPP Metering Agent Services Agreement be approved and signed to allow for the City's new representation in the Integrated Market.

Sample Motion

Move to approve the Metering Agent Services Agreement to allow for the City's new representation in the Integrated Marketplace.

ATTACHMENT AM

METER AGENT SERVICES AGREEMENT

FOR

SPP MARKET

BETWEEN

The City of Grand Island

AS MARKET PARTICIPANT

AND

Nextera Energy Marketing, LLC
AS METER AGENT

December 1st, 2022

This Agreement made and entered this 1st day of August, 2022, is between The City of Grand Island (“Market Participant”) and Nextera Energy Marketing, LLC (“Meter Agent”). Market Participant and Meter Agent are each sometimes referred to in the Agreement as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, Market Participant and Meter Agent are registered entities of the Integrated Marketplace.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements hereinafter set forth, the parties hereto mutually agree as follows:

ARTICLE I

Responsibilities of the Parties

1.1 Market Participant Responsibilities:

1. **Governing Documents:** In addition to this Agreement, Market Participant agrees that it will comply with the provisions of the SPP Open Access Transmission Tariff (“OATT”) and Market Protocols as they may be amended from time to time which relate to implementation of this Agreement. In the event there is a conflict between this agreement and the SPP OATT, the OATT shall govern.
2. **Data Communications:** Market Participant shall provide or arrange for communication of meter data in a mutually acceptable format to the Meter Agent.
3. **Meter Data Submittal Location:** Market Participant shall provide in Exhibit A the meter(s) and calculations used to calculate the Meter Data Submittal Location value.
4. **Notice of Meter Changes:** Market Participant shall inform the Meter Agent of any additions, deletions, and modifications of metering that will impact the market data.
 - a. Market Participant shall provide full details of the meter information to the Meter Agent a minimum of sixty (60) days prior to the implementation of the change, except when the meter equipment is changed or replaced due to equipment failure in which case notice of change will be provided as soon as possible. This information to be provided shall include the following:
 1. Information relating to retrieval of the meter data from the data source. This includes the method of doing so, communications, and full description of the meter.
 2. Information relating to the data and the processing of such data that will be applied for the new or modified Meter Data Submittal Location and the impact to other existing Meter Data Submittal Location or tie-line flow between Settlement Areas.
 3. Completing the SPP Market registration required, which includes real-time data exchange and modeling coordination with SPP.
 4. Updating of Exhibit A.
 - b. In addition, Market Participant shall be responsible for developing and testing a complete system for submission of data under this Agreement.
 - c. Market Participant shall notify Meter Agent of any significant metering issues related to the data provided to the Meter Agent within twenty four (24) hours after the issue is identified. This includes change out of a meter, meter failures, real-time data failures, etc.

5. **Meter Data Submittal Location Notification:** Market Participant shall notify any other Market Participant affected by the change in the Meter Data Submittal Location at least seven (7) days prior to the change.
6. **Data Exchange and Data Quality:** Market Participant shall provide meter data for each Meter identified in Exhibit A to the Meter Agent in a timely manner.
 - a. Data shall be provided to the Meter Agent at least one (1) full business day prior to SPP's deadline for submission of meter data, as specified in Appendix D of the Market Protocols.
 - b. Upon notification to or upon discovery by the Market Participant that the data exchange has failed or data quality is questionable, the Market Participant will resolve the issue at its source.
 - c. In the absence of actual values for data required for settlement, it is the Market Participant's responsibility to provide estimated values for such data to the Meter Agent; however, if the Market Participant fails to provide the actual or estimated meter data in a timely manner, the Meter Agent will estimate the data for submission to SPP by the appropriate deadline. The Meter Agent will be held harmless as set forth in section 3.2.
7. **Submission Failures:** If the Meter Agent fails to submit the meter data, including Settlement Area tie-line meter data by the Final Settlement Statement data cutoff, the Market Participant is responsible for initiating and pursuing the SPP OATT Dispute process. The Meter Agent must provide to SPP any data it has available to help resolve the dispute.

1.2 **Meter Agent Responsibilities:**

1. **Governing Documents:** In addition to complying with this Agreement, Meter Agent shall provide services on behalf of the Market Participant in accordance with SPP's OATT and Market Protocols as they may be amended from time to time related to implementation of this Agreement. In the event there is a conflict between this agreement and the SPP OATT, the OATT shall govern.
2. **Meter Agent Registration:** Meter Agent shall be a registered Meter Agent with the Integrated Marketplace.
3. **Meter Data Submittal Location Development:** Meter Agent shall provide all settlement data required for the Meter Data Submittal Locations designated by the Market Participant in Exhibit A.
4. **Data Communications:** Meter Agent and the Market Participant shall mutually agree upon a format and method of exchange of settlement data required to be provided by the Market Participant.

5. Meter Data Submittal Location Values

Meter Agent shall determine the Meter Value for each of the Meter Data Submittal Location identified in Exhibit A by applying all parameters as identified therein.

6. Data Issue Notifications:

- a. Meter Agent will notify the Market Participant, as soon as practicable, of any data exchange issues with the meter data source.
- b. Upon failure to receive meter data from the Market Participant by the data submission deadline, the Meter Agent will notify the Market Participant as soon as practicable and, if necessary, the Meter Agent will estimate the data pursuant to 1.1 6. c. of this agreement.

7. Data Submission: Meter Agent shall submit Meter Data Submittal Location Meter Values to the Transmission Provider by the deadlines outlined in Section 4.5.13 of the Market Protocols.

ARTICLE II

Term and Termination

- 2.1 **Initial Term:** This Agreement shall become effective on December 1st, 2022 and shall continue until December 1st, 2023.
- 2.2 **Extended Term:** This Agreement shall continue on a year to year basis at the conclusion of its Initial Term, unless terminated as specified in the Agreement.
- 2.3 **Termination:** This Agreement may be terminated at any time by mutual agreement of the Market Participant and Meter Agent. Either the Market Participant or the Meter Agent may terminate the Agreement after the Initial Term, upon giving sixty (60) calendar days written notice to the other Party.

ARTICLE III

Miscellaneous

- 3.1 **Force Majeure:** An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any Curtailment, order, regulation or restriction imposed by governmental military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Party will not be considered in default as to any obligation under this Agreement to the extent such Party is prevented or delayed from fulfilling such obligation due to the effect of Force Majeure. A Party whose performance under this Agreement is prevented or delayed by Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement, and shall take all reasonable steps to eliminate the cause; however, neither Party shall be required to settle or resolve labor disturbances or strikes, or to accept or agree to governmental or regulatory orders or conditions without objection or contest except on any basis agreeable to such Party in its sole discretion. The affected Party, as soon as reasonably possible, shall give notice of Force Majeure.
- 3.2 **Indemnification:** Each Party hereto shall indemnify and hold harmless the other Party (in such case, the "Indemnified Party"), its officers, directors, agents and employees from and against any and all claims for death or injury to persons or destruction of or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorneys fees, and all other obligations by or to third parties (collectively "liabilities"), arising out of or resulting directly or indirectly from the Indemnified Party's performance of its obligations under this Agreement on behalf of the Indemnifying Party, except to the extent any such liability arises, directly or indirectly, from the Indemnified Party's gross negligence or intentional wrongdoing. For example, the provisions of this section 3.2 could apply in circumstances where equipment malfunction (or other inadvertent error not involving gross negligence or intentional wrongdoing) causes imbalance information to be inaccurately reported, resulting in billing errors.
- 3.3 **Successors and Assignment:** This Agreement shall be binding upon the Parties and their respective successors and assigns. This Agreement shall not be assignable by either Party except with the prior written consent of the other Party which shall not be unreasonably withheld.
- 3.4 **Good Utility Practices:** The Parties shall conduct their affairs under this Agreement in accordance with Good Utility Practices. Good Utility Practices shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, safety, and expedition. Good Utility Practices is not intended to be limited to the optimum practice, method or act to the

exclusion of all others, but rather to be acceptable practices, methods or acts, generally accepted by the region.

- 3.5 **No third party beneficiaries.** There shall be no third party beneficiaries to this Agreement.
- 3.6 **Amendment:** The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by each of the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 3.7 **Modification by the Parties:** The Parties may by mutual agreement amend Exhibit A of this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 3.8 **Notification to SPP:** The initial Agreement and any amendments thereto shall be provided to SPP upon execution.

ARTICLE IV

Notices

4.1 **Agreement Notices:** Any notice, demand or request required or authorized by this Agreement shall be deemed properly made, given to, or served on the party to whom it is directed when sent by written notification addressed as follows:

Market Participant:

Meter Agent:

Name: <u>ENTER CONTACT NAME</u>	Name: <u>Eric Linder</u>
Title: <u>ENTER CONTACT TITLE</u>	Title: <u>Physical Trading Manager</u>
Company: <u>The City of Grand Island</u>	Company: <u>Nextera Energy Marketing, LLC</u>
Address: <u>100 E 1st St</u>	Address: <u>700 Universe Blvd</u>
City, State, Zip: <u>Grand Island, NE 68801</u>	City, State, Zip: <u>Juno Beach, FL 33408</u>
Email: <u>ENTER EMAIL ADDRESS</u>	Email: <u>eric.linder@nec.com</u>

Notice of change in the above addresses shall be given in the manner specified above.

ARTICLE V

Complete Agreement

5.1 **Complete Agreement:** This Agreement represents the Parties' final and mutual understanding concerning its subject matter. It replaces and supersedes any prior agreements or understandings, whether written or oral. No representations, inducements, promises, or agreements, oral or otherwise, have been relied upon or made by either Party, or anyone on behalf of a Party, that are not fully expressed in this Agreement. IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their duly authorized officers as of the day and year first above stated.

Market Participant:

The City of Grand Island

By: _____

Printed Name: _____

Title: _____

Date: _____

Stacy DeConoy
Interim City Attorney

Meter Agent:

Nextera Energy Marketing, LLC

By: *ERIC LINDER*

Printed Name: ERIC LINDER

Title: PHYSICAL TRADING Manager

Date: July 22nd, 2022

Exhibit A

Market Participant Meter Data Submittal Location Definitions

Resource Meter Locations:

#	Meter Data Submittal Location Name	Meter	Physical Location	Voltage Level	Losses	Operand
	NPPD GRIS LD					

Gross Generation output is negative, auxiliary use is positive. MWh received by the Transmission System is negative.

Load Meter Data Submittal Locations: (Name of Location)

#	Meter Data Submittal Location Name	Meter	Physical Location	Voltage Level	Distrib. Losses	*	Operand
	TBD						

** Engineered Adjustment with Assumption -- reference SPP Protocols Appendix C and D

Residual Load Meter Data Submittal Locations:

#	Meter Data Submittal Location Name	Meter	Operand

Assumes sign of other Meter Data Submittal Location data used is in polarity required for submission to SPP Market.

Tie-Line Meter data between Settlement Areas:

#	Tie-Line Meter Name	Meter	Operand

RESOLUTION 2022-207

WHEREAS, SPP is a regional transmission operator that allows participants to buy and sell power directly into the market; and

WHEREAS, the City of Grand Island has completed several forms and necessary credit information in order to become a Market Participant in the SPP IM; and

WHEREAS, an agreement is needed to establish correct contact information and terms and conditions as the City of Grand Island transitions to a new Market Participant Representative.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the SPP Meter Services Agreement be approved and signed to facilitate continued participation in the Integrated Market.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 26, 2022.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
July 22, 2022	☒ City Attorney