**To: NAESB Wholesale Electric Quadrant Executive Committee**

**From: SPP**

**Date: 11/30/2016**

**Re: Request for comments on Appeal of 2015 API 2.a.i.2**

SPP believes the NAESB Wholesale Electric Quadrant has fulfilled its responsibilities with its previous work to address the long-term competition. The standards provided by the subcommittee failed to gain consensus at the February 2016 and April 2016 Executive Committee meetings. The NAESB process for developing industry supported standards concluded as it was procedurally intended. The OASIS subcommittee has provided the exact same language for consideration that failed to gain consensus from the Executive Committee during two separate meetings.

These standards were thoroughly reviewed and debated at the Executive Committee's February and April 2016 meetings. During the April meeting, the Executive Committee recognized that the added exemption language currently at issue in this appeal is expected to continue to face industry opposition to the standards. The Executive Committee sought to address the exemption issue by requiring regulatory approval of the alternative process, but the proponents of blanket optionality do not support such a modification.

As the original standards revision provided by the OASIS was not initiated through a request for standards development, it is not clear there is a need from industry participants for a standard approach to long term competition, and the proposed standards developed reiterate this point with an optionality clause. Further, FERC has not requested NAESB standardize the long-term competition process. We believe these standards are unnecessary, and do not support adopting them.

Respectfully,

Joshua Phillips