#####  March 16, 2018

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, NAESB Deputy Director

**RE: Update to the Board of Directors –Wholesale Electric Quadrant (WEQ) OASIS and WEQ Business Practices Subcommittee (BPS) Activities Update**

On the heels of the completion of the Preemption and Competition Business Practice Standards, the WEQ OASIS Subcommittee and the WEQ Business Practices Subcommittee (BPS) are striving to close out the last few items in response to FERC Order No. 890, *Preventing Undue Discrimination and Preference in Transmission Service*. Issued on February 16, 2007 in Docket Nos. RM05-17-000 and RM05-25-000, FERC Order No. 890 sought to both remedy opportunities for undue discrimination and address deficiencies in the pro forma OATT that the Commission believes became apparent since the issuance of FERC Order Nos. 888 and 889. Two of the annual plan items that respond to the directives in FERC Order No. 890, were assigned jointly assigned to the subcommittees and seek to develop standards to better coordinate the use of the transmission system among neighboring transmission providers.

During the upcoming April WEQ Executive Committee meeting, the recommendation for 2018 WEQ Annual Plan Item 2.a.i.2 will be considered. This annual plan item was created to address Paragraph 1139 of FERC Order No. 890, a directive for Transmission Providers to modify their OASIS to allow for the posting of third party offers to supply planning redispatch service. In order to complete this joint recommendation, the WEQ BPS and the WEQ OASIS Subcommittee held a total of fifteen joint and individual subcommittee meetings. The resulting recommendation modifies WEQ-001, WEQ-002, WEQ-003, and WEQ-013 to establish two new OASIS templates for the purpose of supporting the optional posting of third party offers of planning redispatch service. One set of comments was submitted from Southern Company Services during the thirty-day industry comment period held from January 25, 2018 to February 26, 2018. During a joint meeting held on March 6, 2018, the WEQ BPS and WEQ OASIS Subcommittee reviewed and discussed the comment and the recommendation. As stated, the recommendation will be reviewed at the upcoming WEQ Executive Committee meeting.

Under 2018 WEQ Annual Plan Item 2.a.i.1, the WEQ OASIS Subcommittee and the WEQ BPS have held several meetings to consider the language in Paragraph 1627 of FERC Order No. 890 regarding the posting of additional information regarding firm transmission curtailments. Last October, the WEQ OASIS Subcommittee began discussion on the annual plan item, and the completion date is scheduled for the fourth quarter of 2018. During the March 6, 2018 joint WEQ OASIS and WEQ BPS conference call, the participants reviewed and discussed several work papers, including a scoping document and excerpts from relevant FERC Orders. Once completed, the recommendation will be posted for a thirty-day industry comment period and subsequently considered by the WEQ Executive Committee. The next WEQ OASIS Subcommittee meeting will be hosted by Southwest Power Pool on April 25-26. During the meeting, the WEQ OASIS participants will continue discussion on 2018 WEQ Annual Plan Item 2.a.i.1.

Outside of the FERC Order No. 890 efforts, on February 20, 2018, the WEQ Executive Committee approved two no action recommendations jointly developed by the WEQ OASIS Subcommittee and the WEQ Business Practices Subcommittee (BPS). The no action recommendations were developed in response to: (1) 2017 WEQ Annual Plan Item 3.a/R05026 which asked the subcommittees to enhance the transmission service reservation result postings to show available generation redispatch options that would allow acceptance of reservation request; and (2) 2017 WEQ Annual Plan Item 3.b/R05026 – Limiting transmission elements for denied transmission service requests. On November 30, 2017, the WEQ OASIS Subcommittee and the WEQ BPS voted out the no action recommendations after determining that 18 CFR 37.6(b)(2)iii addresses both annual plan items. One comment in support of the recommendations was submitted by the WEQ SRS during the thirty-day industry comment period that began on December 4, 2017 and ended on January 3, 2018.