**GOLDEN SPREAD ELECTRIC COOPERATIVE, INC.**

**OATT ANNUAL UPDATE MEETING**

**MEETING NOTES**

**June 23, 2017**

1. **Overview**

**The following meeting notice was posted on the Golden Spread transmission website on June 1, 2017:**

Pursuant to Section 2.c. of the Formula Rate Implementation Procedures contained within Attachment R of the Golden Spread Electric Cooperative, Inc. Open Access Transmission Tariff, notice is hereby given of an Annual Update Meeting to be held on June 23, 2017 at 10:00 CPT. The meeting will be held via teleconference.  Dial-in information is provided below.  
   
The Annual Update for rates effective July 1, 2017 to June 30, 2018 is posted below.  
Interested parties and their respective representatives may seek information and clarifications from Golden Spread Electric Cooperative about the Annual Update and the charges produced thereunder.  
   
Dial in Teleconference Information:  
Toll Free: 1-866-528-2256  
Meeting Number: 9032352#  
To join as a participant, press #.  You will hear music until the host begins the call.  
Once the host begins the call, you will be prompted to enter the Security Code: 9000#  
   
All questions concerning transmission service over Golden Spread facilities should be directed to:  
   
Shane McMinn  
Manager of Engineering Services  
(806) 337-1297  
[shane@gsec.coop](mailto:shane@gsec.coop)

1. **Attendees**

Attending on behalf of Golden Spread Electric Cooperative: Shane McMinn, Craig Silverstein (March Counsel LLC), Carl Stover (Guernsey) and Francesca Winter (Guernsey)

Other Attendees: David Liu (Sani/Pleasant Hill – Transmission Customer)

1. **Reason for Meeting**

* + - Attachment R of Golden Spread's OATT requires an annual update for each rate year, commencing on July 1
    - Section 2.c. of the Formula Rate Implementation Procedures in Attachment R require a meeting be held no later than June 30.
    - Section 2.d of the Formula Rate Implementation Procedures also requires we make an informational filing with FERC on or before July 1

**4. Formula Rate Presentation and Questions**

* + - Golden Spread made and initial presentation of the charges produced by the formula rate, as well as an explanation of the status of changes to the template of the formula rate that are pending before FERC.
    - Transmission Customer expressed concern about the increase in the charges produced by the transmission rate, which he said was 43% for its specific service. Specific questions about inputs to the transmission rate charges were invited and the parties discussed one example (depreciation) in which the inputs show were higher from 2017 vs. 2016. Golden Spread explained the changes to the formula rate template further, including reference to the summary of changes provided as the last tab to the template. Transmission Customer was not satisfied with the responses provided.
    - Transmission Customer requested a different rate. Golden Spread indicated that it was obligated to follow its FERC rate and could not deviate from it. Further Golden Spread indicated that the rate was derived from a formula rate that draws directly from FERC Form 1 and that based on its status as a not-for-profit entity, did not include profit components such as a ROE, as one might see in an investor owned utility rate.
    - Golden Spread invited Transmission Customer to submit written questions as set out in Section 3 of the Formula Rate Implementation Procedures. Transmission Customer declined. Further discussion resulted in Golden Spread transcribing the following question: “Provide all expenses and costs, including all invoices, for providing transmission service to the project.” Golden Spread confirmed “project” meant Pleasant Hill wind farm, which is on the South Plains/SPP portion of Golden Spread’s special facilities.
    - Golden Spread pointed to additional detail in its FERC Form 1 that was available, but Mr. Liu said that was not sufficient. Golden Spread committed to review Transmission Customer’s question and provide a further response.

**5. Meeting concluded/adjourn**