



# Operating Plan 2025



**FOCUSED EXECUTION**

# Focused

verb / fo•cused / (ˈfō-kəsed):

“To concentrate attention or effort”

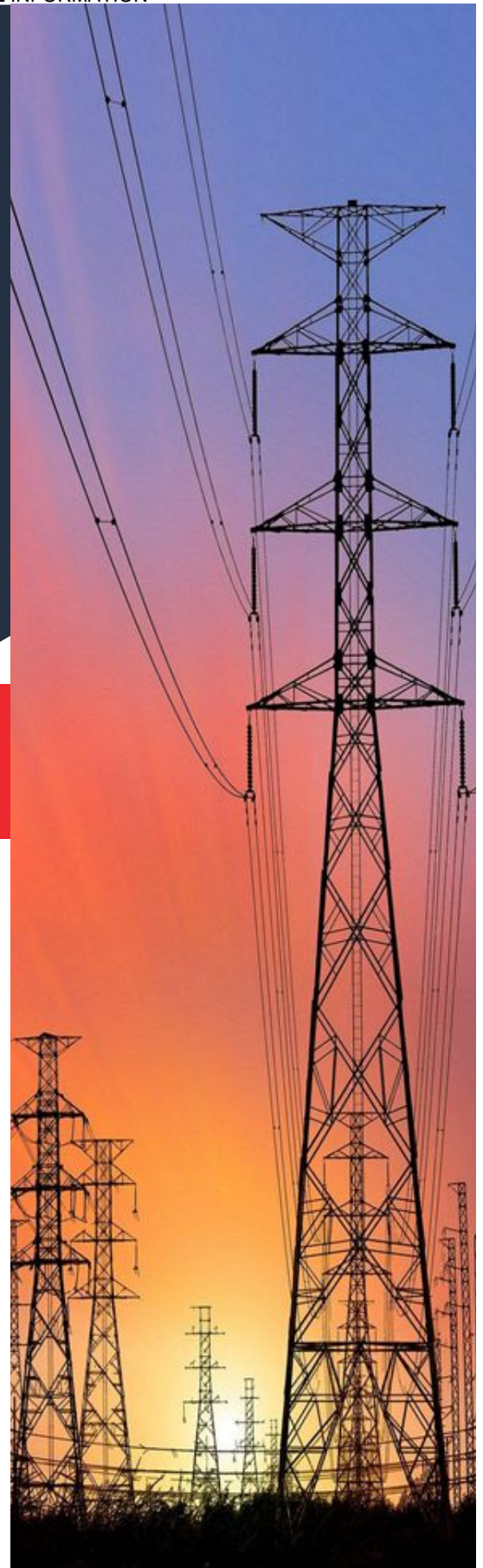
The 2025 operating year is expected to be one of the most dynamic and unpredictable operating environments in the history of the industry. We expect this landscape to require even more effort than usual to accomplish our core mission: to responsibly and economically keep the lights on today and in the future.

SPP’s approach to such an environment is one of heightened clarity with an even stronger push to achieve our strategic vision.

It is a year that will demand much of SPP and our Members.

It will require the forceful pursuit of strategic goals along with a heightened level of clarity in our efforts to support our Members.

It will require being **FOCUSED**.



SPP Operating Plan 2025



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# EXECUTIVE SUMMARY

## Focused Execution; Expansive Innovation

The strong partnership between SPP, Members and Stakeholders will be essential to make 2025 a successful year. Navigating rapid innovation, exponential demand growth and steadily rising costs will draw on time-tested relationships with a long track record of success. These relationships are why we are excited about 2025 and the promise it holds that our mutual success is preserved well into the future.

The 2025 Operating Plan highlights multiple areas of focus for SPP. It is intended to provide a reference point for the highest priorities that are going to drive significant long-term gains for SPP and our Members alongside our day-to-day baseline work focused on SPP's Core Mission (to responsibly and economically keep the lights on).

”

**All significant breakthroughs are break-withs old ways of thinking.**

**-Thomas Kuhn**

*American historian, author and philosopher; originator of the term "paradigm shift"*

### **Push for the Summit of Aspire 2026**

2025 represents a hinge-point in our Aspire 2026 strategic plan. We are nearing the completion year for those efforts, and 2025's areas of focus carry critical milestones for many Strategic Opportunities that must be accomplished. Significant progress is planned for key efforts: RTO Expansion and Markets+, specific goals necessary to address Seams, significant steps forward in addressing Resource Adequacy goals, revolutionizing transmission planning, aggressive process improvements and many other long-term milestones that are targeted for completion or critical path progress.

### **Break-Through Innovation**

SPP plans to utilize efficiencies and innovation to optimize resources and increase speed-to-value for Members. Value Delivery groups are focused on work that merges legacy strengths with innovation to provide high-quality outcomes while maintaining a focus on managing cost.

### **Increased focus on Member Value**

This plan places a significant focus on Member Value. As SPP continues to mature, this focus will inform long-term planning. Every area has identified a degree of value specific to the areas of focus contained in this plan.

We look forward to 2025 and the promise it holds for our collective future. We are convinced this coming year will put all of us in a position to achieve Aspire 2026 strategic goals while growing stronger as partners.

# Steps Toward **Insight** and **Interlock**



SPP is taking active steps to enhance and better align strategy, annual business planning and the budget process. As we continually seek to drive affordability and Member Value, achieving interlock of these components is essential.

## February 2024

Requirements for 2025 Operating Plan developed to include a departure from narrative format and a focus on alignment to strategic efforts and value estimation.

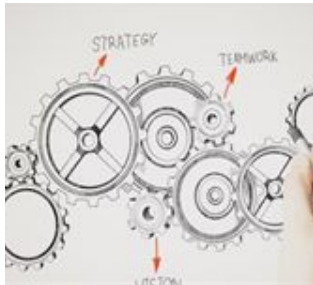


## Oct – Dec 2024

Strategic Services / Finance begin review, refinement, and develop enhancement goals for 2025 process.

## July – October 2024

Budget inputs are compiled, finalized, and provided for review and approval processes through standard budget approval channels.

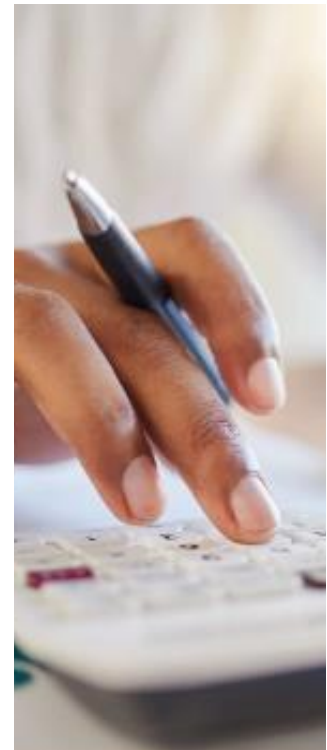


## April / May 2024

Director team provides electronic submission of requested information for Operating Plan development. Value descriptors with standard ranges are utilized for uniformity.

## May / June 2024

Budget packages are distributed across the organization. Areas work to align budget requests with Operating Plan callouts.



SPP Operating Plan 2025

# About the **Redesigned** Operating Plan

## 01

### Highlighting the Highlights

All areas of SPP's business were asked to drive down to three strategic and up to three "keep the lights on" areas of focus. The totality of SPP operations and planning is not represented here simply due to the scale of efforts required to perform normal operations. Rather, the intent of this document is to spotlight the most important focus areas for each SPP operating area with an understanding that these are occurring in addition to day-to-day baseline work.

## 02

### Ties to Aspire 2026

Each strategic area of focus indicates how it supports or ties to Aspire 2026's Strategic Opportunities and Enabling Capabilities. There are cases of extremely important items (such as FERC orders that must be completed) that will not have a direct tie to Aspire 2026. Every effort is made to reflect *natural* connections rather than tangential connections. Each **Core Mission** effort that is a result of previous Aspire work is also noted as "Enabled by Aspire."

## 03

### Value. Insights.

This year's plan includes a step toward interlocking strategy to organizational effort which drives expected Member benefits and downstream value. This information is intended to be directionally accurate, with an intent to grow into forecastable connections over the next 2-3 years.

## 04

### One-Sheet Format

To assist with quick reference, each operating area (and in some cases, sub-area) is provided in a one-sheet format to assist in quick identification of pertinent information.



## Clarity of Terms

# An Overview of **Benefits** and **Value** as included in this plan

Going forward, SPP will be identifying expected **benefits** and **value** that should result from strategic efforts. Some items will not lend themselves to clarity, and some could have negative impact in the short-term. **Gross Member Value (GMV)** is used to express the total pool of value that can be provided to Members over the next three years as a result of the identified effort for 2025. **GMV** is a separate calculation from the **Annual Member Value Statement** as GMV is a directional assumption of future value (where the Member Value Statement is a description of actual value delivered in a previous year). Because each member receives varying degrees of the value created, GMV is used for simplicity to refer to the total value made available as a result of the effort.

### Clarity Call-out: Benefits



**Benefits are typically *qualitative*. Benefits lead to statements like “One key benefit of moving to 365 is the ability to sync work regardless of device, allowing for continuity of workflow.”**

**Benefits often lead to calculated value, depending on the reach of the particular benefit.**

### Clarity Call-out: Value



**Value is considered *quantitative* in nature and can often be expressed with phrases like “over five years, this project should yield a range of \$150 million - \$250 million in stakeholder value.”**

**When value is expressed, it is often done with ranges of monetary impact. Value can include net gained value as well as value created from mitigated risk.**





# Expected Operating Environment

## 2025 is expected to be a year of dramatic change with a more difficult decision-making environment

>>**SPP and its Members** face a complex operating environment in 2025. While the US Energy Information Administration (EIA) forecasts indicate 2025 will see record highs for power consumption, the Electric industry faces an “emerging new normal” operating environment where traditional long-term economics coupled with new economic expectations exert increasing and more urgent influence. The alignment of inelastic regulated markets where inflationary price recovery is delayed, coupled with the position of the

electric industry for demand-pull inflation, indicate that 2025 will be a year of continued transition for SPP and its Members.

As part of the business planning process, SPP consolidated information from each business area to develop expectations for the 2025 business environment, along with potential risks and the degree to which SPP can influence those. SPP has also identified five key interdependent influencers that will affect how business is conducted in 2025.



# Expected Operating Environment

## >>KEY FACTORS



### Impacts of Expectation Dynamics

SPP continues to address a growing demand for projects, revisions, and innovation. As SPP has grown, our Member base has become more dynamic with a broader range of expectations. This diversity of expectations impacts every area of SPP:

- Changing Member priorities, rapidity of industry change and other externalities lead to long-term Engineering project delays
- An increasing number of requests that see a higher baseline of contention among a diverse group of Members could lead to increased likelihood of initiative rejection
- Response to heightened cost sensitivity often results in resource constraint and elongated project delivery timeframes
- Exponential rates of technological change will require currently unavailable resources to adapt in a compressed timeframe
- Previous “Core” understanding carries more dynamic execution. For example, where “Electric Grid” has been an understood static concept, “Future Grid” now carries a meaning that includes modernizing existing grid infrastructure while incorporating increased demand for interregional transmission, decreasing margins on Resource Adequacy, growth in energy storage devices, and Distributed Energy Resource Management. While SPP has a focus on affordability, success in 2025’s environment will require an adjustment to all expectations with regard to cost, resources and priorities.



### Affordability

2025 will require an extreme focus on both short-term and long-term affordability. While in-year focus areas of value creation, cost management and accountability will continue to be emphasized, SPP must plan for short-term investments as a position for long-term cost-management that can address inflationary pressures.



### Risk Management

Risk simply cannot be managed in 2025 as in previous years. SPP expects the 2025 business environment to be one of exponential growth in all forms of risk, with cyber risk seeing the most rapid rise. SPP is adopting a completely different mindset of risk management to protect the assets of both SPP and our Members. Proactive risk management will involve investment that was not required in previous years, although the impact of unmanaged risk carries an exponentially higher price. A focus on Risk Management must also address factors impacting our traditional services, in particular with regard to **Resource Adequacy**. The complexities of escalation and diversity of load, intermittent generation along with all other factors of Resource Adequacy will continue to require focus in 2025.



### Talent Management

The importance of hiring, developing, and retaining experienced staff has grown exponentially. This trend is expected to have a greater impact in 2025. While SPP has a remarkable track record of talent acquisition and development, no organization is immune to this national trend. Holistic talent management is a critical component to ongoing quality



### Regulatory Dynamics

Every year brings its share of regulatory items to be addressed. SPP expects 2025 will have more than average regulatory needs as we work to address FERC orders such as 2222, 881, 2023, 1977, Z2, and Order 1920 on transmission planning. Typical FERC turnover could heighten the increasingly unpredictable regulatory environment with the expectation of three new Commissioners and possibly a new Chairperson.

## 2025 Expected Factors

## Observational Grid of 2025

### Expected Risk Factors

Factor	Ability to Influence (H/M/L)
Increasingly diverse Member needs could lead to disagreement regarding projects and impact engineering efforts	H
Higher than average cost containment pressure could lead to more frequent decision points on projects based on limited bandwidth	M
People and technological resource constraint create potential downline point of failure (possibly post-2025)	M
Future Grid emerging to be a more dynamic and unpredictable framework could lead to fragmentation or competing efforts	M
Rapidity of technological change is perpetually faster creating pressure on keeping current from a security and execution perspective	L
Resource Adequacy (all dimensions)	M
Higher than typical unpredictability within the regulatory environment	L
Higher than normal FERC turnover	L
FERC orders cause resource bandwidth drawdown (heightening resource tension)	M
Increased frequency and impact of extreme weather events	M
Risk Management (keeping pace with market and expanded threat surface tied to machine learning and Artificial Intelligence)	M
Substantial load growth potentially outpacing future grid design	M
Response to operating characteristics of inverter-based resources	M
Organizational Readiness & Quality Control	M



# SPP Core Value Delivery Areas

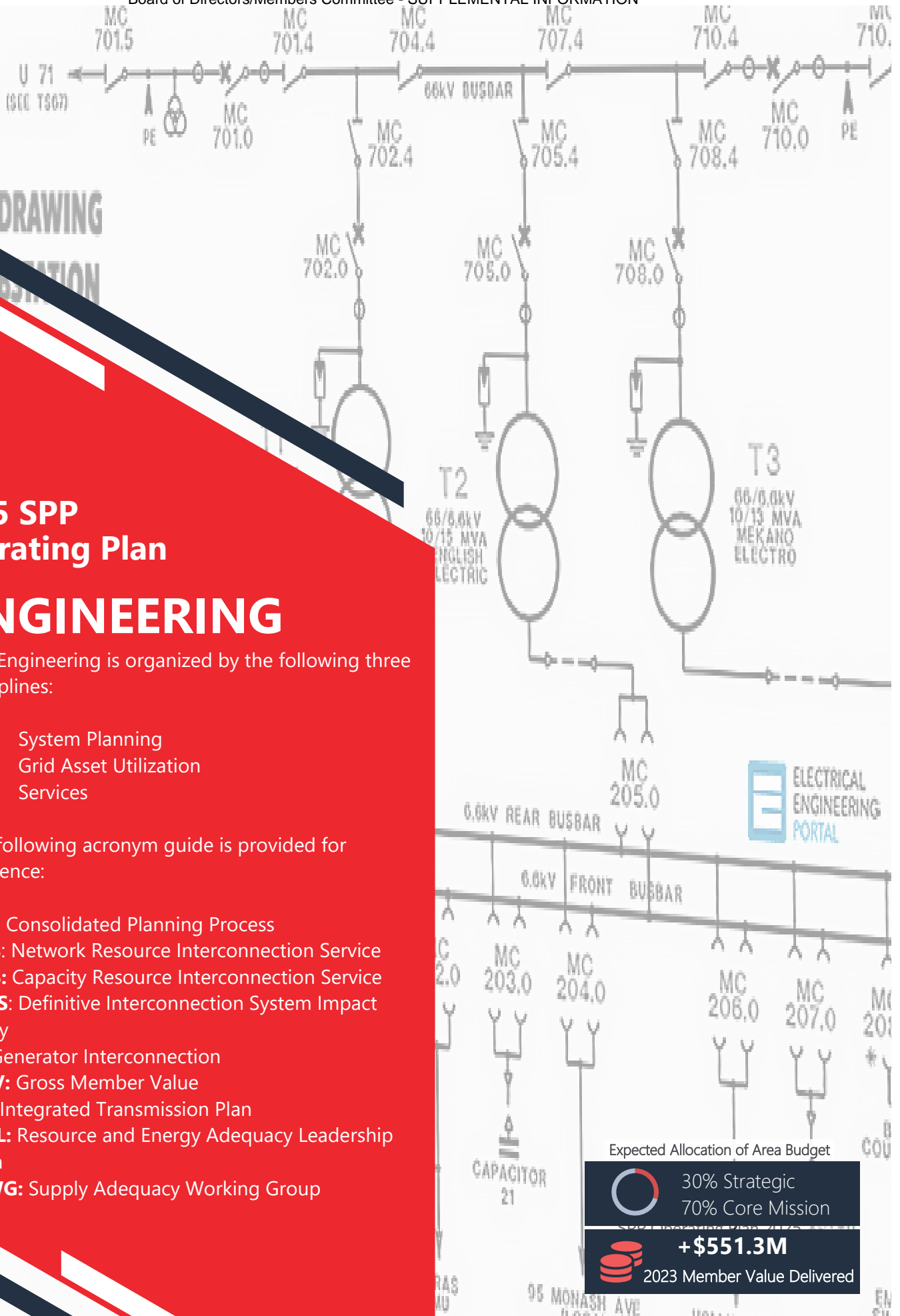
## Overview

Members choose SPP for multiple reasons. While it takes a number of shared services to enable value delivery, SPP's **Value Delivery Areas** are the primary conduits delivering first-line Member Value. These areas include:

- Engineering
- Operations
- Markets

This section of the Operating Plan addresses each Value Delivery Area's strategic emphases for 2025 along with anticipated Gross Member Value of that strategic effort. Also highlighted is the primary focus in each area tied to SPP's Core Mission.





## 2025 SPP Operating Plan

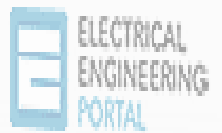
# ENGINEERING

SPP Engineering is organized by the following three disciplines:

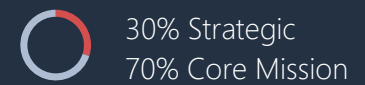
- System Planning
- Grid Asset Utilization
- Services

The following acronym guide is provided for reference:

- CPP:** Consolidated Planning Process
- NRIS:** Network Resource Interconnection Service
- CRIS:** Capacity Resource Interconnection Service
- DISIS:** Definitive Interconnection System Impact Study
- GI:** Generator Interconnection
- GMV:** Gross Member Value
- ITP:** Integrated Transmission Plan
- REAL:** Resource and Energy Adequacy Leadership team
- SAWG:** Supply Adequacy Working Group










Expected Allocation of Area Budget



**+\$551.3M**  
2023 Member Value Delivered








# Engineering | **SYSTEM PLANNING**

2025 will see System Planning emphasize preparation for the Consolidated Planning Process (CPP). CPP is focused on more efficient outcomes that better serve generation, load, and transmission needs of SPP Members. System Planning will also prioritize analysis of resiliency conditions in the Integrated Transmission Plan while continuing work to enable greater flexibility in serving load while maintaining Resource Adequacy. These areas of focus provide significant measurable Member benefits and enable incremental Gross Member Value between \$7 million - \$13 million over three years.

 <p><b>Strategic Focus</b></p>	<p>Meet the milestones needed for the CPP transition study to stay on-plan for a 2026-2027 completion</p>	<p>Enhancement of Network Resource Interconnection Service (NRIS) enhancements formerly referred to as CRIS</p>	<p>Analyze resiliency conditions in the 2025 Integrated Transmission Plan (ITP)</p>														
 <p><b>ASPIRE Ties</b></p>	<table border="1"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>Innovative Transmission Planning</td> <td>Innovative Cost Allocation</td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	Innovative Transmission Planning	Innovative Cost Allocation	<table border="1"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>HITT Implementation</td> <td><i>No Direct Ties</i></td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	HITT Implementation	<i>No Direct Ties</i>	<table border="1"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>Innovative Transmission Planning</td> <td><i>No Direct Ties</i></td> </tr> <tr> <td>Grid of the Future</td> <td><i>No Direct Ties</i></td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	Innovative Transmission Planning	<i>No Direct Ties</i>	Grid of the Future	<i>No Direct Ties</i>
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 <p><b>Member Benefits</b></p>	<ul style="list-style-type: none"> <li>Faster connection of generation and load to the SPP system</li> <li>More reliable and economic generation and transmission</li> <li>Addresses long lead time and restudy for GI</li> </ul>	<ul style="list-style-type: none"> <li>Meet Resource Adequacy requirements in a timelier manner</li> <li>Increase the liquidity of firm resources</li> </ul>	<ul style="list-style-type: none"> <li>Preparedness for extreme weather and high impact, low frequency events</li> <li>Enhanced optimization of transmission to serve broader needs than traditional planning techniques have identified</li> </ul>														
 <p><b>Gross Member Value (GMV) within three years</b></p>	 <p><b>Medium</b></p> <p><b>\$3-\$5 million</b></p>	 <p><b>Low</b></p> <p><b>Up to \$3 million</b></p>	 <p><b>Medium</b></p> <p><b>\$3-\$5 million</b></p>														

# Engineering | GRID ASSET UTILIZATION








SPP’s Grid Asset Utilization team will emphasize work that ensures Resource Adequacy risks are effectively managed, efficiently evaluates requests for new generation, and better integrates regional load growth estimates. These are all necessary foundational items that will require outside expertise through increased third-party consulting in 2025. The long-term result is enabling repeatable processes that increase efficiency, increase load and increase accuracy in business planning. These areas of focus are expected to create more than \$15 million of incremental Gross Member Value (GMV) over the next three years.

 <p><b>Strategic Focus</b></p>	<p>Complete REAL / SAWG work plan for Resource Adequacy (requiring external consulting studies and risk assessment)</p>	<p>Implement policy to address the development and accuracy of SPP’s load forecasts</p>	<p>Forward-enable Grid Interconnection (GI) through completion of any remaining GI Backlog DISIS, supporting prerequisite for CPP and standing up an enhanced NRIS.</p>																						
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 <p><b>Member Benefits</b></p>	<ul style="list-style-type: none"> <li>2025 Resource Adequacy work plan will appropriately forecast future needs in policy, procedures and tools</li> <li>Creates capacity value to Members through optimized fleet and risk projections</li> </ul>	<ul style="list-style-type: none"> <li>More equality for the application of Resource Adequacy requirements</li> <li>Increased accuracy in business planning creates the potential to save millions in transmission assessment optimization</li> </ul>	<ul style="list-style-type: none"> <li>Increase timing certainty of all DISIS to transition into CPP</li> <li>Complete MVP3/4 to allow for significant capacity increase through adding GIAs to build generation</li> <li>Positions SPP engineering for RTO expansion</li> </ul>																						
 <p><b>Gross Member Value (GMV) within three years</b></p>	 <p><b>High</b></p> <p><b>&gt; \$5 Million</b></p>	 <p><b>High</b></p> <p><b>&gt; \$5 Million</b></p>	 <p><b>High</b></p> <p><b>&gt; \$5 Million</b></p>																						



# Engineering | SERVICES

Engineering Services will emphasize a path toward long-term quality, speed and efficiency through the establishment of standards of data governance for modeling data and the development of efficiencies through a process focused on coordination of resources across multiple initiatives. Both emphases will be foundational to efficiently handle the significant growth of engineering projects with consistent quality. Another primary area of focus will be support and delivery of initiatives necessary for the implementation of RTO expansion deliverables. Altogether, these focus areas represent substantial long-term Member benefits while directly enabling minimum Gross Member Value of at least \$7 million.

 <p><b>Strategic Focus</b></p>	<p>Deliver an innovative approach for implementation of coordinated strategic initiatives and overlapping engineering resources that maximizes SPP's shared resource model</p>	<p>Design and implement a modeling data governance policy addressing standards of collection, maintenance, and analysis of modeling data to create modeling environment of truth</p>	<p>Develop, support, and deliver the Engineering Planning Program Schedule and Scope for implementation of RTO expansion deliverables</p>																
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 <p><b>Member Benefits</b></p>	<ul style="list-style-type: none"> <li>Natural maturity step in more effective resource management</li> <li>Address all initiatives with less than 5% overtime</li> <li>Increased speed to market</li> <li>Increased quality</li> <li>Decreased orphaned hours</li> </ul>	<ul style="list-style-type: none"> <li>Evolve to current standards for data management and retention</li> <li>Automated data management tools will assist in elimination of duplicative data and systems</li> <li>Increased accuracy through "source of truth" model will create efficiencies</li> </ul>	<p>Increased economic, reliability and resiliency benefits for Members through:</p> <ul style="list-style-type: none"> <li>Increased load</li> <li>Resource diversity</li> <li>Membership Growth</li> </ul>																
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# Engineering | CORE MISSION

SPP Engineering is a critical component to delivery of ongoing Member Value as measured annually in the Member Value Statement. In 2023, SPP delivered an average 20:1 return on Member investment, and SPP's Engineering group is a vital component creating Member Value in the categories of Transmission (\$541.2 million) and Engineering Services (\$10.1 million). Alongside the 2025 strategic areas of focus described by each group, SPP Engineering is also placing an increased emphasis on the following areas as part of the day-to-day Core Mission to responsibly and economically keep the lights on today and in the future:



## Planning

These forward-thinking efforts are designed to improve core mission work:

- Integrated Transmission Plan developed to maintain reliability and lower the cost of energy
- Utilize Planning Coordinator Assessments to meet many NERC criteria related to transmission planning
- Provide support to SPP and industry research and development efforts including obtaining Department of Energy (DOE) funding to economically keep the lights on in the future



## Grid Asset Utilization

This area's emphasis on the core mission is deeply interwoven with its strategic focus efforts:

- Resource Adequacy mitigation
- Completion of 2025 GI objectives
- Continue Load Forecast Task Force (LFTF) efforts through 2025 in order to establish benchmarks, assessments, and recommendations for the regional load forecast

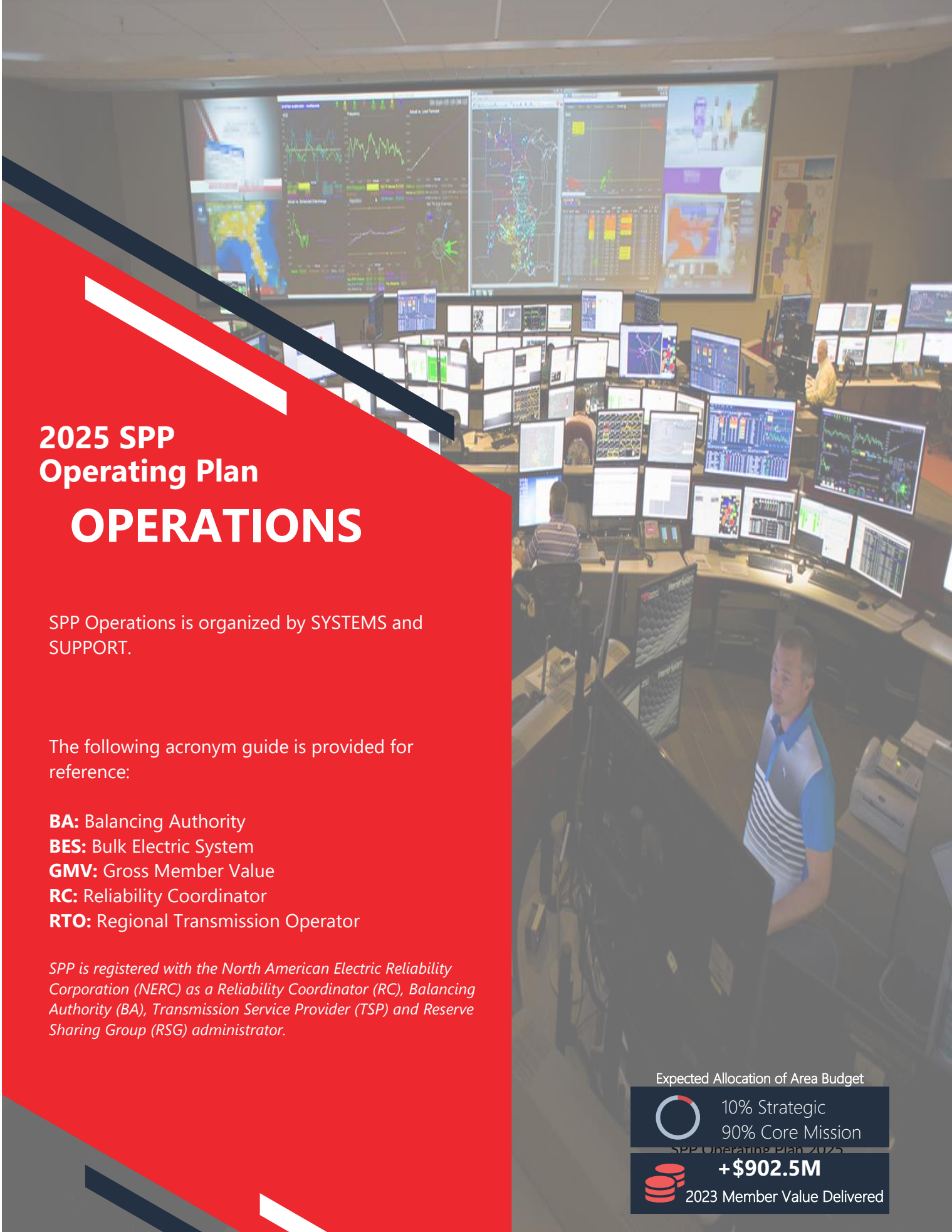


## Services

Engineering Services will enhance ability to provide core mission work:

### ENABLED BY ASPIRE

- Refine current staff resource capacity plans and projection of resource over-allocation to be more prescriptive in both hiring and utilization of contract services that prioritize Organizational Readiness
- Create efficiencies through facilitating between Engineering Planning and SPP Compliance
- Track the build of transmission facilities created by multiple Tariff obligations and planning studies through the use of TRAC and ensure adherence to business practices for Notices To Construct, competitive planning projects, and stakeholder interaction through the Project Cost Working Group



# 2025 SPP Operating Plan OPERATIONS

SPP Operations is organized by SYSTEMS and SUPPORT.

The following acronym guide is provided for reference:

- BA:** Balancing Authority
- BES:** Bulk Electric System
- GMV:** Gross Member Value
- RC:** Reliability Coordinator
- RTO:** Regional Transmission Operator

*SPP is registered with the North American Electric Reliability Corporation (NERC) as a Reliability Coordinator (RC), Balancing Authority (BA), Transmission Service Provider (TSP) and Reserve Sharing Group (RSG) administrator.*

Expected Allocation of Area Budget



10% Strategic  
90% Core Mission










**+\$902.5M**

2023 Member Value Delivered










# Operations | SYSTEMS

Operations is at the core of SPP, and 2025 will emphasize a focus on decreasing risk from elements of operations. Areas of strategic focus are designed to strengthen the core of the Balancing Authority through Resource Adequacy efforts while enhancing capabilities to address extreme weather and scale at the right time for RTO growth. Addressing these areas is critical to protecting the existing level of member value as well as the core business of SPP. The range of Gross Member Value both protected and enabled is broad, ranging from a minimum of \$13 million up to and including the full value of the organization at \$3 billion.

 <p><b>Strategic Focus</b></p>	<p>Enhance Resource Adequacy efforts by providing operational requirements to strengthen the SPP balancing authority and maintain BES reliability</p>	<p>Establish organizational framework tailored to western-focused operators that enables fast-ramp of new staff and capabilities focused on RTO expansion and Markets+</p>	<p>Persistent preparation for extreme weather events through advanced training, tools and display management</p>																		
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 <p><b>Member Benefits</b></p>	<ul style="list-style-type: none"> <li>Addresses heightened risk to the core business as a result of extreme weather, changing resource mix and decrease in excess resource capacity</li> <li>Protection of current and future core Member value tied to \$3.621 billion / 20:1 ROI</li> </ul>	<ul style="list-style-type: none"> <li>Enables increased operations bandwidth to support expansion at-scale</li> <li>Expansion at-scale is required to not inhibit RTO expansion growth goals – currently projected to provide a \$0.04 schedule 1A benefit to current SPP members</li> </ul>	<ul style="list-style-type: none"> <li>A perpetual preparation cycle for extreme weather decreases Member and SPP risk to the core mission</li> <li>Increased cycles of preparation will drive innovation that can benefit Members and reduce risk</li> </ul>																		
 <p><b>Gross Member Value (GMV) within three years</b></p>	 <p><b>High</b></p> <p><b>&gt;\$5 million</b></p>	 <p><b>Medium</b></p> <p><b>\$3-\$5 million</b></p>	 <p><b>High</b></p> <p><b>&gt;\$5 million</b></p>																		

# Operations | SUPPORT

Operations Support will drive a strategic focus on meeting FERC compliance with Order 881, while also making the adjustments necessary to enable a fast path to Member value for RTO expansion participants. A focus will also be placed on increasing compliance with NERC standards while reducing grid operating risks. Even with mandated changes in 2025, Operations Support expects these efforts to drive \$7 million to \$13 million Gross Member Value within three years.

 <b>Strategic Focus</b>	Deploy necessary support to implement ambient adjusted rating methodology as required by FERC Order 881	Coordinate and implement processes and technology to support RTO membership functions in the Western Interconnect to new RTO expansion members	Improved modeling through increased accuracy of the network model and real time assessment studies (thermal, voltage & stability)												
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 <b>Member Benefits</b>	<ul style="list-style-type: none"> <li>Increased transfer capabilities of the Transmission System that provide increased dispatch opportunities for SPP Members, customers, and market participants</li> </ul>	<ul style="list-style-type: none"> <li>Extend necessary framework to deliver RTO benefits to new load and / or generation membership</li> <li>Accelerate time-to-value realization for new members</li> </ul>	<ul style="list-style-type: none"> <li>Enhancements will provide Members with reduced risks of operating the grid</li> <li>These enhancements increase compliance with NERC standards</li> </ul>												
 <b>Gross Member Value (GMV) within three years</b>	<div style="text-align: center;">   <b>Low</b>  <b>Up to \$3 million</b> </div>	<div style="text-align: center;">   <b>High</b>  <b>&gt;\$5 million</b> </div>	<div style="text-align: center;">   <b>Medium</b>  <b>\$3-\$5 million</b> </div>												

# Operations | CORE MISSION

SPP Operations brings order and focused execution to an environment that can very quickly go from calm to unpredictable. Of all areas within SPP, Operations is ground zero for the day-to-day function of keeping the lights on. With load diversity and increasing frequency of extreme weather events expected to continue in 2025, the efforts required to keep operations “normal” cannot be taken for granted. Operations will continue to refine existing processes to find efficiencies while providing necessary insights and support. 2025 is expected to require additional efforts to address the complexity of meeting the day-to-day mission.



## Systems

System Operations is where planning meets reality. In 2025, System Operations will address a mercurial environment of split-second decisions that require planning and adaptability to anchor reliability through:

- Promoting reliability and compliance excellence for real-time services related to the Reliability Coordination (RC), Balancing Authority (BA) and market functions
- Continuing to address increasing tariff and interchange support needs
- Providing daily Markets Administration and Market Support
- Continuing daily reliability coordination and shift engineering support



## Support

Operations Support will approach 2025 to make nimble the new normal:

- Providing high quality, accurate, efficient and effective services for reliability services, market services, balancing authority services, seams services and tariff services
- Absorbing continued load complexity while determining impacts and risks of integration of inverter-based resources (typically not located in the same geographic area as the load)
- Addressing a dynamic congestion management and balancing environment as load composition is adjusted with retirement of conventional generation and changes of magnitude with new generation sources



Operations is a foundational component at SPP to Keep the Lights On and drive Member Value (with \$905.2 million delivered in 2023\*). 2025 promises new dimensions to traditional challenges that must be addressed as day-to-day Core Mission work.

\*Source: [SPP Member Value Statement 2023](#) Report published May 2024.



# 2025 SPP Operating Plan MARKETS

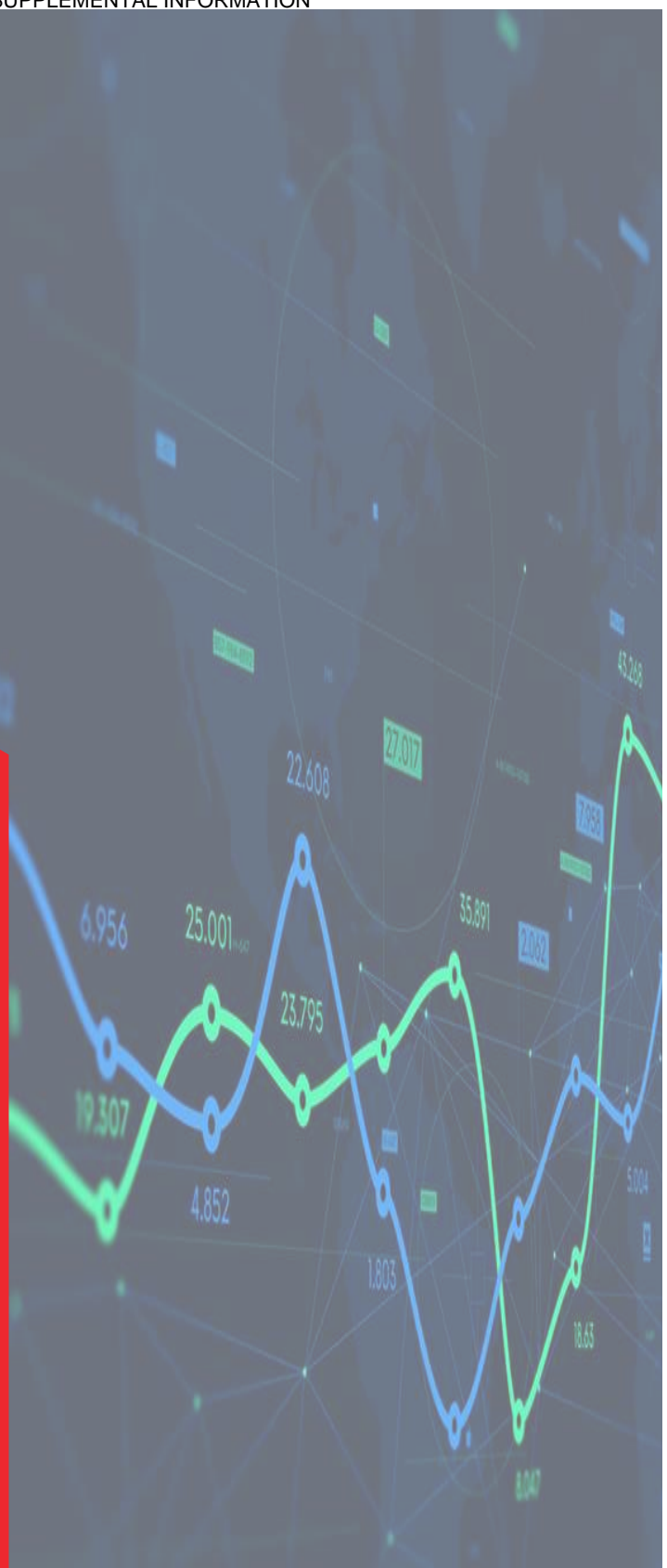
In recent years, SPP Markets has delivered an increasing portion of overall Member Value.\* This area is a focal point of long-term growth both in existing markets and in the west. For the purposes of the operating plan, the Markets section will include planning for the following:

- Markets Design
- RTO Expansion & Markets+
- Markets Administration
- Interregional Strategy (Seams)

The following acronym guide is provided for reference:

- BA:** Balancing Authority
- BES:** Bulk Electric System
- GMV:** Gross Member Value
- RC:** Reliability Coordinator
- RTO:** Regional Transmission Operator

*\*Source: 2020-2023 Member Value Statements (2023 pub. May, 2024)*



Expected Allocation of Area Budget



20% Strategic  
80% Core Mission







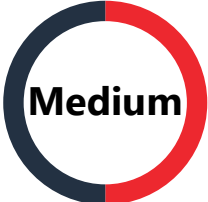


**+\$902.5M**

2023 Member Value Delivered







# Markets | **MARKETS DESIGN**

SPP’s current Markets Design will emphasize compliance and incentives through 2025. While working to comply with Demand Response Design and compliance with FERC Order 2222, an area of strategic focus will be incentives tied to mitigating resource adequacy issues and non-standard load types and configurations. These areas of focus are estimated to provide \$9 million to \$15 million in Gross Member Value.

 <p><b>Strategic Focus</b></p>	<p>Develop a Market Mechanism that incentivizes resource availability to help mitigate Resource Adequacy risks</p>	<p>Demand Response Design and Compliance with FERC order 2222</p>	<p>Assess existing processes and develop policies for non-standard load types and configurations as part of policy and design for Load of the Future</p>												
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 <p><b>Member Benefits</b></p>	<ul style="list-style-type: none"> <li>Mitigate Resource Adequacy risk through enhancing operational energy adequacy</li> <li>Provide financial incentives to generation to maximize availability</li> <li>Converging RA projected in day-ahead and real-time markets</li> </ul>	<ul style="list-style-type: none"> <li>Will drive a more diverse and resilient grid with decreased consumer costs</li> <li>Demand Response design will drive more efficient and competitive marketplace</li> </ul>	<ul style="list-style-type: none"> <li>Develops a framework for determination of future needs and behaviors that should carry incentives for non-standard loads / configurations</li> </ul>												
 <p><b>Gross Member Value (GMV) within three years</b></p>	 <p><b>\$3-\$5 million</b></p>	 <p><b>\$3-\$5 million</b></p>	 <p><b>\$3-\$5 million</b></p>												







# Markets | RTO EXPANSION & MARKETS+

The preparation for RTO expansion continues with a focus on facilitating the continued expansion of the RTO footprint through efficient utilization of DC ties. These efforts continue to carry significant future value, representing a broad range of potential benefits that could yield up to \$381 million in Gross Member Value. **Markets+** is expected to transition from Phase 1 (Tariff development) to Phase 2 (implementation) in early 2025. Deploying the implementation with careful coordination across SPP departments and with SPP vendors will be critical for staying on track for a Q2 2027 launch.

 <b>Strategic Focus</b>	<p><b>RTO Expansion</b> Facilitate expansion of RTO into Western Interconnection through market design changes that facilitate DC ties and complete congestion hedging changes</p>	<p><b>Markets+</b> Deploy phase two of Markets+ with parties across the West using secured funding from Phase Two Agreement and FERC approved financing</p>													
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 <b>Member Benefits</b>	<ul style="list-style-type: none"> <li>Enhanced economic and resiliency benefits for Members</li> <li>Diversity benefits that can be utilized to address future extreme weather events</li> </ul>	<ul style="list-style-type: none"> <li>Greater access to neighboring markets supporting supply and demand</li> <li>Creates a pathway to RTO membership facilitating long-term cost savings</li> <li>Provides revenues that offset SPP RTO overhead costs</li> </ul>													
 <b>Gross Member Value (GMV) within three years</b>	 <p><b>High</b> <b>&gt; \$5 million</b></p>	 <p><b>High</b> <b>&gt; \$5 million</b></p>													

# Markets | ADMINISTRATION







While keeping the lights on is the primary focus of Markets Administration, a strategic focus will be placed on driving outstanding HITT M1 items to a successful conclusion that will improve congestion hedging market equity and outcomes. Mark to Auction implementation will also ensure SPP continues to adequately manage risk by improving data used for risk assessments for the congestion hedging market.

 <b>Strategic Focus</b>	HITT M1 item 1 and 8 Policy Development and Implementation	Implement Mark to Auction process for congestion hedging market								
 <b>ASPIRE Ties</b>	<table border="1" data-bbox="355 852 790 974"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>HITT Implementation</td> <td>Member Value</td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	HITT Implementation	Member Value	<table border="1" data-bbox="956 852 1310 942"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td><i>No Direct Tie</i></td> <td>Member Value</td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	<i>No Direct Tie</i>	Member Value
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<i>No Direct Tie</i>	Member Value									
 <b>Member Benefits</b>	<ul style="list-style-type: none"> <li>• Provide more equitable LTCR / ARR hedges</li> <li>• Improve overall hedging market effectiveness through increased probability of awards</li> </ul>	<ul style="list-style-type: none"> <li>• Provide better risk protection through alignment of congestion values to the credit policy</li> </ul>								
 <b>Gross Member Value (GMV) within three years</b>	<div style="text-align: center;">   <b>Medium</b>  <b>\$3-\$5 million</b> </div>	<div style="text-align: center;">   <b>Low</b>  <b>Up to \$3 million</b> </div>								



# Markets | INTERREGIONAL AFFAIRS (SEAMS)

2025 will address dynamics in both current and future markets. Extreme focus will be given to deployment of phase two of Markets+ which is a necessary step to stay on-track for a Q2 2027 implementation. Other areas of focus include addressing the eastern edge of the SPP footprint and working to optimize multiple adjacent markets. Combined, these areas of focus enable a minimum Gross Member Value of \$11 million up to projected Markets+ values from \$150 million to \$1.5 billion.

 <b>Strategic Focus</b>	Identify and obtain necessary approvals to cost allocate and issue notifications to construct for joint projects with AEI and MISO to address system needs in SW Missouri area	Identify, evaluate and document mechanisms to facilitate optimization of multiple adjacent markets such as “inter-tie optimization”																
 <b>ASPIRE Ties</b>	<table border="1"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>Optimized Seams</td> <td>Innovative Cost Alloc.</td> </tr> <tr> <td>Innovative Transmission Pl.</td> <td>Right Technology</td> </tr> <tr> <td>Grid of the Future</td> <td>Member Value</td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	Optimized Seams	Innovative Cost Alloc.	Innovative Transmission Pl.	Right Technology	Grid of the Future	Member Value	<table border="1"> <thead> <tr> <th>Strategic Opportunities</th> <th>Enabling Capabilities</th> </tr> </thead> <tbody> <tr> <td>Optimized Seams</td> <td>Adaptive Governance</td> </tr> <tr> <td>Western Expansion</td> <td>Right Technology</td> </tr> <tr> <td>Grid of the Future</td> <td>Member Value</td> </tr> </tbody> </table>	Strategic Opportunities	Enabling Capabilities	Optimized Seams	Adaptive Governance	Western Expansion	Right Technology	Grid of the Future	Member Value
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 <b>Member Benefits</b>	<ul style="list-style-type: none"> <li>Enables joint projects to address system needs in SW Missouri area</li> <li>Reduced congestion costs, limiting issues along eastern edge, and increasing extreme weather reliability &amp; resiliency</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of real-time price volatility</li> <li>Increases the efficient use of the existing transmission system</li> </ul>																
 <b>Gross Member Value (GMV) within three years</b>	<div style="text-align: center;">   <b>Low</b>  <b>Up to \$3 Million</b> </div>	<div style="text-align: center;">   <b>High</b>  <b>&gt;\$5 million</b> </div>																

# Markets | CORE MISSION

Over the last three years, Markets has delivered an increasing portion of Member value\*. This reflects the increasing importance of Markets achieving the Core Mission on a day-to-day basis. 2025 will require the Integrated Marketplace to evolve as part of the Core Mission. This perpetual refinement will come through improvements for new and upcoming technologies such as Demand Response and Market Storage Resources. Markets must also provide enhancements for legacy technologies to ensure proper price formation and advanced certainty through long-lead economic commitments.



## Seams | Markets +

ENABLED BY ASPIRE

The Seams / Markets+ area has the exciting task of building today what will be KTLO tomorrow.

To improve today's Markets day-to-day work on the core mission, this area will emphasize implementation of the FERC-accepted JTIQ processes to replace the traditional GI affected system coordination process.



## RTO Expansion

RTO Expansion will continue to set a framework for SPP to bridge the Eastern and Western Interconnections and become the first RTO / ISO to span ties with a single market.



## Markets Admin.

Significant effort is required to maintain efficient and reliable markets. To keep a Market baseline in the face of increased diversity of generation requires more work today than in previous years. Markets Administration will work to maintain and improve SPP Markets through:

- Continuous improvement to maintain and exceed the level of service expected from today's Market participants
- Utilizing and improving work through the Stakeholder Process for Markets initiatives to drive efficiencies specific to market-related governing documents and communication of Markets roadmap
- Continuing to perform as a daily generator of member value

**Focused Value:**  
For SPP Markets, another day at the office is another day of creating Member Value

**Member Value Growth since 2020: >300%**

\*Source: [SPP Member Value Statement 2023](#) May, 2024. SPP Markets Member Value grew from \$744 million in 2020 to \$2.25 Billion in 2023.

# Shared Services



Expected Allocation of Shared Svcs. Budgets



20% Strategic  
80% Core Mission

## Partners in Member Value Delivery

SPP Shared Services align around a theme of improved affordability and enhanced efficiency. They are comprised of multiple groups that directly affect the ability of Value Delivery groups to accomplish SPP’s goals. While these groups typically are not tasked with delivering direct-to-member services, they are essential to accomplishing SPP’s Core Mission and strategic goals. To avoid over-representation of value creation, the value reflected in each shared service is expressed as *Estimated Value Enabled* (i.e. pull-through value) as part of that shared service’s participation with the Value Delivery Area.



### External Affairs

Communications,  
Stakeholder Relations,  
Stakeholder Training



### Finance

Finance, Planning, and  
Analysis



### Human Capital

Human Resources, Diversity,  
Equity & Inclusion, Learning  
& Development



### Information Technology

Technology Architecture,  
Administration,  
Applications, Support  
and Facilities



### Legal & Regulatory

Regulatory Policy, FERC  
Policy, General Legal  
Counsel



### Process Integrity

Project Management  
Office, Strategic Services,  
Internal Audit,  
Compliance,  
Interregional Affairs



### Security & Risk

Integrated Security  
(Cybersecurity / IT  
Quality Control),  
Enterprise Risk  
Management

# External AFFAIRS

## 2025 Strategic Areas of Focus


<p>Increase SPP’s brand recognition and perception while also mitigating reputational risk through increasingly effective use of multichannel communications that adhere to best practices and privacy standards</p> <p><b>Strategic Objectives Supported:</b> Western Expansion, Grid of the Future, Optimized Seams, ITP</p> <p><b>Enabling Capabilities Supported:</b> Member Value, Organizational Readiness, Right Tech., DEI</p> <p><b>Member Benefits:</b> Strengthen external relationships and minimize attrition risk</p>	<p>Development and launch of external educational materials essential for successful growth in Western services</p> <p><b>Strategic Objectives Supported:</b> Western Expansion, Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Member Value, Org. Readiness, Right Tech., DEI</p> <p><b>Member Benefits:</b> Enables better use of SPP services and helps Members realize value</p>	<p>Coordinate outreach to provide onboarding and readiness framework during the implementation phases of RTO expansion and Markets+</p> <p><b>Strategic Objectives Supported:</b> Western Expansion</p> <p><b>Enabling Capabilities Supported:</b> Member Value, Org. Readiness</p> <p><b>Member Benefits:</b> Critical path success element for western expansion</p>
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## External Affairs

### Benefit / Value Summary


External Affairs develops and enables all external communication as well as provides direct-to-Member interactions through external training and facilitation of the Stakeholder Process. Because of growth-related increases in complexity, External Affairs curates the framework for all interactions with Member and Stakeholders. A critical role will be making this framework more efficient to continue SPP’s growth trajectory while still maintaining Stakeholder process integrity.





**KTLO Focus 1**


Increase the effectiveness of the Stakeholder Process by equipping the organization (specifically staff secretaries) with the systems, tools, information and other skills and resources that drive consistency in facilitation and high engagement from Stakeholders



**KTLO Focus 2**

Exponential expansion of NERC certified operator credential training through:

- Sessions offered on-demand, instructor led or virtual instructor led
- Updated curriculum that includes a focus on changing SPP footprint
- Increased availability times and class size



**KTLO Focus 3**

Address emerging challenge driven by increased workload associated with stakeholder growth, both through RTO expansion and Markets+

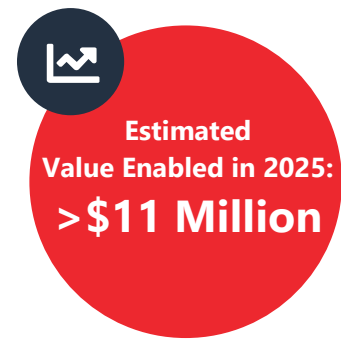
# FINANCE

## 2025 Strategic Areas of Focus

<p>Finance will be affected by and must support numerous strategic regulatory projects and Revision Requests (RR), specifically: FERC Order 881, RR 591, HITT M1, RR 612 MDEC (HITT, URI, CG), RR 623</p> <p><b>Strategic Objectives Supported:</b> HITT, Western Expansion</p> <p><b>Enabling Capabilities Supported:</b> Org Readiness, Right Technology, Member Value</p> <p><b>Member Benefits:</b> Adherence to regulations enables delivery of multiple member benefits including compliant delivery of strategic initiatives.</p>	<p>Enhance the financial products and services provided to the SPP and its stakeholders by utilizing improved processes, skilled personnel, strategic leadership and advanced technology.</p> <p><b>Strategic Objectives Supported:</b> <i>No direct ties to strategic objectives</i></p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, Right Tech., DEI, Member Value</p> <p><b>Member Benefits:</b> More predictable streamlined processes with significant decrease in risk</p>	<p>Allocation of resources and direction providing oversight and design of Western financial initiatives.</p> <p><b>Strategic Objectives Supported:</b> Western Expansion, HITT</p> <p><b>Enabling Capabilities Supported:</b> Member Value, Org. Readiness</p> <p><b>Member Benefits:</b> Keeping RTO expansion on-track is essential to realize expected values previously communicated to Members, including a lower net revenue requirement.</p>
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## Finance Benefit / Value Summary

Finance is integral to every aspect of SPP, holding the fiduciary duty to ensure economic sustainability. Key focuses include fortifying the foundation for ongoing growth, particularly in the west. This involves re-evaluating processes like budgeting, forecasting and procurement to improve the alignment between budget and strategy, enhance the skills of the SPP Finance team, and implement necessary technological upgrades. These steps are crucial for finance to scale for future demands.



### KTLO Focus 1

SPP Finance is the internal champion of affordability. This daily focus requires a relentless commitment to assist all groups with achieving value through innovation while providing active cost management through pursuit of methods to decrease cost and maximize investments for long-term cost benefit



### KTLO Focus 2

Enhance the financial stability of our members, market participants, and customers, regardless of the prevailing operating conditions. A key aspect of this objective is the administration and settlement of our multi-billion-dollar energy and transmission markets



# Human CAPITAL

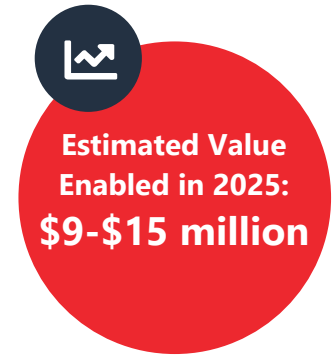
## 2025 Strategic Areas of Focus

<p><b>Talent Acquisition:</b> Hire, retain and engage the best possible talent through effective response to workforce trends while also expanding recruiting initiatives</p> <p><b>Strategic Objectives Supported:</b> <i>No direct ties</i></p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, DEI</p> <p><b>Member Benefits:</b> Adding the highest level of talent and retaining that talent provide consistency of expertise and quality service for our Members</p>	<p><b>Talent Management and Development</b> Develop and enhance the skills, competencies, and capabilities of employees to prepare them for future roles and to meet current and future business needs</p> <p><b>Strategic Objectives Supported:</b> <i>No direct ties</i></p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, DEI</p> <p><b>Member Benefits:</b> Keeping employees fully trained with the most knowledge and equipped with the best tools ensure increased services to Members</p>	<p><b>Diversity, Equity &amp; Inclusion</b> Strengthen ties between employees' sense of belonging and an increase in employee engagement</p> <p><b>Strategic Objectives Supported:</b> <i>No direct ties</i></p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, DEI</p> <p><b>Member Benefits:</b> Employee engagement has a direct impact on quality of work which impacts ultimate Member value</p>
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### Human Capital

## Benefit / Value Summary

SPP creates Member value through people. Sourcing new talent, providing quality onboarding, decreasing ramp time and fostering a workplace where individuals feel valued for their contributions leads to benefits and ultimate value for SPP Members.



### KTLO Primary Focus Area

Continued adaptation of SPP's Human Capital ecosystem to current market trends will help recruit the right talent, ensure that talent is equipped and growing through world-class learning and development, and that all are engaged as a team to provide long-term sustainable Member value.

# Information TECHNOLOGY

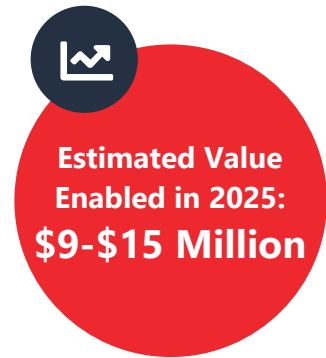
## 2025 Strategic Areas of Focus

<p>Develop the underlying IT support infrastructure (compute, storage, network) that will accommodate the complex environment necessary to support RTO West expansion and Markets+</p> <p><b>Strategic Objectives Supported:</b> Western Expansion</p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, Right Tech., Member Value</p> <p><b>Member Benefits:</b> Decreased risk through an elastic-scale environment that anticipates future needs while meeting the needs of near-term RTO expansion</p>	<p>Provide a modernized infrastructure including the evaluation and deployment of Artificial Intelligence (AI) technologies where logical to support engineering study efforts as part of the Consolidated Planning Process</p> <p><b>Strategic Objectives Supported:</b> Innovative Transmission Planning</p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, Right Technology, Member Value</p> <p><b>Member Benefits:</b> Addresses one of the primary sources of low Member Satisfaction issues – length of time from study request to completion</p>	<p>Partner with CyPEM to improve Cybersecurity maturity that is easily audited through standard frameworks such as NIST CSF, RMF and CSA</p> <p><b>Strategic Objectives Supported:</b> Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Right Technology, Org. Readiness</p> <p><b>Member Benefits:</b> Elevating SPP cyber maturity must become an ongoing effort that is central to decreasing risk both for SPP and Members</p>
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### Information Technology

## Benefit / Value Summary

Technology is moving at a pace that requires continual investment to address new threats while also enabling work with advances in technology. SPP IT will continue to focus on protecting cyber assets through taking maturity steps that increase threat awareness with SPP Employees while also pursuing new technologies such as AI and how those can benefit SPP and our Members. This will be essential as new infrastructure demands are implemented to address SPP growth while modernizing outdated processes.



#### KTLO Focus 1

A continued daily focus on reliability of the current operational technology infrastructure



#### KTLO Focus 2

Continued focus on improving and advancing:

- Operational Excellence initiatives
- Addressing efficiency
- Adaptability, scalability, performance, security and management insight

# Legal & REGULATORY

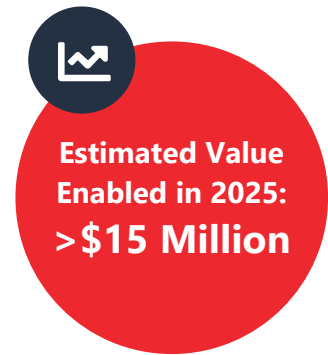
## 2025 Strategic Areas of Focus




<p><b>Legal</b> Obtain FERC approval of governing documents needed to implement RTOW Expansion and Markets+</p> <p><b>Strategic Objectives Supported:</b> Western Expansion; Grid of the Future, Optimized Seams, Innovative Transmission Planning</p> <p><b>Enabling Capabilities Supported:</b> Adaptive Governance, Innovative Cost Allocation, Member Value</p> <p><b>Member Benefits:</b> Required approvals to execute RTO expansion and Markets+, enabling long-term future value</p>	<p><b>Legal</b> Obtain key FERC approvals including:</p> <ul style="list-style-type: none"> <li>• Resource Adequacy governing document changes</li> <li>• JTIQ and CPP</li> </ul> <p><b>Strategic Objectives Supported:</b> Optimized Seams, Innovative Trans. Planning, Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Member Value, Innovative Cost Allocation</p> <p><b>Member Benefits:</b> Enables significant process improvements (JTIQ / CPP) and eliminates risk (Resource Adequacy)</p>	<p><b>Regulatory</b> Continue to engage new states with benefits of RTO expansion and Markets+</p> <p><b>Strategic Objectives Supported:</b> Western Expansion; HITT, Optimized Seams, Innovative Transmission, Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Adaptive Governance, Org Readiness</p> <p><b>Member Benefits:</b> Continued interactions with federal agencies allow for anticipatory action</p>
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### Legal & Regulatory

## Benefit / Value Summary

No advancement that impacts Members can be considered complete without necessary filings and approvals. In 2025, the Legal & Regulatory plan will focus on enhancing communication and interaction with regulators while also making significant filings that carry a level of specificity that are best made with internal legal counsel. A high priority will be put on making high-quality filings and addressing major FERC orders and initiatives (i.e. – Order 1920).



<p> <b>KTLO Focus 1</b></p> <p>Submit timely FERC filings and respond to orders and initiatives</p>	<p> <b>KTLO Focus 2</b></p> <p>Remain highly engaged in SPP’s core functions so that quick-turn accurate filings are anticipated</p>	<p> <b>KTLO Focus 3</b></p> <p>Educate and emphasize the impact of resource adequacy efforts, transmission cost allocation and congestion rights to state commissions to obtain approval of identified solutions that maintain and operate a reliable grid</p>
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# Process INTEGRITY

## 2025 Strategic Areas of Focus




<p><b>Project Management Office (PMO)</b> Evolve PMO efficiency through alternative methodologies (i.e. Agile) and improvements to achieve measurable gains in project timelines, quality and cost control</p> <p><b>Strategic Objectives Supported:</b> <i>(Necessary component for all SO's)</i></p> <p><b>Enabling Capabilities Supported:</b> Organizational Readiness, Member Value, Right Technology</p> <p><b>Member Benefits:</b> Increased project effectiveness resulting in higher degree of on-time on-budget outcomes</p>	<p><b>Strategic Services Group (SSG)</b> Standardize strategic oversight and measurement processes to provide clarity throughout strategic efforts with tangible standardized reporting</p> <p><b>Strategic Objectives Supported:</b> <i>(Necessary component for all SO's)</i></p> <p><b>Enabling Capabilities Supported:</b> Member Value</p> <p><b>Member Benefits:</b> Providing insight into strategic efforts from concept to execution enables lower-risk decisions and drives more accurate value estimation</p>	<p><b>Interregional Affairs, Compliance &amp; Internal Audit:</b> Achieve SPP certification as a Balancing Authority for the West; Improved standards for extreme weather readiness and Future Grid; Develop structure for required audits for Markets+</p> <p><b>Strategic Objectives Supported:</b> Western Expansion, Future Grid</p> <p><b>Enabling Capabilities Supported:</b> Org Readiness, Member Value</p> <p><b>Member Benefits:</b> Ensuring compliance protects the reputation of SPP and increases downstream Member value</p>
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### Process Integrity

## Benefit / Value Summary

Process Integrity must adapt in 2025 to a landscape of realities that require the ability to maximize standards while evolving processes to better inform business decisions. Executing the required regulatory and compliance steps are critical-path items that will stall strategic growth if not achieved.



<p> <b>KTLO Focus 1</b></p> <p>Continue to execute world-class PMO efforts while refining back-end processes to ensure projects track to timeline and budget</p>	<p> <b>KTLO Focus 2</b></p> <p>Required daily efforts to work with oversight entities to maintain compliance and eliminate potential downstream delays</p>	<p> <b>KTLO Focus 3</b></p> <p>Maintain a cadence of audits that reinforce SPP's commitment to compliance</p>
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# Enterprise Risk MANAGEMENT

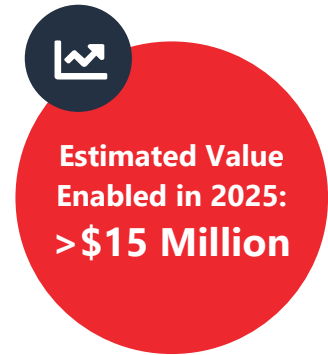
## 2025 Strategic Areas of Focus

<p>Build, implement and sustain a quality Enterprise Risk Management (ERM) Framework</p> <p><b>Strategic Objectives Supported:</b> Western Expansion; Grid of the Future, Optimized Seams, Innov. Transmission Planning</p> <p><b>Enabling Capabilities Supported:</b> Org Readiness, Member Value, Innovative Cost Alloc.</p> <p><b>Member Benefits:</b> A formal risk management practice that incorporates risk management into all business practices and decisions</p>	<p>Quantify value of proactively managed risk and achieve ERM Framework maturity level 4 as measured by internal or external audit</p> <p><b>Strategic Objectives Supported:</b> Western Services, Optimized Seams, Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Org Readiness, Innovative Cost Allocation, Member Value</p> <p><b>Member Benefits:</b> Achieve value-adds tied to reduction in costly mistakes, near-misses, regulatory findings, reputational impacts, penalties and remediation costs</p>	<p>Enhance Organizational Readiness through ability to identify top and emerging risks and opportunities for mitigation</p> <p><b>Strategic Objectives Supported:</b> Western Expansion; HITT, Optimized Seams, Innovative Transmission, Grid of the Future</p> <p><b>Enabling Capabilities Supported:</b> Adaptive Governance, Org Readiness, Western Expansion</p> <p><b>Member Benefits:</b> Increased resiliency through risk management</p>
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### Risk

## Benefit / Value Summary

Formalizing an Enterprise Risk Management practice will develop SPP's ability to identify characteristics of potential risk earlier than previously possible. This will enable a less costly pivot to accommodate for risk mitigation and over time will result in a robust and proactive risk management approach with clear value measurement for Members and SPP.



### KTLO Primary Focus Area

The primary focus for 2025 will be building the ERM team with the right personnel and developing the skillsets of first-line risk champions in each business area.

# Enterprise SECURITY

## 2025 Strategic Areas of Focus (Integrated Cyber / Physical Security)




<p>Enhance identity and access management capabilities by delivering a comprehensive and full lifecycle identity security program</p> <p><b>Strategic Objectives Supported:</b> <i>No direct tie</i></p> <p><b>Enabling Capabilities Supported:</b> Right Technology</p> <p><b>Member Benefits:</b> Mitigate risks by ensuring only authorized individuals have access to critical systems; assists in meeting compliance requirements and avoiding potential fines; reduces likelihood of breaches, demonstrating SPP's commitment to security</p>	<p>Enhance data security and confidentiality through development of a comprehensive data loss prevention framework</p> <p><b>Strategic Objectives Supported:</b> <i>No direct tie</i></p> <p><b>Enabling Capabilities Supported:</b> Right Technology</p> <p><b>Member Benefits:</b> Reduction of reputational, compliance and financial risk potential as the result of a data breach event</p>	<p>Enhance cybersecurity posture through alignment of current and future practices with NIST CSF framework</p> <p><b>Strategic Objectives Supported:</b> <i>No direct tie</i></p> <p><b>Enabling Capabilities Supported:</b> Right Technology</p> <p><b>Member Benefits:</b> Increased operational resiliency</p> <p>Reduced risk or limited scope of a potential data breach</p>
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### Security

## Benefit / Value Summary

Proactive security of digital assets including systems and data is a daily reality that demands diligent management of assets coupled with frameworks to mitigate cyber threats and document processes.



 <p><b>KTLO Focus 1</b></p> <p>Harden processes to manage cyber risks that have the potential to compromise internal systems</p>	 <p><b>KTLO Focus 2</b></p> <p>Daily focus on prevention of unauthorized access to company sites, facilities or sensitive areas</p>	 <p><b>KTLO Focus 3</b></p> <p>Continue to evolve IT controls framework in GRC Platform</p>
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# Working together to **responsibly** and **economically** keep the lights on **today** and in the **future>>**

## Southwest Power Pool

201 Worthen Drive  
Little Rock, AR 72223

### Questions about this plan?

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[www.spp.org](http://www.spp.org)