

III. BACKGROUND

On February 3, 2014, the Southwestern Electric Power Company ("SWEPCO") filed pursuant to Section 205 of the Federal Power Act, 16 U.S.C. §824(d), and Part 35 of the FERC's Regulations, 18 C.F.R. Part 35 (2011), revisions to the Restated and Amended Power Supply Agreement ("PSA") between SWEPCO and Prescott.

SWEPCO's filing adds provisions to the PSA to reflect the Southwest Power Pool's ("SPP") soon to be implemented Integrated Marketplace, and a new section on NERC requirements. The SPP Integrated Market place will operate a Day-Ahead and Real-Time Energy and Operating Reserve Market and allow for Transmission Congestion Rights Markets. The parties determined that changes to the PSA were necessary to implement the new market construct.

IV. MOTION TO INTERVENE

Prescott is a party to the revised Power Supply Agreement with SWEPCO that is the subject of this proceeding. Therefore, Prescott has a direct interest in this proceeding. Also, the interest of Prescott is unique and no other party in this proceeding can adequately represent the interests of Prescott. It would also be in the public interest to grant this Motion to Intervene.

V. MOTION TO CONSOLIDATE

The Commission will grant motions to consolidate proceedings where those proceedings involve common questions of law and fact and where consolidation would promote administrative efficiency and conserve the resources of the agency and affected parties. *ISO New England, Inc.*, 124 FERC ¶ 61,013 at P. 36 (2008); *Startrans IO, LLC*, 122 FERC ¶ 61,306 at P. 64 (2008). Those criteria support consolidation of the filing in

these dockets, ER14-1250-000 (Prescott), ER14-1248-000 (HWL), and ER14-1249-000 (Bentonville), and ER14-1307-000 (City of Minden). Also, because the filings that are the subject of this motion to consolidate were submitted nearly contemporaneously and have not yet been acted upon, consolidation will not prejudice any party as it will not delay the resolution of any of the proceedings.

The Commission has before it three separate Power Supply Agreements with Prescott (ER14-1250-000), HWL, (ER14-1248-000) and Bentonville (ER14-1249-000) and that in part have common terms, under the three separate dockets. There is also a 4th PSA between the City of Minden (ER14-1307-000) and SWEPCO which also includes similar terms and was filed shortly after the PSAs with Prescott and the other Arkansas Cities were filed. Prescott was informed by counsel for Minden and management for SWEPCO that neither party has any objection to this Motion to Consolidate these proceedings. Judicial efficiency would also be served by consolidating these dockets since that have common issues of fact and law. For these reasons, Prescott respectfully requests that the Commission consolidate the above identified proceedings to facilitate a complete evaluation of all relevant facts.

VI. COMMENTS

EXHIBIT C SPP INTEGRATED MARKETPLACE IMPLEMENTATION

One of the primary modifications to the PSA, is a new Exhibit C to the PSA which implements the SPP Integrated Marketplace ("IM") provisions and requires the customers to assign their Auction Revenue Rights ("ARR") and Transmission Congestion Rights ("TCR") over to SWEPCO for management. However, there is no language regarding any protections for Prescott from congestion costs as a result of the assignment.

Exhibit C provides that IM settlement charges are to be booked either to a purchased power account or a sale for resale account and the charges will be included in the energy charge calculation on the cost of service formulas.

Prescott was under the impression that the purpose of Exhibit C was to allow SWEPCO to manage its ARR and TCRs under the IM and use reasonable best efforts to protect Prescott from congestion costs, the very thing ARRs and TCRs are designed for. However, at present the language only states that Prescott will assign its ARRs and TCRs to SWEPCO with no language regarding any obligation on SWEPCO's part to use any effort at all to manage the ARRs and TCRs so as to best protect Prescott from congestion costs. Such protective language should be included that SWEPCO would use reasonable best efforts in managing such ARRs and TCRs on behalf of Prescott to mitigate congestion costs for Prescott.

VII. CONCLUSION

WHEREFORE, Prescott respectfully requests that this Motion to Intervene, and Motion to Consolidate be granted and that Prescott be granted full party status to this proceeding, and that the Commission take these Comments into consideration.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding this 24th day of February, 2014.

/s/ Zachary D. Wilson
Zachary D. Wilson