**GOLDEN SPREAD ELECTRIC COOPERATIVE, INC.**

**OATT ANNUAL UPDATE MEETING**

**MEETING NOTES**

**June 19, 2018**

1. **Overview**

**The following meeting notice was posted on the Golden Spread transmission website on May 31, 2018:**

Notice of 2018 Annual Update Meeting

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 19, 2018 at 10:00 AM CPT. The meeting will be held via teleconference.  Dial-in information is provided below.  
   
The Annual Update for rates effective July 1, 2018 to June 30, 2019 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  
Access Code: 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 Brian Park at bpark@gsec.coop or by telephone at 806-349-5212.

1. **Attendees**

Attending on behalf of Golden Spread Electric Cooperative: Shane McMinn, Brian Park, 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

1. **Procedural issues**

- noted that we will have a change in contact people effective this week (to Shane McMinn)

- noted that we found a very small correction to the rate calculation, and will be posting it this week. We are required to correct issues if and when discovered. This correction does not affect the rate because it is so small, that the impact is out into several decimal points.

1. **Formula Rate Presentation and Questions**
   * + Golden Spread made an initial presentation of the charges produced by the formula rate, and walked customer though a 2016 vs. 2017 variance analysis that was provided pursuant to a request prior to the meeting.
     + Transmission Customer asked questions about the determination of the monthly kw/mo charge, and asked whether the rate was off by a decimal (e.g., whether it should be 6 cents not 66 cents. Golden Spread explained through provision of several examples within the formula rate worksheets that customer was incorrect. Total revenues collected from customer reflect that customer’s share of the total annual revenue requirement (approximately $1.5 million), and charging only 6 cents was inconsistent with the approved rate and FERC ratemaking principles.
     + Transmission Customer asked questions about increases in certain expense components of the formula rate. Golden Spread explained the largest of the changes related to passthrough of property taxes from South Plains to Golden Spread this year. Other components of the rate, the derivation of charges from data in FERC Form 1 and a discussion of allocated costs were also discussed.
     + Golden Spread invited Transmission Customer to submit written questions as set out in Section 3 of the Formula Rate Implementation Procedures.
     + Transmission Customer made inquiry about whether supporting data was available. As it did in last year’s meeting, Golden Spread agreed it could do so, subject to confidentiality requirements.

**5. Meeting concluded/adjourn**