

In accordance with the Federal Energy Regulatory Commission's regulations, set forth at 18 CFR § 37.4(a)(2), Southwest Transmission Cooperative, Inc. (SWTC) hereby posts this report of a potential deviation from the SWTC Standards of Conduct due to an emergency circumstance.

The incident being reported involves communications between SWTC Transmission personnel and Arizona Electric Power Cooperative, Inc. (AEPSCO) Marketing & Trading personnel. AEPSCO is a putative energy affiliate of SWTC due to common distribution cooperative member ownership.

Due to an unplanned outage of facilities at Winchester Substation, SWTC Transmission personnel contacted AEPSCO Marketing & Trading personnel to coordinate the possible emergency dispatch of local generating resources.

SWTC had taken an outage on the Pantano 230kV to Butterfield 230kV line for pole replacement. A lockout relay caused the Winchester 230kV breaker on the Apache 230kV to Winchester 230kV line to open. The loss of the Apache 230kV to Winchester 230kV line left one remaining high voltage tie in service. Both the Pantano 230kV to Butterfield 230kV and the Apache 230kV to Winchester 230kV are critical paths on the SWTC system for system reliability.

SWTC is posting on its OASIS in accordance with the appropriate regulations.

- A. Name, title and telephone number of the person that prepared report:
Jacquelyn Cook
Transmission Services Director & Chief Compliance Officer
520-586-5235
- B. Subject
Emergency Deviation
- C. When the emergency occurred and the duration of the emergency:
Start time/date of event: 10/3/2005 at approximately 1130 hours
End time/date of event: 10/3/2005 at approximately 1600 hours
- D. Description of emergency circumstances, including the nature of the emergency, and effects on system reliability
Due to the unexpected outage of the Apache 230kV to Winchester 230kV line, coupled with the planned Pantano 230kV to Butterfield 230kV line, there was a need to manage local generation facilities in order to maintain system reliability.

- E. Description of the resulting deviation(s) from the standard of conduct:
SWTC Transmission personnel communicated with AEPCO Marketing & Trading personnel regarding the dispatch of local generation facilities. Without these communications, the reliability of the system and service to the customers would have been jeopardized.