



September 16, 2013

**VIA ELECTRONIC FILING**

The Honorable Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

**RE: OATT Order No. 1000 Second Regional Compliance Filing**

PacifiCorp	Docket No. ER13-64-000
Deseret Generation & Transmission Cooperative, Inc.	Docket No. ER13-65-000
NorthWestern Corporation	Docket No. ER13-67-000
Portland General Electric Company	Docket No. ER13-68-000
Idaho Power Company	Docket No. ER13-127-000

Dear Secretary Bose:

Pursuant to Section 206 of the Federal Power Act (“FPA”),<sup>1</sup> Order No. 1000 of the Federal Energy Regulatory Commission (the “Commission”),<sup>2</sup> and the Commission’s May 17, 2013 “Order on Compliance Filings” (“May 17 Order”),<sup>3</sup> Deseret Generation & Transmission Co-operative, Inc. (“Deseret”), Idaho Power Company (“Idaho Power”), NorthWestern Corporation (“NorthWestern”), PacifiCorp (“PacifiCorp”), and Portland General Electric Company (“Portland General”) (individually, an “Filing Party” or, collectively, the “Filing Parties”) hereby submit their compliance filing in the above-captioned proceedings. While the Filing Parties are submitting a common filing letter, each Filing Party is separately submitting a revised Attachment K to its respective Open Access Transmission Tariff (“OATT”) through eTariff. With the Commission’s acceptance of the tariff revisions set out herein, together with the further explanations provided in this transmittal letter, the Filing Parties submit, and request that the Commission find, that they are each in compliance with the May 17 Order.

In support of this compliance filing, the Filing Parties state the following:

**I. INTRODUCTION AND OVERVIEW OF FILING**

Just as the Commission has previously addressed each Filing Party’s Attachment K in a coordinated fashion, the Filing Parties seek to include in a single compliance filing *all* matters related to each of their Attachment K tariff provisions that were required to be addressed by the

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<sup>1</sup> 16 U.S.C. § 824e.

<sup>2</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh’g*, Order No. 1000-A, 139 FERC ¶ 61,132 (2012).

<sup>3</sup> *PacifiCorp, et al.*, 143 FERC ¶ 61,151 (May 17, 2013).

May 17 Order. It is important to the Filing Parties that their Attachment Ks be consistent with one another, and approved contemporaneously such that coordinated regional, inter-regional and interconnection-wide efforts can be conducted in the most efficient manner. This transmittal letter is organized as follows:

First, Section II.A addresses the Commission's requirements regarding regional transmission planning, and further explanations of language pending before the Commission;

Second, Section II.B addresses the Commission's requirements regarding nonincumbent transmission developer reforms, and further explanations of language pending before the Commission;

Third, Section II.C addresses the Commission's requirements regarding cost allocation, and further explanations of language pending before the Commission;

Forth, Section II.D addresses the Commission's requirements regarding their local transmission planning processes;

Fifth, Section III specifies the requested effective date for the proposed modifications to the Filing Parties' Attachment K;

Sixth, Section IV provides a list of the attachments to the filing; and

Finally, Section V identifies the representatives of each Filing Party to whom communications should be directed.

## **II. COMPLIANCE FILING**

The following is in response to the requirements of the Commission's May 17 Order and was developed through NTTG's Planning Committee and Cost Allocation Committee and approval by NTTG's Steering Committee.

### **A. Regional Transmission Planning Requirements**

#### **1. Transmission Planning Region**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions relating to the NTTG enrollment process and description of transmission facilities subject to the requirements of Order No. 1000 partially complied with the requirements of Order No. 1000.<sup>4</sup> The Commission directed the Filing Parties to: (1) revise their respective OATTs to include a clear enrollment process that defines how entities, including non-public utility transmission providers, make the choice to become part of the transmission planning region; (2) include, in their respective OATTs, a list of all the public utility and nonpublic utility transmission providers that have enrolled as transmission providers in the NTTG transmission

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<sup>4</sup> May 17 Order at ¶ 20.

planning region; (3) identify to which transmission facilities within the Filing Parties' existing local and regional transmission planning processes the proposed OATT revisions will apply as of the effective date of the Filing Parties' compliance filings; and (4) explain how the Filing Parties will evaluate those transmission projects currently under consideration in those existing transmission planning processes.<sup>5</sup>

In response to the May 17 Order, the Filing Parties have added a section to their respective Attachment Ks to describe the NTTG enrollment process and provide a list of the entities that have enrolled in NTTG as transmission providers.<sup>6</sup> An entity that meets the definition of Full Funder or Nominal Funder in the NTTG Funding Agreement ("Funding Agreement") is eligible to enroll in NTTG.<sup>7</sup> An eligible entity enrolls in NTTG as a funder on the date the following requirements are satisfied: (1) execute, and comply with, the currently effective Funding Agreement; (2) execute the currently effective NTTG Finance Agent Agreement; and (3) for a public utility entity that intends to become a Full Funder, the Commission accepts the filing of an OATT with an Attachment K that is the same as the other parties to the Funding Agreement, or (4) for a non-public utility entity that intends to become a Full Funder, the Commission accepts the filing a reciprocity OATT with an Attachment K that is the same as the other parties to the Funding Agreement.<sup>8</sup> The Filing Parties also specified the ongoing obligations to maintain enrollment and the conditions for termination of enrollment.<sup>9</sup> The Filing Parties have included in their Attachment K a list of all the entities enrolled in NTTG as Full Funders and as Nominal Funders.<sup>10</sup>

As of the effective date of the Filing Parties' compliance filings, assuming acceptance of the proposed Attachment Ks without change, the Attachment Ks provide that those transmission projects identified in the prior Regional Transmission Plan as not "committed" will be subject to the Filing Parties' proposed Attachment Ks. A "Committed Project" is one that was selected in the prior Regional Transmission Plan that has all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of Quarter 1 of the current Regional Transmission Plan.<sup>11</sup> If a Committed Project fails to meet its development schedule milestones such that the needs of the region will not be met, it may lose its designation as a Committed Project and be subject to reevaluation under the proposed Attachment Ks. At

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<sup>5</sup> May 17 Order at ¶¶ 20, 22, 24.

<sup>6</sup> Deseret § B.2; Idaho Power § 13; NorthWestern § 3.2; PacifiCorp § 3.2; Portland General § 13.

<sup>7</sup> Deseret § B.2.3; Idaho Power § 13.3; NorthWestern § 3.2.3; PacifiCorp § 3.2.3; Portland General § 13.3.

Enrollment is distinguished from membership on NTTG's various committees in the Attachment Ks. An eligible entity may become a member of NTTG's Steering Committee, Planning Committee, or Cost Allocation Committee as provided for in each respective committee charter. Deseret § B.2.2; Idaho Power § 13.2; NorthWestern § 3.2.2; PacifiCorp § 3.2.2; Portland General § 13.2. The applicable membership process is described within each respective charter. See Portland General, Exhibit B (Steering Committee Charter); Exhibit C (Planning Committee Charter) and Exhibit D (Cost Allocation Committee Charter). The Filing Parties have deleted Exhibit A to their Attachment Ks (the Committee Membership Agreement), and added it as Exhibit A to the Planning Committee Charter.

<sup>8</sup> Deseret § B.2.3.2; Idaho Power § 13.3.2; NorthWestern § 3.2.3.2; PacifiCorp § 3.2.3.2; Portland General § 13.3.2.

<sup>9</sup> Deseret § B.2.3.3 & B.2.3.4; Idaho Power §§ 13.3.3 & 13.3.4; NorthWestern §§ 3.2.3.3 & 3.2.3.4; PacifiCorp §§ 3.2.3.3 & 3.2.3.4; Portland General §§ 13.3.3 & 13.3.4.

<sup>10</sup> Deseret §§ B.2.3.5 & B.2.3.6; Idaho Power §§ 13.3.5 & 13.3.6; NorthWestern §§ 3.2.3.5 & 3.2.3.6; PacifiCorp §§ 3.2.3.5 & 3.2.3.6; Portland General §§ 13.3.5 & 13.3.6.

<sup>11</sup> Deseret Definitions & § B.9.1; Idaho Power §§ 1.7 & 20.1; NorthWestern §§ 1.7 & 3.9.1; PacifiCorp §§ 1.7 & 3.9.1; Portland General §§ 1.7 & 20.1.

this time, NTTG is unable to identify the specific projects that will be subject to the proposed Attachment Ks. Nevertheless, by way of illustration, assuming the proposed Attachment Ks became effective for the next planning cycle, the Filing Parties' 2012-2013 Regional Transmission Plan will be completed in December 2013. During Quarter 2 of 2014, NTTG will determine the projects within that plan that are not Committed Projects and thus subject to reevaluation.

## **2. Order No. 890 and other Regional Transmission Planning Process General Requirements**

### **a. Openness**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions partially complied with the openness principle established in Order No. 890.<sup>12</sup> The Commission directed the Filing Parties to revise their OATTs to: (1) clarify the rules governing access and disclosure of planning data in the regional transmission planning process by providing the process for stakeholders to access and submit standard non-disclosure agreements that stakeholder may execute with NTTG planning members and including in their OATTs either a standard non-disclosure agreement or a hyperlink to the NTTG website locate where the agreement can be found; and (2) provide the length of time that notice will be posted in advance of public meetings to ensure that stakeholders are provided adequate advance notice of meetings.<sup>13</sup>

The Filing Parties have added a section to their respective Attachment Ks to require the Filing Parties and any stakeholder to adhere to the Commission's regulations and orders concerning Critical Energy Infrastructure Information ("CEII").<sup>14</sup> The Filing Parties shall post additional information concerning CEII, including a summary list of data determined by the supplying party to be CEII, on their respective OASIS and update it regularly. In addition, the Filing Parties have added a section to their respective Attachment Ks to provide that any party may seek access to planning-related confidential information if it agrees to adhere to the terms of a Confidentiality Agreement, the form of which will be posted on each Filing Party's OASIS.<sup>15</sup> With certain specified exceptions, confidential information will be disclosed in compliance with the Standards of Conduct and only to those participants in the planning process that require it and execute the Confidentiality Agreement.

In addition, the Filing Parties' have revised their respective Attachment Ks to specify that the date, time, and location of the Steering, Planning, and Cost Allocation Committee meetings will be posted on the NTTG website as specified in the Steering Committee, Planning Committee, and Cost Allocation Committee Charters.<sup>16</sup> The charters all provide that the

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<sup>12</sup> May 17 Order at P 37.

<sup>13</sup> May 17 Order at PP 37, 38, 41.

<sup>14</sup> Deseret § B.4.1; Idaho Power §§ 1.12 & 15.1; NorthWestern § 3.4.1; PacifiCorp § 3.5; Portland General § 15.1.

<sup>15</sup> Deseret Definitions and § B.4.2; Idaho Power §§ 1.8, 15.2; NorthWestern §§ 1.8 & 3.4.2; PacifiCorp §§ 1.8 & 3.5.2; Portland General §§ 1.8 & 15.2.

<sup>16</sup> Deseret § B.3.1 & B.3.2; Idaho Power §§ 14.1-14.2; NorthWestern §§ 3.3.1 & 3.3.2; PacifiCorp § 3.4.1; Portland General §§ 14.1 & 14.2.

respective committees will hold regular meetings at such times and locations as the Committee establishes, will hold special meetings after not less than seven calendar days' notice, and that meeting materials will be posted on the NTTG website prior to the meeting.<sup>17</sup>

## **b. Information Exchange**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions do not comply with the information exchange principle established in Order No. 890.<sup>18</sup> The Commission directed the Filing Parties to revise their OATTs to address the issues information exchange is intended to cover such as customer load forecasts, projected service information, and existing and planned demand response resources provided by customers and stakeholders that are used to develop the regional transmission plan.<sup>19</sup>

In Quarter 1 of the Regional Planning Cycle, NTTG gathers and coordinates Transmission Provider and stakeholder input applicable to the planning horizon.<sup>20</sup> Each Transmission Provider is required to provide NTTG with its Local Transmission Plan; updates to information about new or changed circumstances or data contained in the Local Transmission Plan; Public Policy Requirements and Considerations; and any other project proposed for the Regional Transmission Plan.<sup>21</sup> The Filing Parties have revised their Attachment Ks to also require the Transmission Provider to provide NTTG with the data used to develop its Local Transmission Plan, including projections of network customer loads and resources, projected point-to-point transmission service forecast information, and existing and planned demand response resources, and stakeholder data described in the Local and Regional Planning Processes of its Attachment K.<sup>22</sup>

In addition, the Filing Parties have revised their Attachment Ks to require project sponsors, stakeholders, and merchant transmission developers to submit to the Planning Committee, in Quarter 1 of the Regional Planning Cycle, the information identified in Table 2 for transmission projects proposed for consideration in the Regional Transmission Plan.<sup>23</sup> Depending upon the nature of the entity submitting the project, Table 2 requires the following minimum information: (A) load and resource data; (B) forecasted transmission service requirements, if any; (C) whether the proposed project meets reliability or load service needs; (D) economic considerations; (E) whether the proposed project satisfies a transmission need driven by Public Policy Requirements; (F) project location; (G) voltage level (including whether AC or DC); (H) structure type; (I) conductor type and configuration; (J) project terminal facilities; (K) project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement; (L) project development schedule; (M)

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<sup>17</sup> Deseret Ex. B, § 4.2; Ex. C § 4.2; Ex. D § 4.2; Idaho Power Ex. B, § 4.2; Ex. C § 4.2; Ex. D § 4.2; NorthWestern § Ex. B, § 4.2; Ex. C § 4.2; Ex. D § 4.2; PacifiCorp § Ex. B, § 4.2; Ex. C § 4.2; Ex. D § 4.2 Portland General Ex. B, § 4.2; Ex. C § 4.2; Ex. D § 4.2.

<sup>18</sup> May 17 Order at P 53.

<sup>19</sup> *Id.* at P 54.

<sup>20</sup> Deseret § B.7.2.1; Idaho Power § 18.2.1; NorthWestern § 3.7.2.1; PacifiCorp § 3.7.2; Portland General § 18.2.1.

<sup>21</sup> Deseret § B.5.4; Idaho Power § 16.4; NorthWestern § 3.5.4; PacifiCorp § 3.3.4; Portland General § 16.4.

<sup>22</sup> Deseret § B.5.4(b); Idaho Power § 16.4; NorthWestern § 3.5.4(b); PacifiCorp § 3.3.4; Portland General § 16.4(b).

<sup>23</sup> Deseret § B.7.2.2; Idaho Power § 18.2.2; NorthWestern § 3.7.2.2; PacifiCorp § 3.7.2.2; Portland General § 18.2.2.

current project development phase; (N) in-service data; and (O) a list of all planning regions to which an interregional project has been submitted for evaluation.<sup>24</sup> To more clearly communicate the information requested, footnotes have been added to a number of the requirements in Table 2 that provide more detail about the requested information.

### **c. Comparability**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions partially complied with the comparability principle established in Order No. 890.<sup>25</sup> The Commission directed the Filing Parties to revise their OATTs to require that the NTTG regional transmission planning process, after considering the data and comments supplied by customers and other stakeholders, will develop a transmission system plan that meets the specific service requests of transmission customers and otherwise treats similarly-situated customers (e.g., network and retail native load) comparably in the transmission system planning.<sup>26</sup>

In Quarter 2 of the Regional Planning Cycle, the Planning Committee will evaluate the data submitted for the regional transmission planning process.<sup>27</sup> In doing so, the Planning Committee will identify the loads, resources, point-to-point transmission requests, desired flows, constraints, and other technical data needed to be included and met by the development of the Regional Transmission Plan.<sup>28</sup> The Planning Committee will evaluate all stakeholder submissions, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers.<sup>29</sup> The Planning Committee will evaluate solutions based on a comparison of their ability to meet reliability requirements, address economic considerations, and meet transmission needs driven by Public Policy Requirements.<sup>30</sup> This evaluation informs the preparation of the Biennial Study Plan which guides the preparation of the Regional Transmission Plan and ensures that NTTG develops a transmission system plan that meets the specific service requests of transmission customers and otherwise treats similarly-situated customers comparably. The Filing Parties have also included additional detail explaining the process by which the Biennial Study Plan is approved.<sup>31</sup>

### **d. Dispute Resolution**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions partially complied with the dispute resolution principle established in Order No. 890.<sup>32</sup> The Commission directed the Filing Parties to revise their OATTs to provide dispute

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<sup>24</sup> Deseret § B.7.2.2, Table 2; Idaho Power § 18.2.2, Table 2; NorthWestern § 3.7.2.2, Table 2; PacifiCorp § 3.7.2.2, Table 2; Portland General § 18.2.2, Table 2.

<sup>25</sup> May 17 Order at P 59.

<sup>26</sup> *Id.*

<sup>27</sup> Deseret § B.7.3.1; Idaho Power § 18.3; NorthWestern § 3.7.3.1; PacifiCorp § 3.7.3; Portland General § 18.3.1.

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> *Id.*

<sup>31</sup> Deseret § B.7.3.2; Idaho Power § 18.3.2; NorthWestern § 3.7.3.2; PacifiCorp § 3.7.3.3.2; Portland General § 18.3.2.

<sup>32</sup> May 17 Order at P 64.

resolution procedures that facilitate resolution of all disputes that arise from the regional transmission planning process.<sup>33</sup>

In response to the May 17 Order, the Filing Parties have revised their respective Attachment Ks to state that the regional dispute resolution process applies to procedural and substantive disputes related to the regional planning process.<sup>34</sup>

#### **e. Economic Planning Studies**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions partially complied with the economic planning studies principle established in Order No. 890.<sup>35</sup> The Commission directed the Filing Parties to revise their OATTs to include the process by which NTTG will prioritize regional economic planning studies.<sup>36</sup>

The Filing Parties have revised their respective Attachment Ks to describe the process by which NTTG will prioritize regional Economic Studies.<sup>37</sup> This change though required conforming changes to local and interconnection-wide Economic Study provisions.<sup>38</sup> Additionally, to integrate the changed required by the May 17 Order it became necessary to edit the local, regional, and interconnection-wide Economic Study process in order for the processes to seamlessly work together.<sup>39</sup> One location in Attachment K now clearly specifies the process by which stakeholders submit local, regional, and interconnection-wide Economic Study Requests.<sup>40</sup> From there stakeholders are directed to the specific portions of the tariff that explain how Local Economic Study Requests, Regional Economic Study Requests, and Interconnection-Wide Economic Study Requests are performed.<sup>41</sup> The number of Economic Studies performed and their submission windows remain unchanged.

### **3. Requirement to Plan on a Regional Basis to Identify More Efficient or Cost-Effective Transmission Solutions**

#### **a. Affirmative Obligation to Plan**

In the May 17 Order, the Commission found that the Filing Parties' proposed Attachment K revisions partially complied with Order No. 1000's requirement that public utility transmission providers evaluate, in consultation with stakeholders, alternative transmission solutions that might meet the needs of the transmission planning region more efficiently or cost-effectively

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<sup>33</sup> *Id.*

<sup>34</sup> Deseret § B.6.1; Idaho Power § 17.1; NorthWestern § 3.6.1; PacifiCorp § 3.6; Portland General § 17.1.

<sup>35</sup> May 17 Order at P 70.

<sup>36</sup> *Id.*

<sup>37</sup> Deseret § B.12.1; Idaho Power § 23; NorthWestern § 3.12.1; PacifiCorp § 3.12; Portland General § 23.1.

<sup>38</sup> Deseret §§ A.6 and D.4.3; Idaho Power §§ 7, 33.1; NorthWestern §§ 2.7.2 & 5.5.1; PacifiCorp §§ 2.7 & 5.5; Portland General §§ 7.1 & 33.1.

<sup>39</sup> Deseret §§ A.6, B.11, B.12 & D.4.3; Idaho Power §§ 7, 22, 23, & 33; NorthWestern §§ 2.7, 3.11, 3.12 & 5.5; PacifiCorp §§ 2.7, 3.11, 3.12 & 5.5; Portland General §§ 7, 22, 23, & 33.

<sup>40</sup> Deseret § B.11; Idaho Power § 22; NorthWestern § 3.11; PacifiCorp § 3.11; Portland General § 22.

<sup>41</sup> Deseret §§ A.6, B.12 & D.4.3; Idaho Power §§ 7, 23, & 33; NorthWestern §§ 2.7, 3.12 & 5.5; PacifiCorp §§ 2.7, 3.12 & 5.5; Portland General §§ 7, 23, & 33.

than transmission solutions identified by individual public utility transmission providers in their local transmission planning process.<sup>42</sup> The Commission directed the Filing Parties to revise their respective Attachment Ks to describe the process NTTG will use to identify more efficient or cost-effective solutions and explain how NTTG will conduct such regional analysis through, for example, power flow studies, production cost analyses, and/or other methods.<sup>43</sup> In addition, the Commission required the Filing Parties to set forth in their respective Attachment Ks the affirmative obligation to identify transmission solutions that more efficiently or cost-effectively meet reliability requirements, address economic considerations, and meet transmission needs driven by public policy requirements.<sup>44</sup>

The Filing Parties revised their respective Attachment Ks to affirmatively state that the Planning Committee will analyze the regional transmission needs submitted in Quarter 1 of the Regional Planning Cycle to identify more efficient or cost-effective solutions for the NTTG Footprint.<sup>45</sup> These regional transmission needs include those that meet reliability requirements, address economic considerations, and meet transmission needs driven by Public Policy Requirements.<sup>46</sup>

The process by which NTTG identifies more efficient or cost-effective solutions involves the preparation of the Biennial Study Plan in Quarter 2 of the Regional Planning Cycle. The Planning Committee develops the Biennial Study Plan, which describes: (a) the detailed study methodology; (b) reliability criteria; (c) Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan; (d) assumptions; (e) databases; (f) analysis tools; (g) projects included in the prior Regional Transmission Plan that will be reevaluated; (h) projects included in each of the Full Funders Local Transmission Plans; (i) Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any); and (j) allocation scenarios.<sup>47</sup> The projects identified in (g) and (h) are referred to as the “Initial Regional Plan,” and the projects identified in (i) are referred to as the “Alternative Projects.”

In Quarters 3 and 4 of the Regional Planning Cycle, the Planning Committee will utilize each Alternative Project in one or more Change Case and determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan. The more efficient or cost-effective analysis is based upon an analysis of the following criteria:<sup>48</sup>

- (1) Capital-Related Costs. A change in Annual Capital-Related Costs between a Change Case and the Initial Regional Plan captures benefits related to transmission needs driven by both reliability and Public Policy Requirements. This benefit metric captures the extent that a project in the Initial Regional Plan

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<sup>42</sup> May 17 Order at P 82.

<sup>43</sup> May 17 Order at P 85.

<sup>44</sup> May 17 Order at P 87.

<sup>45</sup> Deseret § B.7.4.2; Idaho Power § 18.4.1; NorthWestern § 3.7.4.2; PacifiCorp § 3.7.4; Portland General § 18.4.1.

<sup>46</sup> Deseret § B.7.3.1; Idaho Power § 18.3.1; NorthWestern § 3.7.3.1; PacifiCorp § 3.7.3.3; Portland General § 18.3.1.

<sup>47</sup> Deseret § B.7.3.2; Idaho Power § 18.3.2; NorthWestern § 3.7.3.2; PacifiCorp § 3.7.3.2; Portland General § 18.3.2.

<sup>48</sup> Deseret § B.7.4.1; Idaho Power § 18.4.1; NorthWestern § 3.7.4.1; PacifiCorp § 3.7.4; Portland General § 18.4.1.

can be displaced (either deferred or replaced) while still meeting all regional transmission needs, including reliability standards (associated with serving existing, as well as new, service obligations) such that the Change Case has lower capital-related costs. The displacement of a project in the Initial Regional Plan may be due to a Change Case or due to the determination that more than one project in the Initial Regional Plan is meeting the same transmission need. This same benefit metric also captures the extent to which a Change Case may displace one or more projects in the Initial Regional Plan for purposes of meeting Public Policy Requirements because it is determined to have lower capital-related costs, while still meeting the same Public Policy Requirements.

“Annual Capital-Related Costs” will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the NTTG Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

Those entities affected by the change in Annual Capital-Related Costs shall be identified for use in the cost allocation process.

- (2) Energy Losses. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.
- (3) Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.<sup>49</sup>

The Planning Committee will develop one or more Change Cases by replacing non-Committed Project(s) in the Initial Regional Plan with one or more of the Alternative Projects.<sup>50</sup> In addition, the definition of Change Case clarifies that a Change Case includes the deletion or deferral of a

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<sup>49</sup> Deseret § B.7.4.2; Idaho Power § 18.4.2; NorthWestern § 3.7.4.2; PacifiCorp § 3.7.4.2; Portland General § 18.4.2.

<sup>50</sup> Deseret § B.7.4.1; Idaho Power § 18.4.1; NorthWestern § 3.7.4.1; PacifiCorp § 3.7.4.1; Portland General § 18.4.1.

non-Committed Project in the Initial Regional Plan without including an Alternative Project.<sup>51</sup> Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Analysis criteria (b) and (c) will be monetized using an index price of power and summed with capital-related costs criteria to develop an incremental cost for that Change Case that will be compared to the Initial Regional Plan's incremental capital-related cost for replaced or deferred project(s) and incremental monetized non-financial incremental costs. The incremental cost of projects will be adjusted based on its effects on neighboring regions,<sup>52</sup> and the set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost will then be incorporated within the Draft Regional Transmission Plan. Those projects eligible for cost allocation that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee.

In Quarter 6 of the Regional Planning Cycle, the Biennial Study Plan will be updated based on the Planning Committee's review of the stakeholder-submitted comments, additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions, or identified changes to data provided in Quarter 1.<sup>53</sup> By the end of Quarter 6, the Planning Committee will produce the Draft Final Regional Transmission Plan.<sup>54</sup> The Draft Final Regional Transmission Plan is approved by the Steering Committee in Quarter 8.<sup>55</sup>

#### **b. Proposed Governance Structure**

In the May 17 Order, the Commission required the Filing Parties to include in their OATTs the governance procedures for the development of the regional transmission plan, including voting procedures and requirements that will govern the selection of transmission projects in the regional transmission plan for purposes of cost allocation and the approval of the plan itself.<sup>56</sup>

The Filing Parties have revised their respective Attachment Ks to include the governance procedures of NTTG, including the voting procedures and requirements, and how stakeholders may participate in the NTTG's committees. The Filing Parties are attaching the following governance documents as exhibits to their Attachment Ks:

- (1) The Steering Committee Charter, attached as Exhibit B to Attachment K, that governs the activities of the Steering Committee, which is charged with the tasks of approving the Regional Transmission Plan, and governing the activities of NTTG;<sup>57</sup>

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<sup>51</sup> Deseret Definitions; Idaho Power § 1.6; NorthWestern § 1.6; PacifiCorp § 1.6; Portland General § 1.6.

<sup>52</sup> Deseret § B.7.4.3; Idaho Power § 18.4.3; NorthWestern § 3.7.4.3; PacifiCorp § 3.7.4.3; Portland General § 18.4.3.

<sup>53</sup> Deseret § B.7.6.1; Idaho Power § 18.6.1; NorthWestern § 3.7.6.1; PacifiCorp § 3.7.6; Portland General § 18.6.1.

<sup>54</sup> Deseret § B.7.6.4; Idaho Power § 18.6.3; NorthWestern § 3.7.6.4; PacifiCorp § 3.7.6.3; Portland General § 18.6.4.

<sup>55</sup> Deseret § B.7.8; Idaho Power § 18.8; NorthWestern § 3.7.8; PacifiCorp § 3.7.8; Portland General § 18.8.

<sup>56</sup> May 17 Order at P 100.

<sup>57</sup> Deseret § B.1.2; Idaho Power § 12.2; NorthWestern § 3.1.2; PacifiCorp § 3.1; Portland General § 12.2.

- (2) The Planning Committee Charter, attached as Exhibit C to Attachment K, that governs the activities of the Planning Committee, which is charged with the task of producing the Regional Transmission Plan (inclusive of regional Economic Congestion Studies);<sup>58</sup> and
- (3) The Cost Allocation Committee Charter, attached as Exhibit D to Attachment K, that governs the activities of the Cost Allocation Committee, which is charged with the task of allocating costs to Beneficiaries of transmission projects selected into the Regional Transmission Plan for cost allocation purposes.<sup>59</sup>

Each charter defines the purpose and limitations, membership, meeting and voting, and other requirements of the respective committee. The Filing Parties also described how stakeholders may participate in public meetings, committee meetings, and by commenting.<sup>60</sup>

### **c. Merchant Transmission Developers**

In the May 17 Order, the Commission found that the Filing Parties' proposed revisions to their respective Attachment Ks regarding merchant transmission developers did not comply with the requirements of Order No. 1000.<sup>61</sup> The Commission directed the Filing Parties to establish provisions requiring merchant transmission developers who are not proposing transmission projects for the regional transmission plan to provide information necessary to assess the potential reliability and operational impacts of proposed transmission facilities on systems in the region.<sup>62</sup> In addition, the Commission stated that the Filing Parties may not require that merchant transmission developers provide information regarding project costs, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirements.<sup>63</sup> Finally, the Commission stated that, with respect to load and resource data and economic considerations, additional clarification is needed to evaluate whether these informational requirements would be appropriate to apply to merchant transmission developers.<sup>64</sup>

The Filing Parties have revised their respective Attachment Ks regarding the information that merchant transmission developers are required to provide as part of NTTG's data gathering during Quarter 1 of the Regional Planning Cycle. Specifically, merchant transmission developers are required to provide the following: project location, voltage level, structure type, conductor type and configuration, project terminal facilities, project development schedule, current project development phase, and in-service date.<sup>65</sup>

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<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

<sup>60</sup> Deseret § B.3.3; Idaho Power § 14; NorthWestern § 3.3; PacifiCorp § 3.4; Portland General § 14.

<sup>61</sup> May 17 Order at P 103.

<sup>62</sup> *Id.*

<sup>63</sup> *Id.* at P 104.

<sup>64</sup> *Id.*

<sup>65</sup> Deseret § B.7.2.2, Table 2; Idaho Power § 18.2.2, Table 2; NorthWestern § 3.7.2.2, Table 2; PacifiCorp § 3.7.2.2, Table 2; Portland General § 18.2.2 Table 2. *See also* May 17 Order at P 103 (acknowledging that it is appropriate to require this information).

In addition, to the extent applicable and data are readily available for the proposed transmission project, merchant transmission developers are required to provide the approximate location of the new or existing resource and/or load that may require the proposed project if it is not for forecasted transmission service.<sup>66</sup> Also, to the extent the information is readily available when the information is due, merchant transmission developers are also required to submit forecasted transmission service requirements (if any), whether the proposed project meets reliability or load service needs, and whether the proposed project satisfies a transmission need driven by Public Policy Requirements.<sup>67</sup> Finally, to the extent applicable and data are readily available for the proposed transmission project, merchant transmission developers are required to submit economic considerations that are driving the project.<sup>68</sup> In revising the information requirements for merchant transmission developers, the Filing Parties are not requiring the submission of information regarding project costs, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirements.

#### **4. Consideration of Transmission Needs Driven by Public Policy Requirements**

##### **a. Regional Transmission Planning Process**

In the May 17 Order, the Commission found that the Filing Parties' proposed revisions to their respective Attachment Ks partially complied with the provisions of Order No. 1000 addressing transmission needs driven by public policy requirements.<sup>69</sup> The Commission directed the Filing Parties to further revise their Attachment Ks to: (1) revise the definition of public policy requirements to explicitly include local laws or regulations along with state or federal laws or regulations; (2) describe how stakeholders can submit what they believe are transmission needs driven by public policy requirements; and (3) describe the process by which NTTG will identify, out of the larger set of transmission needs driven by public policy requirements that may be proposed, those transmission needs driven by public policy requirements for which transmission solutions will be evaluated in the regional transmission planning process.<sup>70</sup>

The Filing Parties have revised the definition of "Public Policy Requirements" in their respective Attachment Ks to explicitly include those public policy requirements that are established by local laws or regulations.<sup>71</sup> The Filing Parties made a corresponding revision to their definition of "Public Policy Considerations."<sup>72</sup>

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<sup>66</sup> Deseret § B.7.2.2, Table 2 n.2; Idaho Power § 18.2.2, Table 2 n.2; NorthWestern § 3.7.2.2, Table 2 n.2; PacifiCorp § 3.7.2.2, Table 2 n.2; Portland General § 18.2.2, Table 2 n.2.

<sup>67</sup> Deseret § B.7.2.2, Table 2 n.3; Idaho Power § 18.2.2, Table 2 n.3; NorthWestern § 3.7.2.2, Table 2 n.3; PacifiCorp § 3.7.2.2, Table 2; Portland General § 18.2.2, Table 2 n.3.

<sup>68</sup> Deseret § B.7.2.2, Table 2 n.4; Idaho Power § 18.2.2, Table 2 n.4; NorthWestern § 3.7.2.2, Table 2 n.4; PacifiCorp § 3.7.2.2, Table 2 n.6; Portland General § 18.2.2, Table 2 n.4. *See also*, Table 2 n.6.

<sup>69</sup> May 17 Order at P 118.

<sup>70</sup> *Id.* at PP 119, 121, 123, 127.

<sup>71</sup> Deseret Definitions; Idaho Power § 1.37; NorthWestern § 1.38; PacifiCorp § 1.38; Portland General § 1.38.

<sup>72</sup> Deseret Definitions; Idaho Power § 1.36; NorthWestern § 1.37; PacifiCorp § 1.37; Portland General § 1.37.

The Filing Parties have revised their respective Attachment Ks to describe how stakeholders can submit what they believe are transmission needs driven by Public Policy Requirements. By January 31<sup>st</sup> of Quarter 1 of the Regional Planning Cycle, a stakeholder can use the Data Submittal Form found on the NTTG Website to submit their data electronically to NTTG at info@nttg.biz.<sup>73</sup>

The Filing Parties have revised their respective Attachment Ks to describe the process by which they will identify the transmission needs driven by Public Policy Requirements for which transmission solutions will be evaluated in the regional transmission planning process.<sup>74</sup> During Quarter 1 of the Regional Planning Cycle, NTTG, through the Planning Committee, receives transmission needs driven by Public Policy Requirements, Public Policy Considerations, and data from the Local Transmission Plans and stakeholders.<sup>75</sup>

In its Regional Transmission Plan, NTTG only considers transmission needs driven by Public Policy Requirements, and may use additional study analysis to consider other transmission needs driven by Public Policy Considerations as agreed upon by the Planning Committee with stakeholder input.<sup>76</sup> In Quarter 2 of the Regional Planning Cycle, after consulting with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the Public Policy Requirements to be used in the Biennial Study Plan, as well as the Public Policy Considerations to be used in additional study analysis.<sup>77</sup> The additional study analysis results are informational only and may inform the Regional Transmission Plan, but do not become part of the Regional Transmission Plan.<sup>78</sup> In June of Quarter 2, the Steering Committee approves the Biennial Study Plan, including the Public Policy Requirements for the Regional Transmission Plan and the Public Policy Considerations for additional study analysis.<sup>79</sup>

During the Regional Planning Cycle, NTTG determines if there is a more efficient or cost-effective regional solution to meet the transmission needs driven by Public Policy Requirements accepted for evaluation by the Steering Committee.<sup>80</sup> The selection process and criteria for regional projects meeting transmission needs driven by Public Policy Requirements are the same as those used for any other regional project chosen for the Regional Transmission

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<sup>73</sup> Deseret § B.7.2.1; Idaho Power § 18.2.1; NorthWestern § 3.7.2.1; PacifiCorp § 3.7.2.1; Portland General § 18.2.1.

<sup>74</sup> Deseret § B.7.3.3; Idaho Power § 18.3.3; NorthWestern § 3.7.3.3; PacifiCorp § 3.7.3.3; Portland General § 18.3.3.

<sup>75</sup> Deseret § B.7.3.3.1; Idaho Power § 18.3.3; NorthWestern § 3.7.3.3.1; PacifiCorp § 3.7.3.3; Portland General § 18.3.3.1.

<sup>76</sup> *Id.*

<sup>77</sup> Deseret § B.7.3.3.2; Idaho Power § 18.3.3.2; NorthWestern § 3.7.3.3.2; PacifiCorp § 3.7.3.3.2; Portland General § 18.3.3.2. Following approval by the Steering Committee, NTTG posts on its website, and its transmission providers post on their OASIS sites, which Public Policy Requirements and Public Policy Considerations will and will not be evaluated in the Regional Planning Cycle, along with an explanation of why particular Public Policy Requirements and Public Policy Considerations were or were not considered. Deseret § B.7.3.3.4; Idaho Power § 18.3.3.4; NorthWestern § 3.7.3.3.4; PacifiCorp § 3.7.3.3.4; Portland General § 18.3.3.4.

<sup>78</sup> Deseret § B.7.3.3.2; Idaho Power § 18.3.3.2; NorthWestern § 3.7.3.3.2; PacifiCorp § 3.7.3.3.2; Portland General § 18.3.3.2.

<sup>79</sup> *Id.*

<sup>80</sup> Deseret § B.7.3.3.3; Idaho Power § 18.3.3.3; NorthWestern § 3.7.3.3.3; PacifiCorp § 3.7.3.3.3; Portland General § 18.3.3.3.

Plan.<sup>81</sup> The Planning Committee evaluates transmission needs driven by Public Policy Requirements in the same technical analysis along with other regional projects.<sup>82</sup>

## **b. Local Transmission Planning Process**

In the May 17 Order, the Commission found that the Applicants' revised Attachment Ks partially complied with the provisions of Order No. 1000 addressing transmission needs driven by public policy requirements in the local transmission planning process.<sup>83</sup> The Commission directed the Applicants to revise their Attachment Ks to provide additional detail describing a just and reasonable and not unduly discriminatory process through which they will identify, out of the larger set of needs proposed, those needs for which transmission solutions will be evaluated in the local transmission planning process.<sup>84</sup>

Stakeholders may submit transmission needs driven by Public Policy Requirements and Public Policy Considerations during each Transmission Provider's local transmission planning cycle.<sup>85</sup> Additional detail describing the Local Transmission System Plan review and evaluation process that identify those needs for which transmission solutions will be evaluated in the local transmission planning process has been provided.<sup>86</sup> Throughout the eight quarter planning cycle the Local Transmission System Plan process will require transmission needs driven by Public Policy Requirements to be evaluated jointly with other local projects, rather than considering transmission needs driven by Public Policy Requirements and Considerations separately from other transmission needs. The results from the technical analysis will be used to develop the Local Transmission System Plan.

## **B. Nonincumbent Transmission Developer Reforms**

### **1. Qualification Criteria**

In the May 17 Order, the Commission found that the Filing Parties' proposed qualification criteria partially complies with Order No. 1000.<sup>87</sup> The Commission directed the Filing Parties to: (1) revise their OATTs to state that any entity may submit a transmission project into the regional transmission planning process for consideration for purposes of cost allocation; (2) revise their OATTs to clarify that the proposed qualification criteria apply only to a transmission developer that intends to develop a transmission project that it submits into the regional transmission planning process for purposes of cost allocation; (3) set forth in their OATTs the qualification criteria, procedures for timely notifying potential transmission

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<sup>81</sup> Deseret § B.7.3.3.3; Idaho Power § 18.3.3.3; NorthWestern § 3.7.3.3.3; PacifiCorp § 3.7.3.3.3; Portland General § 18.3.3.3.

<sup>82</sup> *Id.*

<sup>83</sup> May 17 Order at P 136.

<sup>84</sup> *Id.* at P 138. The Commission also noted that links to the business practice documents included in the OATTs of Idaho Power, PacifiCorp, and Portland General are not currently working. *Id.* at n.220. Those Applicants have revised their Attachment Ks to repair the links to the business practice documents.

<sup>85</sup> Deseret § 2.2; Idaho Power § 4.1.4; NorthWestern § 2.1.10; PacifiCorp § 2.7; Portland General §§ 3.2.1 and 3.2.5.

<sup>86</sup> Deseret § 2.2; Idaho Power § 3.2.1; NorthWestern § 2.1.10; PacifiCorp § 2.7; Portland General §§ 3.2.1 and 3.2.5.

<sup>87</sup> May 17 Order at P 156.

developers of whether they satisfy the qualification criteria, and opportunities for a potential transmission developer to remedy any deficiencies; (4) when Filing Parties include in their OATTs the proposed alternative financial qualification demonstration currently contained in the Practice Document, provide a justification for the proposed alternative financial qualification demonstration; and (5) if Filing Parties propose to include in their OATTs the five-year experience requirement, revise their OATTs to allow transmission developers to satisfy the five-year experience requirement by relying upon the relevant experience of third-party contractors.<sup>88</sup>

To clarify the entities that may submit a transmission project into the regional planning process for cost allocation consideration and the applicability of the qualification criteria, the Filing Parties have revised their respective Attachment Ks to allow any Applicant to request cost allocation for their project, should the project be selected into the Regional Transmission Plan.<sup>89</sup> The Filing Parties also clarified that the pre-qualification criteria are limited to only Project Sponsors;<sup>90</sup> a term referring to nonincumbent transmission developers and incumbent transmission developers.<sup>91</sup>

The Filing Parties revised their respective Attachment Ks to include the sponsor qualification criteria. In general, the requisite qualification data are grouped into the following categories: (1) Project Sponsor description; (2) project summary; (3) project name; (4) Project Sponsor demonstration of technical expertise to develop, construct, and own the proposed project; (5) Project Sponsor financial expertise to develop, construct, and own the proposed project; (6) proposed project financing plan; (7) Project Sponsor ability to maintain and operate the project; (8) primary project contact; and (9) signature.<sup>92</sup> A Project Sponsor must submit the sponsor qualification data to NTTG, through info@nttg.biz, by October 31st of Quarter 8 of the prior Regional Planning Cycle.<sup>93</sup> The Planning and Cost Allocation Committees, in consultation with stakeholders, will evaluate the qualification data at regularly scheduled meetings in November of Quarter 8 of the prior Regional Planning Cycle.<sup>94</sup> Within five business days of the Committees' determinations, NTTG will provide notice to the Project Sponsor either stating that the Project Sponsor satisfied the qualification data requirements or identifying specific deficiencies.<sup>95</sup> The Project Sponsor must cure identified deficiencies by January 31st of Quarter 1 of the current Regional Planning Cycle.<sup>96</sup> If the deficiency is not cured by the end of January of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Project Sponsor withdraws the project from further consideration.<sup>97</sup> The Project

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<sup>88</sup> May 17 Order at PP 156-60.

<sup>89</sup> Deseret § B.7.2.3; Idaho Power § 18.2.3; NorthWestern § 3.7.2.3; PacifiCorp § 3.7.2.3; Portland General § 18.2.3.

<sup>90</sup> Deseret § B.7.1.1; Idaho Power § 18.1.1; NorthWestern § 3.7.1.1; PacifiCorp § 3.7.1.1; Portland General § 18.1.1.

<sup>91</sup> The following definitions were added to Attachment K: a "nonincumbent transmission developer," based on Paragraph 225 of Order No. 1000; an "incumbent transmission developer," based on Paragraph 225 of Order No. 1000; and a "merchant transmission developer," based on Paragraph 163 of Order No. 1000 and Paragraphs 297 and 299 of Order No. 1000-A.

<sup>92</sup> Deseret § B.7.1.2, Table 1; Idaho Power § 18.1.2, Table 1; NorthWestern § 3.7.1.2, Table 1; PacifiCorp § 3.7.1.2, Table 1; Portland General § 18.1.2, Table 1.

<sup>93</sup> Deseret § B.7.1.2; Idaho Power § 18.1.2; NorthWestern § 3.7.1.2; PacifiCorp § 3.7.1.2; Portland General § 18.1.2.

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> *Id.*

<sup>97</sup> *Id.*

Sponsor or stakeholder must comply with these requirements for the project to be considered in the next Regional Transmission Plan.<sup>98</sup>

In their qualification criteria, the Filing Parties require Project Sponsors to demonstrate that they have the financial expertise to develop, construct, and own the proposed facility. To do so, in part, the Filing Parties require the Project Sponsor, or its parent company, to provide data demonstrating an investment grade credit rating.<sup>99</sup> If the Project Sponsor cannot demonstrate that it has an investment grade credit rating, the Filing Parties have revised their proposed qualification criteria to require the Project Sponsor, or its parent company, to meet the following three requirements: (1) has existed for at least five years; (2) has maintained positive working capital for the prior three years; and (3) has a minimum tangible net worth of \$1 million or total asset of \$10 million.<sup>100</sup> A minimum tangible net worth of \$1 million was chosen to demonstrate that the Project Sponsor has working capital to undertake the significant permitting required for a transmission project. Total assets of \$10 million are roughly similar to the level assets of a very small utility, and therefore representative of the level of assets that could support the construction and/or operation of a project. A five-year company age was chosen to correspond with a reasonable period of time to plan a project. Maintaining positive working capital for the prior three years is an indicator of the stability of its access to capital.

In addition, the Filing Parties require Project Sponsors to demonstrate the ability to maintain and operate the proposed facility. To do so, the Project Sponsor must demonstrate that it has five years' experience in operating and maintaining transmission projects.<sup>101</sup> The Filing Parties have revised their proposed qualification criteria to allow Project Sponsors to satisfy the five years' experience requirement by relying on the experience of the its parent organization or its third-party contractor that has been retained to operate and/or maintain the proposed facility.<sup>102</sup>

## 2. Information Requirements

In the May 17 Order, the Commission found that the Filing Parties' proposed information requirements for transmission projects proposed by transmission developers partially complies with Order No. 1000.<sup>103</sup> The Commission directed the Filing Parties to: (1) clarify what load and resource data would be required for proposed transmission projects; (2) explain what information a transmission developer must provide to satisfy the proposed "economic considerations" requirement; and (3) explain whether the Planning Committee or the public utility transmission providers in the transmission planning region determine what data and other information elements are deemed appropriate for consideration of proposed transmission projects.<sup>104</sup>

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<sup>98</sup> *Id.*

<sup>99</sup> Deseret § B.7.1.2, Table 1; Idaho Power § 18.1.2, Table 1; NorthWestern § 3.7.1.2, Table 1; PacifiCorp § 3.7.1.2, Table 1; Portland General § 18.1.2, Table 1.

<sup>100</sup> *Id.*

<sup>101</sup> *Id.*

<sup>102</sup> *Id.*

<sup>103</sup> May 17 Order at P 168.

<sup>104</sup> *Id.* at P 169.

In addition, for transmission projects submitted for selection in the regional transmission plan for purposes of cost allocation, the Commission found that the following information requirements do not comply with Order No. 1000: (1) if the transmission project is proposed to meet a reliability or public policy requirement, copies of all studies supporting the transmission project selection; (2) if the transmission project is proposed as part of the transmission planning for future resource development, any production cost model input and output used in the economic justification of the transmission project; (3) copies of all studies that quantify the annual impacts on the transmission developer and other regional entities; and (4) the input assumptions and forecasts incorporated in any studies evaluating the efficiency and cost-effectiveness of the transmission project.<sup>105</sup> The Commission directed the Filing Parties to either remove these proposed information requirements from their Attachment Ks or clarify that such requirements are not required, but are permitted to the extent the transmission developer voluntarily performed studies supporting its proposed transmission project's selection as a more efficient or cost-effective solution or to quantify the proposed transmission project's impacts.<sup>106</sup>

In Quarter 1 of the Regional Planning Cycle, project sponsors and stakeholders (collectively, "Applicants") may submit projects for consideration in the Regional Transmission Plan, and Merchant Transmission Developers submit their project information by submitting to the Planning Committee chair the information identified in the Sponsored Project, Un-sponsored Project, and Merchant Developer Project columns of Table 2.<sup>107</sup> As part of their required information submittals, the Applicants, assuming certain conditions apply, are required to provide "load and resource data" and "economic considerations."<sup>108</sup> The "load and resource data" to be provided is now explained in note 1 of Table 2. The "economic considerations" to be provided is now explained in note 6 of Table 2. The information that must be provided is limited to that described in Table 2. The information set forth in Table 2 is contained in the Data Submittal Form.

By March 31st of Quarter 1 of the Regional Planning Cycle, Applicants must submit complete Data Submittal Form to NTTG through info@nttg.biz.<sup>109</sup> The Planning Committee will review the submissions for completeness. If an Applicant fails to meet any of the information requirements set forth in Table 2, the Planning Committee will notify the Applicant of the reasons for such failure and will attempt to remedy deficiencies in the submitted information through informal communications with the Applicant.<sup>110</sup> If such efforts are unsuccessful by April 15th of Quarter 2, the Planning Committee shall return the Applicant's information, and Applicant's request shall be deemed withdrawn.<sup>111</sup> The Planning Committee

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<sup>105</sup> *Id.* at P 170.

<sup>106</sup> *Id.* at P 171.

<sup>107</sup> Deseret § B.7.2.2, Table 2; Idaho Power § 18.2.2, Table 2; NorthWestern § 3.7.2.2, Table 2; PacifiCorp § 3.7.2.2, Table 2; Portland General § 18.2.2, Table 2.

<sup>108</sup> *Id.*

<sup>109</sup> Deseret § B.7.2.2; Idaho Power § 18.2.2; NorthWestern § 3.7.2.2; PacifiCorp § 3.7.2.2; Portland General § 18.2.2.

<sup>110</sup> Deseret § B.7.2.6; Idaho Power § 18.2.6; NorthWestern § 3.7.2.6; PacifiCorp § 3.7.2.6; Portland General § 18.2.6.

<sup>111</sup> *Id.*

may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles the withdrawn submission.<sup>112</sup> During the next Regional Planning Cycle, the Applicant may resubmit the project, with updated information and data deficiencies cured, for consideration in the Regional Transmission Plan and may request cost allocation consideration.<sup>113</sup>

Regarding the information requirements applicable to transmission projects submitted for selection in the Regional Transmission Plan for purposes of cost allocation, the Filing Parties have opted to retain the information requirements identified in paragraph 170 of the May 17 Order. The description of the information has been edited and the Cost Allocation Data Form has been conformed to the description in Attachment K.<sup>114</sup> However, the Filing Parties revised their respective Attachment Ks to state that “Applicants are encouraged but not required to also provide the information...”<sup>115</sup>

### **3. Evaluation Process for Transmission Proposals for Selection in the Regional Transmission Plan for Purposes of Cost Allocation**

In the May 17 Order, the Commission found that the Filing Parties’ proposals addressing the evaluation of proposed transmission projects partially complies with Order No. 1000.<sup>116</sup> The Commission directed the Filing Parties to revise their OATTs to: (1) set forth the set of criteria that will be used to determine if a proposed transmission project is a more efficient or cost-effective solution for the transmission planning region and, if these criteria will not all be applied to each proposed transmission project, an explanation of how the Filing Parties will determine in a transparent and not unduly discriminatory manner which criteria will apply to a given transmission project; and (2) describe an evaluation process that culminates in a determination that is sufficiently detailed for stakeholders to understand why a particular transmission project was selected or not selected in the regional transmission plan for purposes of cost allocation.<sup>117</sup> In addition, the Commission directed the Filing Parties to revise their OATTs to reflect that proposed transmission projects are evaluated based on the “more efficient or cost-effective” criterion.<sup>118</sup>

The Filing Parties have revised their respective Attachment K to set forth the evaluation process and criteria that will be used to determine if a proposed transmission project is a more efficient or cost-effective solution for the transmission-planning region. The Filing Parties have described this process above at Section II.A.3.a.<sup>119</sup> In addition, the Planning Committee will

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<sup>112</sup> *Id.*

<sup>113</sup> *Id.*

<sup>114</sup> Deseret § B.7.2.3; Idaho Power § 18.2.3; NorthWestern § 3.7.2.3; PacifiCorp § 3.7.2.3; Portland General § 18.2.3.

<sup>115</sup> *Id.*

<sup>116</sup> May 17 Order at P 179.

<sup>117</sup> *Id.* at P 182.

<sup>118</sup> *Id.* at P 181.

<sup>119</sup> Deseret § B.7.4; Idaho Power § 18.4; NorthWestern § 3.7.4; PacifiCorp § 3.7.4; Portland General § 18.4.

monitor the impacts of projects under consideration for the Draft Regional Transmission Plan for impacts on neighboring Planning Regions.<sup>120</sup>

The Filing Parties have revised their Attachment Ks to require the Planning Committee to include the calculations conducted as part of the cost allocation process in the Regional Transmission Plan.<sup>121</sup> These calculations will provide the details necessary to allow a stakeholder to understand why a particular transmission project was selected or not selected in the regional transmission plan for purposes of cost allocation. In addition, stakeholders may comment on the clarity of the calculations considered by the Planning Committee.

The Filing Parties have revised their respective Attachment Ks to clarify that proposed transmission projects will be evaluated based upon the “more efficient or cost-effective” criterion of Order No. 1000.

#### **4. Reevaluation Process for Transmission Proposals for Selection in the Regional Transmission Plan for Purposes of Cost Allocation**

In the May 17 Order, the Commission found that the Filing Parties’ provisions addressing the reevaluation of the regional transmission plan partially complied with Order No. 1000.<sup>122</sup> The Commission directed the Filing Parties to revise their OATTs to: (1) clarify that NTTG will undertake a reevaluation of the regional transmission plan, rather than only transmission projects; (2) allow the incumbent transmission provider to propose solutions that it would implement within its retail distribution service territory or footprint if an evaluation of alternatives is needed; and (3) if the proposed solution is a transmission facility, provide for the facility’s evaluation for possible selection in the regional transmission plan for purposes of cost allocation.<sup>123</sup> In addition, the Commission required the Filing Parties to provide justification for their proposal to apply an 85 percent cost effectiveness threshold, or to amend their OATTs to eliminate the cost effectiveness threshold.<sup>124</sup> Finally, the Commission rejected as unsupported the Filing Parties’ proposal that a project will no longer be eligible for regional cost allocation, but may remain in the regional transmission plan, if the developer of a transmission project selected in the regional transmission plan for purposes of cost allocation no longer meets the qualification criteria in subsequent planning cycles.<sup>125</sup>

As part of its reevaluation process of the Regional Transmission Plan, by March 31st of Quarter 1, NTTG expects the sponsor of a project selected in the prior Regional Transmission

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<sup>120</sup> Deseret § B.7.4.3; Idaho Power § 18.4.3; NorthWestern § 3.7.4.3; PacifiCorp § 3.7.4.3; Portland General § 18.4.3.

<sup>121</sup> Deseret § B.10; Idaho Power § 21; NorthWestern § 3.10; PacifiCorp § 3.10; Portland General § 21. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee will utilize best efforts to provide input data and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee will also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders.

Deseret § B.10; Idaho Power § 21; NorthWestern § 3.10; PacifiCorp § 3.10; Portland General § 21.

<sup>122</sup> May 17 Order at P 191.

<sup>123</sup> May 17 Order at P 192.

<sup>124</sup> *Id.* at P 194.

<sup>125</sup> *Id.* at P 195.

Plan (the “Original Project”) to inform the Planning Committee of any project delay that would potentially affect the project’s in-service date.<sup>126</sup> The Filing Parties have revised their Attachment Ks to state that “[i]f the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original Project in the context of the Regional Transmission Plan using an updated in-service date.”<sup>127</sup>

NTTG will not reevaluate “Committed Projects,” those Original Projects that have all permits and rights-of-way required for construction by the end of Quarter 1 of the current Regional Planning Cycle, unless the Original Project fails to meet its development schedule milestones such that the needs of the region will not be met.<sup>128</sup> If the Original Project is not committed, it is subject to reevaluation and potential replacement or deferral should one of three events occur.<sup>129</sup> In addition, the Planning Committee will reevaluate or evaluate the Original Project and the New Project, respectively, in Quarter 2 as any other project for consideration in the Regional Transmission Plan and for cost allocation.<sup>130</sup> The Filing Parties have removed the proposed requirement to apply an 85 percent cost effectiveness threshold to alternate projects that would replace a reevaluated non-committed project. Additionally, the Filing Parties added a provision allowing the incumbent transmission provider to propose solutions that it would implement within its retail distribution service territory or footprint, if a project must be reevaluated.<sup>131</sup>

To remain eligible for regional cost allocation, a Project Sponsor must demonstrate that it remains qualified, pursuant to the sponsor qualification data criteria in Table 1 of the Filing Parties’ Attachment Ks, in subsequent Regional Transmission Plans.<sup>132</sup> If a Project Sponsor no longer satisfies the qualification data in a subsequent Regional Planning Cycle, and the deficiency is not cured by January 31st of Quarter 1 of that Regional Planning Cycle, the Project Sponsor’s project will be considered an unsponsored project submitted by a stakeholder for purposes of cost allocation, unless the project is withdrawn from further consideration.<sup>133</sup> Finally, the Filing Parties revised Attachment K to clarify that “a cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of

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<sup>126</sup> Deseret §§ B.7.2.5 & B.9.1; Idaho Power §§ 18.2.5 & 20.1; NorthWestern §§ 3.7.2.5 & 3.9.1; PacifiCorp §§ 3.9; Portland General §§ 18.2.5 & 20.1.

<sup>127</sup> Deseret § B.9.1; Idaho Power § 20.1; NorthWestern § 3.9.1; PacifiCorp § 3.9.1; Portland General § 20.1.

<sup>128</sup> *Id.*

<sup>129</sup> A non-committed Original Project shall be reevaluated only in the event that: (a) the project sponsor fails to meet its project development schedule such that the needs of the region will not be met; (b) the project sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met; or (c) the needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently and/or cost effectively.

Deseret § B.9.1; Idaho Power § 20.1; NorthWestern §3.9.1; PacifiCorp § 3.9.1; Portland General § 20.1.

<sup>130</sup> Deseret § B.9.1; Idaho Power § 20.1; NorthWestern § 3.9.1; PacifiCorp § 3.9.1; Portland General § 20.1.

<sup>131</sup> *Id.*

<sup>132</sup> Deseret § B.3.7.1.1; Idaho Power § 18.1.2, Table 1; NorthWestern § 3.7.1.1; PacifiCorp § 3.7.1.2, Table 1; Portland General § 18.1.1.

<sup>133</sup> Deseret § B.7.1.2; Idaho Power § 18.1.2; NorthWestern § 3.7.1.2; PacifiCorp § 3.7.1.2; Portland General § 18.1.2.

cost allocation in the prior Regional Transmission Plan until such project is deemed as 'Committed' . . .<sup>134</sup>

## **5. Cost Allocation for Transmission Proposals for Selection in the Regional Transmission Plan for Purposes of Cost Allocation**

In the May 17 Order, the Commission found that the provisions addressing the ability of a nonincumbent transmission developer to allocate the cost of a transmission facility through a regional cost allocation method or methods partially complies with the requirements of Order No. 1000.<sup>135</sup> The Commission directed the Filing Parties to revise their respective OATTs to establish a fair and not unduly discriminatory mechanism that NTTG will use to grant a transmission developer the right to use the regional cost allocation method for such an unsponsored transmission facility.<sup>136</sup>

The Filing Parties have revised their Attachment Ks to clearly state that Project Sponsors and stakeholders can propose transmission projects in Quarter 1 of the Regional Planning Cycle for consideration in the Regional Transmission Plan by submitting the relevant information identified in Table 2.<sup>137</sup>

### **C. Cost Allocation**

#### **1. Cost Allocation Principles**

##### **a. Regional Cost Allocation Principle 1**

In the May 17 Order, the Commission found that the Filing Parties' proposed regional cost allocation method for transmission projects selected in the regional transmission plan for purposes of cost allocation partially complies with Regional Cost Allocation Principle 1.<sup>138</sup> The Commission directed the Filing Parties to submit further compliance filings to:

- (1) Describe their proposed annual capital-related costs benefit metric in greater detail in their OATTs and to explain how this benefit metric allocates the costs of a transmission facility selected in the regional transmission plan for purposes of cost allocation in a manner that is at least roughly commensurate with the benefits that transmission facility provides;
- (2) Absent justification, remove from their OATTs the provision that would cap net benefits at 150 percent of the average of the unadjusted net benefits across all allocation scenarios;

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<sup>134</sup> Deseret § B.9.2; Idaho Power § 20.2; NorthWestern § 3.9.2; PacifiCorp § 3.9.2; Portland General § 20.2.

<sup>135</sup> May 17 Order at P 200.

<sup>136</sup> *Id.* at P 201.

<sup>137</sup> Deseret § B.7.2.2; Idaho Power § 18.2.2; NorthWestern § 3.7.2.2; PacifiCorp § 3.7.2.2; Portland General § 18.2.2.

<sup>138</sup> May 17 Order at P 240. The Commission accepted the Filing Parties' commitment to provide a report on the exploration of various metrics and tools, including a production cost modeling-based metric, by mid-2013. *Id.* at P 242. The Filing Parties submitted this report on September 3, 2013 in the above-referenced dockets.

- (3) Provide justification regarding why, absent the 150 percent cap on net benefits, Applicants' proposal to set the average net benefit to a beneficiary to zero: (a) if the average of the net benefits across the allocation scenarios is negative; and (b) if the ratio of the standard deviation to the average of the net benefits across the allocation scenarios is greater than 1.0 results in a cost allocation method that complies with the Regional Cost Allocation Principles of Order No. 1000;
- (4) Justify how their proposal to set the average net benefit to a beneficiary to zero if the ratio of the standard deviation to the average of the net benefits across the allocation scenarios is greater than 1.0 will be applied if the entire range of benefits is positive; and
- (5) Explain how the costs that would otherwise be assigned to an identified beneficiary allocated less than \$2 million will be allocated.<sup>139</sup>

In addition, the Commission directed the Filing Parties to include in their OATTs descriptions of both the reassessment process and, to provide greater transparency to transmission developers, the specific conditions under which the cost allocation of a transmission facility selected in the regional transmission plan for purposes of cost allocation will be reassessed.<sup>140</sup> Finally, the Commission rejected the Filing Parties' proposal to allocate solely to the transmission developer the costs that a non-regional beneficiary is asked to bear voluntarily if that non-regional beneficiary declines to do so.<sup>141</sup>

In response to the May 17 Order, the Filing Parties revised their respective Attachment Ks to include a definition of "Annual Capital-Related Costs". Refer to Section II.A.3.(1) of this filing letter. A change in Annual Capital-Related Costs captures benefits related to transmission needs driven by both reliability and Public Policy Requirements.<sup>142</sup> It also captures the extent that a Change Case may displace one or more projects required to meet reliability standards or transmission needs driven by Public Policy Requirements in the Initial Regional Transmission Plan.<sup>143</sup> This would occur if the Change Case has lower capital-related costs while continuing to meet all reliability standards or the same Public Policy Requirements. An illustration explaining how this benefit metric allocates the costs of a transmission facility selected in the regional transmission plan for purposes of cost allocation in a manner that is at least roughly commensurate with the benefits that transmission facility provides is set forth in Exhibit A.

In their previous filing, the Filing Parties proposed to adjust, as appropriate, the calculated initial net benefits for each Beneficiary based upon three criteria before the benefits were used in allocation the cost of a transmission project. In response to the May 17 Order, the Filing Parties are proposing to use the following two criteria for that purpose:

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<sup>139</sup> *Id.* at PP 241, 245-48, 254.

<sup>140</sup> *Id.* at P 253.

<sup>141</sup> *Id.* at P 258.

<sup>142</sup> Deseret § B.7.4.2(a); Idaho Power § 18.4.2; NorthWestern § 3.7.4.2(a); PacifiCorp § 3.7.4.2(a); Portland General § 18.4.2(a).

<sup>143</sup> *Id.*

- (a) “The net benefits attributed in any scenario are capped at no less than 50% and no more than 150% of the average of the unadjusted, net benefits (whether positive or negative); and
- (b) If the average of the net benefits, as adjusted by (a) above, across the allocation scenarios is negative, the average net benefit to that Beneficiary is set to zero.”<sup>144</sup>

The Filing Parties have eliminated the proposal to set the average net benefit to a beneficiary to zero if the ratio of the standard deviation to the average of the net benefits across the allocation scenarios is greater than 1.0 if the entire range of benefits is positive.

The Filing Parties have modified the 150 percent cap criterion to cap benefits that are no less than 50% and no more than 150% of the average net benefits.<sup>145</sup> Initially, the Filing Parties proposed the 150 percent cap to remove outlying allocation scenario values to prevent those outliers from skewing the calculation of benefits for Beneficiaries. By revising the cap to apply at 50% and 150%, the Filing Parties are addressing both positive and negative allocation scenarios. This revision also eliminates the likelihood that the adjusted average net benefits across the allocation scenarios will be negative in order to address the Commission’s concern that application of the 150 percent cap criterion would result in an allocation of costs that is not roughly commensurate with benefits received.<sup>146</sup>

The Filing Parties have retained the criterion to set the average net benefit to a Beneficiary to zero if the average of the net benefits across the allocation scenarios is negative.<sup>147</sup> This criterion operates to ensure that a Beneficiary with negative impacts from a project would not be allocated any costs and would not be able to recover damages for any impacts from other Beneficiaries or the Project Sponsor, if any. Alternatively, if this criterion is not included and net losses are included in the cost allocation, the costs allocated to other Beneficiaries with positive net benefits would be overstated, potentially in violation of the roughly commensurate principle.

In the May 17 Order, the Commission found that excluding from cost allocation beneficiaries that receive *de minimus* benefits from a transmission facility selected in the regional transmission plan for purposes of cost allocation would allocate costs in a manner that is at least roughly commensurate with estimated benefits.<sup>148</sup> The Filing Parties are revising the amount of the *de minimus* threshold from \$2 million to \$100,000.<sup>149</sup> Accordingly, if a Beneficiary is allocated a cost of less than \$100,000, the cost allocated to the Beneficiary would

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<sup>144</sup> Deseret § B.8.2.2; Idaho Power § 19.2.2; NorthWestern § 3.8.2.2; PacifiCorp § 3.8.2.2; Portland General § 19.2.2 (emphasis added).

<sup>145</sup> Deseret § B.8.2.2(a); Idaho Power § 19.2.2(a); NorthWestern § 3.8.2.2(a); PacifiCorp § 3.8.2.2(a); Portland General § 19.2.2(a).

<sup>146</sup> May 17 Order at P 245.

<sup>147</sup> Deseret § B.8.2.4(b); Idaho Power § 19.2.2(b); NorthWestern § 3.8.2.4(b); PacifiCorp § 3.8.2.2; Portland General § 19.2.4(b).

<sup>148</sup> May 17 Order at P 248.

<sup>149</sup> Deseret § B.8.2.2; Idaho Power § 19.2.2; NorthWestern § 3.8.2.2; PacifiCorp § 3.8.2.2; Portland General § 19.2.2.

be set to zero.<sup>150</sup> This threshold amount necessarily reduces the administrative burden associated with allocating and tracking minor portions of project costs.

After the allocation of costs to Beneficiaries, the Filing Parties have revised their Attachment Ks to provide that the Applicant may voluntarily accept any remaining project costs.<sup>151</sup> Any unallocated costs are reallocated among the remaining regional Beneficiaries. Reallocation will continue among regional Beneficiaries above the 1.1 and *de minimus* thresholds until all costs are allocated.<sup>152</sup> If the thresholds prevent all costs from being reallocated among regional Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.<sup>153</sup>

In response to the Commission's requirement to provide descriptions of the cost allocation reassessment process and the conditions under which cost allocation of a selected transmission facility will be reassessed, the Filing Parties have revised their respective Attachment Ks to include the following:

“A cost allocation shall be performed in each Biennial Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed as ‘Committed’”<sup>154</sup>

Pursuant to this provision, all projects that have been selected in the Regional Transmission Plan for purposes of cost allocation are subject to reevaluation in subsequent Regional Planning Cycles pursuant to the standard cost allocation procedures described in the Filing Parties' Attachment Ks until they are “committed.” A “committed” project is a project that was selected in the prior Regional Transmission Plan and that has all permits and rights-of-way required for construction by the end of Quarter 1 of the current Regional Planning Cycle.<sup>155</sup>

Finally, in response to the Commission's rejection of the proposal to allocate solely to the transmission developer the costs that a non-regional beneficiary is asked to bear voluntarily if that non-regional beneficiary declines to do so, the Filing Parties have revised their Attachment Ks to address the allocation of unallocated costs in the following manner:

“[u]nallocated costs . . . are reallocated among the remaining Beneficiaries. Reallocation will continue among regional Beneficiaries, which are still above the benefit-cost threshold (i.e., the 1.10 ratio of adjusted net benefits to allocated costs) until either all costs are allocated or there are no Beneficiaries after the 1.10 benefit-cost threshold. The Applicant may voluntarily accept any remaining project costs. Otherwise, if the thresholds prevent all costs from being reallocated

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<sup>150</sup> *Id.*

<sup>151</sup> *Id.*

<sup>152</sup> *Id.*

<sup>153</sup> *Id.*

<sup>154</sup> Deseret § B.9.2; Idaho Power § 20.2; NorthWestern § 3.9.2; PacifiCorp § 3.9.2; Portland General § 20.2.

<sup>155</sup> Deseret § B.9.1; Idaho Power § 20.1; NorthWestern § 3.9.1; PacifiCorp § 3.9.1; Portland General § 20.1.

among Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.”<sup>156</sup>

Accordingly, if a non-regional beneficiary declines to voluntarily accept an allocation of costs, the resulting unallocated costs would be reallocated among the Beneficiaries. If all costs cannot be reallocated among the Beneficiaries, the Applicant could voluntarily accept the remaining unallocated costs or the project would no longer be eligible for cost allocation.

**b. Regional Cost Allocation Principle 2**

In the May 17 Order, the Commission found that the Filing Parties’ proposed regional cost allocation methods complied with Order No. 1000.<sup>157</sup> The Commission directed the Filing Parties to include in their OATTs a description of an allocation scenario.<sup>158</sup>

The Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, creates allocation scenarios in Quarters 1 and 2 of the Regional Planning Cycle for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries for inclusion in the Biennial Study Plan.

In addition, the Filing Parties revise their Attachment Ks to explain that:

“[t]he variables in the allocation scenarios will include, but are not limited to, load levels by load-serving entity and geographic location, fuel prices, and fuel and resource availability. For example, cost allocation scenarios could include a range of future load levels. Future projections of load levels in a given scenario will be based on factors such as, but not limited to, projected demand for irrigation, economic development, and heating/cooling demands necessitated by weather forecasts in particular geographic locations. These load level projections will be compared against a range of future resource options. Future projections of resource options in a given scenario will be based on factors such as, but not limited to, projected fuel prices and projected yields of particular types of generation resources (e.g. wind, hydro, etc.). This process will provide the overall range of future cost allocation scenarios that will be used in determining a project’s benefits and beneficiaries. In the development of the allocation scenarios the Cost Allocation Committee will give consideration to alternative resource planning scenarios developed by transmission providers within the NTTG Footprint as well as scenarios developed by other regional and Western Interconnection entities.”<sup>159</sup>

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<sup>156</sup> Deseret § B.8.2.2; Idaho Power § 19.2.2; NorthWestern § 3.8.2.2; PacifiCorp § 3.8.2.2; Portland General § 19.2.2.

<sup>157</sup> May 17 Order at P 255.

<sup>158</sup> *Id.* at P 256.

<sup>159</sup> Deseret § B.8.2.3; Idaho Power § 19.2.3; NorthWestern § 3.8.2.3; PacifiCorp § 3.8.2.3; Portland General § 19.2.3.

Because estimates of the amount and distribution of benefits may be highly uncertain and dependent upon key assumptions and projections, the use of scenarios that choose data across a range of outcomes for these parameters estimates and incorporates the potential impact of these uncertainties in the calculation of net benefits used in cost allocation.<sup>160</sup>

**c. Regional Cost Allocation Principle 4**

In the May 17 Order, the Commission found that the Filing Parties' proposed OATT revisions do not comply with Regional Cost Allocation Principle 4. The Commission directed the Filing Parties to revise their respective OATTs to provide for identification of the consequences of a transmission facility selected in the regional transmission plan for purposes of cost allocation, and to address in the further compliance filings whether the NTTG transmission planning region has agreed to bear the costs associated with any required upgrades in another transmission planning region and, if so, how such costs will be allocated within the NTTG transmission planning region.<sup>161</sup>

The Filing Parties have revised their respective Attachment Ks to provide for the identification of the consequences of a transmission facility selected in the regional transmission plan for purposes of cost allocation for other transmission planning regions in the following manner:

“The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 18.4.3 will be

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<sup>160</sup> *Id.*

<sup>161</sup> May 17 Order at P 259.

repeated, as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 18.4.1.”<sup>162</sup>

In addition, this provision clarifies that NTTG will not consider the costs of any required upgrades or additions to neighboring Planning Regions in the cost allocation process.

#### **d. Regional Cost Allocation Principle 5**

In the May 17 Order, the Commission found that the Filing Parties’ proposed regional cost allocation method partially complies with Regional Cost Allocation Principle 5.<sup>163</sup> The Commission required the Filing Parties to revise their OATTs to: (1) include a minimum set of benefit metrics that will be applied to every transmission facility selected in the regional transmission plan for purposes of cost allocation; and (2) set forth a transparent method for calculating changes in annual capital-related costs, energy losses, and reserves.<sup>164</sup> In addition, the Commission required the Filing Parties to revise their OATTs to describe a transparent method for identifying beneficiaries with adequate documentation to allow a stakeholder to determine how it was applied to a proposed transmission facility.<sup>165</sup>

The Filing Parties have revised their respective Attachment Ks to state that the Biennial Study Plan will use three criteria (change in Annual Capital-Related Costs; change in energy losses; and change in reserves) to determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan.<sup>166</sup> These same criteria are also applied to every transmission project selected in the Regional Transmission Plan for cost allocation.<sup>167</sup> As discussed in Section II.A.3.a of this Filing Letter, the Filing Parties have provided the methodology used for calculating changes in Annual Capital-Related Costs, energy losses, and reserves.

In order to provide a transparent method for identifying beneficiaries with adequate documentation to allow a stakeholder to determine how it was applied to a proposed transmission facility, the Filing Parties have revised their respective Attachment Ks to clearly define and describe the benefit metrics that will apply to a project selected in the Regional Transmission Plan for purposes of cost allocation.<sup>168</sup> In addition, the Filing Parties have revised their Attachment Ks to describe how the cost allocation scenarios will be prepared and utilized in conjunction with the benefit metrics to determine project benefits and the allocation of costs to

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<sup>162</sup> Deseret § B.7.4.3; Idaho Power § 18.4.3; NorthWestern § 3.7.4.3; PacifiCorp § 3.7.4.3; Portland General § 18.4.3.

<sup>163</sup> May 17 Order at P 260.

<sup>164</sup> *Id.* at P 261.

<sup>165</sup> *Id.* at P 262.

<sup>166</sup> Deseret § B.7.4.2; Idaho Power § 18.4.2; NorthWestern § 3.7.4.2; PacifiCorp § 3.7.4.2; Portland General § 18.4.2.

<sup>167</sup> Deseret § B.8.2.2; Idaho Power § 19.2.2; NorthWestern § 3.8.2.2; PacifiCorp § 3.8.2.2; Portland General § 19.2.2.

<sup>168</sup> Deseret § B.7.4.2; Idaho Power § 18.4.2; NorthWestern § 3.7.4.2; PacifiCorp § 3.7.4.2; Portland General § 18.4.2.

Beneficiaries.<sup>169</sup> Finally, the Filing Parties have revised their Attachment Ks to require the Planning Committee to include the cost allocation calculations in the Regional Transmission Plan.<sup>170</sup>

## 2. Transmission Project Eligibility for Regional Cost Allocation

In the May 17 Order, the Commission rejected the Filing Parties' requirement that in order for a transmission project to be selected in the regional transmission plan for purposes of cost allocation, the transmission project must be proposed for such purpose by a pre-qualified transmission developer.<sup>171</sup> In addition, the Commission required the Filing Parties to submit further compliance filings that: (1) provide further justification as to why the proposed minimum cost and benefit thresholds identify transmission facilities that likely have regional benefits, or remove these requirements from their OATTs; and (2) revise their OATTs to describe how the benefits of a proposed transmission facility will be calculated for purposes of determining whether it satisfies the proposed benefit threshold.<sup>172</sup>

In order to include transmission projects proposed by stakeholders for selection in the Regional Transmission Plan for purposes of cost allocation, the Filing Parties have revised the project qualification section of their respective Attachment Ks to state, in part, that to be selected for cost allocation a project must "[be] proposed for such purpose by a pre-qualified sponsoring entity, [be] an unsponsored project identified in the regional planning process (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project)."<sup>173</sup>

To avoid precluding transmission projects that may have regional benefits from cost allocation consideration,<sup>174</sup> the Filing Parties have revised their project qualification criteria for selection for cost allocation. The Filing Parties have eliminated the criterion that a proposed project must have total estimated project benefits to regional entities, other than the project sponsor, which exceed \$10 million. In addition, the Filing Parties have revised the cost threshold to require a proposed project to have an estimated cost, which exceeds \$20 million.<sup>175</sup> This cost threshold provides a reasonable balance between managing the administrative requirements imposed on NTTG members in preparing a cost allocation for a project, regardless of size, and the likelihood that a project costing less than \$20 million will span multiple transmission providers, require sharing of its cost across multiple entities in order to be constructed, and/or provide substantial benefits to multiple entities.

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<sup>169</sup> Deseret §§ B.8.2.2 & B.8.2.3; Idaho Power §§ 19.2; NorthWestern §§ 3.8.2.2 & 3.8.2.3; PacifiCorp §§ 3.8.2.2 & 3.8.2.3; Portland General §§ 19.2.2 & 19.2.3.

<sup>170</sup> Deseret § B.10; Idaho Power § 21; NorthWestern § 3.10; PacifiCorp § 3.10; Portland General § 21.

<sup>171</sup> May 17 Order at P 268.

<sup>172</sup> *Id.* at P 269.

<sup>173</sup> Deseret § B.8.2.1(a); Idaho Power § 19.2.1(a); NorthWestern § 3.8.2.1(a); PacifiCorp § 3.8.2.1(a); Portland General § 19.2.1(a).

<sup>174</sup> May 17 Order at P 269.

<sup>175</sup> Deseret § B.8.2.1(c); Idaho Power § 19.2.1(c); NorthWestern § 3.8.2.1(c); PacifiCorp § 3.8.2.1(c); Portland General § 19.2.1(c).

### 3. Ownership Rights

In the May 17 Order, the Commission rejected the Filing Parties' proposal to provide transmission providers whose transmission projects have been deferred or replaced ownership or ownership-like rights on the alternative transmission project or on the transmission system within which the alternative transmission project is embedded.<sup>176</sup>

The Filing Parties have revised that portion of their Attachment Ks as follows:

~~“While the estimation of the benefits metrics is generally not dependent or conditioned on future contractual rights of a Beneficiary’s receipt of future ownership (or ownership-like) rights on the project or the transmission system(s) involved, that is not necessarily true with regard to the benefits of deferred or replaced transmission projects. In such instances, in order to fulfill the function, and, therefore, fully realize the estimated benefits of deferring or replacing a transmission project, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or ownership-like rights that were assumed would be available to and utilized by the Beneficiary in order to the affected transmission provider(s) may require ownership (or ownership-like) rights on the alternative transmission project or on the transmission system of the transmission provider within which the alternative transmission is embedded realize the benefits attributed to the Beneficiary. Such contractual requirements are specific to the purpose(s) of the deferred or replaced transmission project. Transmission providers whose transmission project is deferred or replaced are consulted on a case-by-case basis to determine their contractual requirements.”~~<sup>177</sup>

These revisions clarify that, in order to identify all potential Beneficiaries, the Cost Allocation Committee must determine which portion, and how much, of any benefits identified in the benefit metrics are dependent upon an entity's entitlement in the alternative transmission project. This provision does not provide an ownership-right, but is merely information requirement designed to ensure that benefits associated with a deferred or replaced transmission project are properly identified and calculated.

#### D. Additional Changes

Defined terms were carried forward to the local, interregional, and interconnection wide portions of Attachment K, along with updated document links. A Table of Contents was added and sections were reordered to assist stakeholders understand and use Attachment K in light of the fact that the Planning and Cost Allocation Practice has become obsolete with the change to Attachment K.

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<sup>176</sup> May 17 Order at P 277.

<sup>177</sup> Deseret § B.8.2; Idaho Power § 19.2.2; NorthWestern § 3.8.2; PacifiCorp § 3.8.2.2; Portland General § 19.2.2.

### III. EFFECTIVE DATE

If the Commission cannot issue an order accepting, without change, the Filing Parties Attachment Ks submitted with this filing by November 29, 2013, then each Filing Party requests that its Attachment K be made effective on October 1, 2015.<sup>178</sup>

Filing Parties next transmission planning cycle begins January 1, 2014 and continues through December 31, 2015. Imposition of a mid-cycle effective date would disrupt the Filing Parties' local and regional planning processes, impede decisions relating to interregional projects, and make it difficult for stakeholders to participate effectively in the Filing Parties' regional and interregional processes.

### IV. ADDITIONAL INFORMATION RELATED TO COMPLIANCE FILING

This compliance filing consists of:

- (a) This transmittal letter,
- (b) Cost Allocation Data Form (Attachment 1),
- (c) Data Submittal Form (Attachment 2),
- (d) Economic Study Request Form (Attachment 3),
- (e) Sponsor Qualification Data Form (Attachment 4),
- (f) A clean version of the Applicant's Attachment K (Attachment 5), and
- (g) A red-lined version of the Applicant's Attachment K (Attachment 6).

### V. COMMUNICATIONS

Communications concerning this filing should be directed to the following representatives of the Applicants:

Deseret Generation & Transmission Co-operative, Inc.

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<sup>178</sup> Concurrently with this filing Applicants have submitted a *Motion to Suspend the Effective Date of the Northern tier Transmission Groups' Order No. 1000 Regional Attachment Ks*, PacifiCorp, et al, FERC Docket Nos. ER13-64-000, et al. (September 16, 2013) concerning the effective date established in May 17 Order in relation to proposed changes to the Applicants' Attachment Ks submitted with this filing.

Idaho Power Company

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PacifiCorp  
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\* Designated to receive service in accordance with Section 385.2010 of the  
Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

**VI. CONCLUSION**

For the reasons set forth above, the Applicants request that the Commission find the changes to each of Deseret, Idaho Power, NorthWestern, PacifiCorp, and Portland General's respective Attachment K provisions submitted herewith to be in full compliance with the relevant provisions of Order No. 1000 and the May 17 Order and permit the proposed changes to become effective as set forth above.

Respectfully submitted this 16th day of September, 2013.

DESERET GENERATION &  
TRANSMISSION CO-OPERATIVE, INC.

/s/ Craig Silverstein

By \_\_\_\_\_  
Craig W. Silverstein  
Attorney for Deseret Generation &  
Transmission Co-operative, Inc.

NORTHWESTERN CORPORATION

/s/ Andrew McLain

By \_\_\_\_\_  
M. Andrew McLain  
Attorney for NorthWestern  
Corporation

IDAHO POWER COMPANY

/s/ Julia Hilton

By \_\_\_\_\_  
Julia Hilton  
Attorney for Idaho Power Company

PACIFICORP

/s/ Mark Rabuano

By \_\_\_\_\_  
Mark M. Rabuano  
Attorney for PacifiCorp

Ms. Kimberly D. Bose  
September 16, 2013  
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PORTLAND GENERAL ELECTRIC  
COMPANY

/s/ Donald Light

By \_\_\_\_\_  
Donald J. Light  
Attorney for Portland General  
Electric Company

Exhibit and Attachments

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Jennifer Shipley, [Jennifer.Shipley@ferc.gov](mailto:Jennifer.Shipley@ferc.gov)  
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## Exhibit A

### Annual Capital-Related Costs

To illustrate application of the change in Annual Capital-Related Costs benefit metric, suppose the following:<sup>179</sup> Two projects were included in the local plans of two transmission providers, each to be completed by the beginning of year 6 of the study period. Suppose further that one of the two has an estimated cost of \$50 million and the other has an estimated cost of \$100 million.

If it was determined that only one of the two projects was needed to satisfy the requirements of both transmission providers with respect to reliability, transmission service requests, needs related to public policy requirements, etc. during the study period, and neither having an advantage over the other with respect to other benefit metrics, the \$50 million project would be found as more efficient or cost-effective and included in the regional transmission plan (becoming the “regional project”). To allocate the project costs between the two beneficiaries (i.e., the two transmission providers) the annual capital-related costs would be estimated for each of the two projects for years 6-10 of the study period and each 5-year stream of annual capital-related costs would be present valued to the beginning of year 6. Suppose the result of these calculations was a net present value of \$18.1 million for the transmission provider of the \$50 million regional project and \$36.1 for the transmission provider of the \$100 million project which would be deferred.

Assuming it was determined there were no other beneficiaries of the regional project, the project costs would be allocated based on the benefits for the two transmission providers based on these relative net present values of 33.33% for the transmission provider of the regional project and 66.67% for the transmission provider of the deferred project. Since the transmission provider of the deferred project can be allocated project costs no more than would result in a benefit-to-cost ratio of 1.10, the project costs allocated to the transmission provider of the deferred project would be the lesser of (i) two-thirds of \$50 million (i.e.,  $0.6667 * \$50 \text{ million} = \$33.3 \text{ million}$ ) or (ii)  $\$36.1 \text{ million} / 1.10$ ; the lesser of the two is the latter quantity, or \$32.8 million.

The remaining \$17.2 million in costs of the regional project would be allocated to the transmission provider sponsoring the project.

---

<sup>179</sup> In practice consistent year dollars must be used throughout the analysis.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designed on the official service list compiled by the Secretary in Docket Nos. Docket Nos. ER13-64-000, ER13-65-000, ER13-67-000, ER13-68-000, and ER13-127-000.

Dated this 16th day of September, 2013.

/s/ Malcolm McLellan

---

Malcolm McLellan

**Attachment 1**

**Cost Allocation Data Form**



### NTTG Cost Allocation Data

Project Submitted for Possible Selection in Regional Transmission Plan for Cost Allocation  
*(For submission window, please refer to the Attachment K of any NTTG Funding Member\*)*

***This information is necessary only if requesting Cost Allocation. Copies of documents (e.g., studies) requested below should be provided by the Applicant to the extent that the Applicant prepared, or caused to be prepared, the document. For all other documents, listing the document, a brief description (if not apparent by the title), and a source to request or view the document is satisfactory.***

1. Project Name: \_\_\_\_\_

2. Has the project been selected in a transmission provider’s local plan?  Yes  No

3. If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider and the response to item 2 above is affirmative, provide copies of all studies (i.e., engineering, financial, and economic) upon which the project was selected in the local transmission plan.

*(List documents provided and provide paper or electronic copies.)*

4. If the proposed project is planned as part of economical resource (current or future) operation within the footprint of a transmission provider and the response to item 2 above is affirmative, provide copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project for inclusion in the local transmission plan.

*(List documents provided and provide paper or electronic copies.)*

5. If the proposed project is planned as part of future resource development and operation within the footprint of a transmission provider and the response to item 2 above is affirmative, provide copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project for inclusion in the local transmission plan.

*(List documents provided and provide paper or electronic copies.)*

6. To the extent not already provided to Northern Tier, provide copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities.

*(List documents provided and provide paper or electronic copies.)*

7. State whether a WECC Path Rating has been requested. If so, what stage of the WECC process is the request in? State whether any regulatory approvals have been requested or received for this project. To the extent not already provided to Northern Tier, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project.

8. To the extent not set forth in the material provided in response to items above or to the NTTG Data Submittal Form, provide the input assumptions and the range of forecasts incorporated in any studies relied on by the Project Sponsor in evaluating the efficiency or cost-effectiveness of the proposed project.

9. Provide any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

10. Please attach a detailed cost estimate that includes total capital costs, and annual (capital) revenue requirements and identifies all assumptions used in developing the cost estimate.

Attached

11. Please attach any cost/benefit analysis prepared by the Applicant or others for the project.

Attached

12. Please attach any other pertinent engineering and/or transmission studies or other reports.

Attached

13. Please attach a copy of any WECC or other regional, interregional, or interconnection-wide planning entity economic and reliability determinations relative to the project.

Attached

14. Proposed Beneficiaries:

15. Describe any proprietary or commercially-sensitive information applicants believe should remain confidential during the review process:\*

16. Provide any other relevant data and information you believe is pertinent for this cost allocation. Please attach a separate document(s), and list your attachments here.

17. Primary Contact:

Name	Title
Phone Number	E-mail Address

If any of your responses to the questions above are contained in a separate document, please attach that document with a reference to the question number.

\* All information supplied to NTTG must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:

- a) None or "Public"
- b) Contains Critical Energy Infrastructure Information—Do Not Release. <http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>
- c) Contains Privileged Information—Do Not Release

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

E-mail this form and all supporting documents to [info@nttg.biz](mailto:info@nttg.biz).

## **Attachment 2**

### **Data Submittal Form**

**Data Submittal Instructions**

This workbook contains several forms for submitting load, resources, transmission projects, terminal facilities and non-transmission solutions for the NTTG ten-year planning horizon.

**Please submit completed forms and any additional information to info@nttg.biz .**

*For submission window, please refer to the Attachment K of any NTTG Funding Member.*

Please refer to Table 2 below , from the Transmission Provider's OATT Attachment K, to determine the data requirements based on the submitting stakeholder. If data has been submitted to WECC, a Transmission Provider or stakeholder may rely on that submission for load, resource, transmission service requirements and project details that are included in the WECC submission. In addition to the WECC data, please provide the items identified in Table 2, shown below. For stakeholders proposing projects that have not been submitted to WECC, please complete the gen\_add, projected transmission, terminal\_facilities and/or non\_xmsn\_alternatives worksheets as appropriate.

The gen\_add and projected\_transmission tabs are templates that are identical to a WECC data submittal with the addition of the requested project cost, permitting status, WECC rating status and interregional planning region information. Note that the costs for transmission terminal facilities should be identified in the terminal\_facilities tab.

The columns highlighted in green indicate required fields, columns in gray indicate optional fields.

Refer to the WECC Data Collection Manual for clarification of the requested data .

All information supplied to the Planning Committee or subcommittees must be marked by the provider in accordance with the appropriate CEII document class.

The data markings should be as follows:

- a) None or "Public,"
- b) Contains Critical Energy Infrastructure Information - Do Not Release, or
- c) Contains Privileged Information - Do Not Release.

All committee and subcommittee members will treat the provided information based on these classification. Additionally, all information will be subject to Standard of Conduct provisions, meaning non-public transmission information will not be shared unless/until it has been posted on the Provider's OASIS.

**Table 2: Minimum Information Required (Yes required or No not required)**

		Sponsored Project	Un-sponsored Project	Merchant Developer Project	Tab(s)	Specific Column (when applicable)
A	Load and resource data (1)	Y	Y	N (2)	peak_data, gen_add	
B	Forecasted transmission service requirements, if any	Y	Y	N (3)	transmission_service	
C	Whether the proposed project meets reliability or load service needs	Y	Y	N (3)	projected_transmission	D or E
D	Economic considerations	Y	Y	N (4)	projected_transmission	D or E
E	Whether the proposed project satisfies a transmission need driven by Public Policy Requirements	Y	Y	N (3)	projected_transmission	D or E
F	Project location	Y	Y	Y	projected_transmission	H and I
G	Voltage level (including whether AC or DC)	Y	Y	Y	projected_transmission	P, Q, and R
H	Structure type	Y	Y	Y	projected_transmission	W, X, and Y
I	Conductor type and configuration	Y	Y	Y	projected_transmission	S, T, and U
J	Project terminal facilities	Y	Y	Y	terminal_facilities	
K	Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement	Y	Y	N	projected_transmission	AI (revenue requirement - complete Cost Allocation Form)
L	Project development schedule	Y	Y	Y	projected_transmission	AA through AH
M	Current project development phase	Y	Y	Y	projected_transmission	C, AG, and AH
N	In-service date	Y	Y	Y	projected_transmission	AC and AD
O	A list of all planning regions to which an interregional project has been submitted for evaluation	Y	Y	N	projected_transmission	AJ

1. Transmission Provider shall provide load and resource data for its balancing authority area. Non-incumbent developer and merchant developers who are providing data shall provide project specific load and resource data.
2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.
3. Provide this information only to the extent it is readily available when the information is due.
4. To the extent applicable and data is readily available for the proposed transmission project; provide that approximate location of the congestion that this project is proposed to address.

Date

Organization Name

Primary Contact Name

Primary Contact Phone Number

Primary Contact Email Address

**Peak Data (MW) - Aggregated Demands, Outages, and Transfers at time of peak by year and month.**

- Include projected DSM and EE in peak demand forecast. DSM and EE should also be entered individually.

Year	DSM Code	Code	Zone	BA	I/E	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Comment
2013																		Peak Demand - Actual
2014																		Peak demand - FY1
2015																		Peak demand - FY2
2016																		Peak demand - FY3
2017																		Peak demand - FY4
2018																		Peak demand - FY5
2019																		Peak demand - FY6
2020																		Peak demand - FY7
2021																		Peak demand - FY8
2022																		Peak demand - FY9
2023																		Peak demand - FY10
2024																		Peak demand - FY11
2013 L																		DSM - Type L - Actual
2014 L																		DSM - Type L - FY1
2015 L																		DSM - Type L - FY2
2016 L																		DSM - Type L - FY3
2017 L																		DSM - Type L - FY4
2018 L																		DSM - Type L - FY5
2019 L																		DSM - Type L - FY6
2020 L																		DSM - Type L - FY7
2021 L																		DSM - Type L - FY8
2022 L																		DSM - Type L - FY9
2023 L																		DSM - Type L - FY10
2024 L																		DSM - Type L - FY11
2013																		EE - Annual - Actual
2014																		EE - Annual - FY1
2015																		EE - Annual - FY2
2016																		EE - Annual - FY3
2017																		EE - Annual - FY4
2018																		EE - Annual - FY5
2019																		EE - Annual - FY6
2020																		EE - Annual - FY7
2021																		EE - Annual - FY8
2022																		EE - Annual - FY9
2023																		EE - Annual - FY10
2024																		EE - Annual - FY11

Generation Additions - New units or demand side management planned for a future year. Capacities in MWs.

EIA Plant Code	EIA Unit Code	Zone	BA	Org	Unit Name	Unit Number	Unit Type	Nameplate	Summer Cap	Winter Cap	CoGen	CoGen Summer Cap	CoGen Winter Cap	Primary Fuel	Secondary Fuel	Status Code	State	County	NERC Class Code	WECC Class Code	Commission Date	Retirement Date	Latitude	Longitude	TSS Bus	Wind Solar Zone	TEPPC Profile	Capital Cost (\$ millions)	Public Policy Project (Y/N)	If yes, elaborate on driver	Comments
57028	GTG	IPCO	IPTV	IPCO	EXAMPLE	1	CC	300.00	280.00	300.00				NG		V	ID	Payette	FP	1	6/1/2012	12/31/2050			60268						

**Transmission Additions - New lines/changes that are planned for a future year.**

-Please complete data fields through column AK  
 -Please only include transmission line costs in the cost estimate. Any terminal facility costs should be identified and included in the terminal facilities tab.

Zone	BA	Transmission Status	Primary Driver	Secondary Driver	Tie Line? (Yes/No)	Project Name	Terminal From Location	Terminal To Location	Company Name	EIA Company Code	Type of Entity (C,F,I,M,S,O)	Percent Ownership	Line Length in Circuit Miles	Line Type (OH, UG, SM)	Voltage Type (AC or DC)	Voltage Operating (kV)	Voltage Design (kV)	Conduct or Size (MCM)	Conductor Material Type (AL, ACCR, ACSR, CU, OT)	Bundling Arrangement (1, 2, 3, 4, OT)	Circuits Per Structure Present	Circuits Per Structure Ultimate	Pole/Tower Material (W,C,S,B,P,O)	Pole/Tower Structure Type (P,H,T,U,O)	Capacity Rating (MVA)	Original In-Service Month (MM)	Original In-Service Year (YYYY)	Expected In-Service Month (MM)	Expected In-Service Year (YYYY)	Line Delayed?	Cause of Delay	Permitting Status	Rights of Way Status	Transmission Cost (\$ millions)	WECC Rating Status (Phase 1, 2, or 3)	Interregional Planning Regions	Comments
VARI	IPCO	Conceptual	Other	Other	Yes	EXAMPLE	Walters Ferry, ID	Boardman, OR	IPC	9191 I		unknown at this time	300	OH	AC	500	500	1272	ACSR	3	1	1	TBD	TBD	3000	6	2013	6	2016	Yes	Public Review Process	DEIS	None	\$820		Hemingway S/S to Boardman S/S	

**Terminal facilities - new transmission terminal facilities, substations, reactive devices, DC converters, etc. that are planned for a future year.**

- Provide relevant project information and a detailed description of the project.

<b>In- service Year</b>	<b>Project Name</b>	<b>Location</b>	<b>Summer Capacity</b>	<b>Winter Capacity</b>	<b>Cost (\$ millions)</b>	<b>Detailed Description</b>
---------------------------------	---------------------	-----------------	----------------------------	----------------------------	-------------------------------	-----------------------------

**Transmission Service - new and/or existing transmission service oblig**  
- To be used in modeling future transmission commitments

Effective Date	Reservation #	MW	Start Date	End Date	POR	POD
----------------	---------------	----	------------	----------	-----	-----

**ations**

**Included in existing ATC calculations? (y/n)**

**Does new service require xmsn upgrades?**

**Additional Info**

## Non-Transmission Alternatives

- Provide relevant project information and a detailed description of the project.

Year	Project Name	Location	Summer Capacity	Winter Capacity	Project Cost (\$ millions)	Public Policy Project? (Y/N) If yes, elaborate	Detailed Description
------	--------------	----------	-----------------	-----------------	----------------------------	---	----------------------

Please insert other relevant information (e.g. Project Development Schedule, maps, etc.)

**Attachment 3**

**Economic Study Request Form**

# Request for Economic Study

**Instructions:** For the data submittal window, please reference the appropriate local NTTG Funding Members' Attachment K

Provide the information in the yellowed boxes. If the information is not available or unknown, please state so. Transmission Customers requesting an economic study shall, upon request of NTTG, supply all relevant information necessary to perform the economic study. If the Transmission Customer fails to provide the information requested, NTTG shall have no obligation to complete the study. This form is not a transmission service request or a generation interconnection request. Please see the appropriate local

**Study Request Control #**  
(Assigned by Transmission Provider or Planning Committee)

--

**Study Sponsor Information:**

Date:	
Requesting Customer Name:	
Address:	
State & Zip:	
Requestor:	
Title:	
Phone Number:	
Email:	
Are you an Eligible Customer Y/N:	
Do you have a Current Service Contract:	

**Transmission Providers or NTTG :**

Utility Name(s) for POI and POD:	
In care of:	
Title:	
Street Address	
City, State, Zip:	
Phone:	
Email:	

**Study Request Details (1):**

1	<b>General Information:</b>		
2	Study Name:		
3	Projected In-service Date:		
4	Narrative Description:		
5	Justification (2):		
6	Study Location POR:		
7	Study Point of Delivery POD:		
8	MW Size:		
9	Monthly or Hourly Amount MW (4):		
10	Monthly Energy amount MWH:		
11	Attach a Map of the study elements:		
12	<b>Transmission Affected (4):</b>		
13	Any gathering Transmission:		
14	Conductor size (5):		
15	Bundled:		
16	Line spacing:		
17	L-L Voltage:		
18	Length (miles):		
19	Electric characteristic data (R, X):		
20	Capital Cost (\$/mile):		
21	<b>Affected or Proposed Generation (3)(5):</b>		
22		Generator #1	Generator #2
23	Generator Name:		
24	Size:		
25	Type:		
26	Fuel type (Primary, Secondary):		
27	Fuel cost (\$/mmBTU):		
28	Incremental Heat Rate Curve:		
29	Ramp Rate:		
30	Min up time (hours):		
31	Min down time (hours):		
32	Generator Forced Outage Rate:		

33	Start up cost:		
34	<b>Additional Load Integration</b>		
35		Load #1	Load #2
36	Load Name:		
37	MW Size:		
	Location:		
38	Hourly Profile (daily or monthly) MW:		
39	Controlable Demand Side Resource Daily or Monthly Hourly Profile (MW)		

By signing and submitting this request the requestor agrees to provide, to the greatest extent practical, additional information and agrees to cooperate as necessary to complete the economic study.

Authorized Signature:

Date:

**Footnotes**

1. Expand or add new cells (row or column) if additional space is needed.
2. Justification must include relevant facts and circumstances as addressed in FERC Order Nos. 890 and 1000. The justification should address all relevant facts that indicate that the study is "... for the purposes of planning for the alleviation of congestion through integration of new supply and demand resource into the regional transmission grid or expand the regional transmission grid in a manner that can benefit large numbers of customers, such as by evaluating transmission upgrades necessary to connect major new areas of generation resource (such as areas that support substantial wind generation). Specific requests for service would continue to be studied pursuant to existing pro forma OATT processes."
3. This planning process does not replace the System Impact Study process. Specific transmission service or generation interconnection will continue to be studied pursuant to existing OATT processes. An Economic Study Request may not be used for a transmission service request or a generation interconnection request.
4. Detailed impedance and other modeling data may be required to model the economic study request.
5. For an Economic Study detailed generation cost data and hourly load profile data is required. This will include the incremental dispatch cost, the startup cost, any startup constraints, the heat rate characteristics, any energy limitations. For wind generation, monthly peak and energy and hourly energy shapes for the entire year will be needed. If the requestor's own generation is affected by the request, the following information must be provided: economic dispatch costs, hourly generation patterns, relevant maintenance information; expected generation forced outage rate; and all other factors affecting generation output.

**Attachment 4**

**Sponsor Qualification Data Form**

## NTTG Sponsor Qualification Data

Project Submitted for Selection in Regional Transmission Plan for Regional Cost Allocation

*(For submission window, please refer to the Attachment K of any NTTG Funding Member\*)*

**1. Project Sponsor Description**

Name and address	
Years in business	Operating environment (nature of business)

**2. Project Summary**

*(Must provide project voltage, single or double circuit, AC or DC, estimated cost, approximate construction period and project location. Please specify the points of interconnection with the existing transmission grid.)*

Summary of the proposed project
---------------------------------

**3. Project Name:** \_\_\_\_\_

**4. Project sponsor demonstration of technical expertise to develop, construct and own the proposed facility**

Management's experience in developing, constructing and owning a project of similar size and scope
Clear discussion of project sponsor's depth and breadth of technical expertise, including sponsor's internal expertise or external expertise, or both, to develop, construct and own the proposed project
Name, location and description of a project of similar scale that demonstrates sponsor's technical expertise to develop, construct and own the proposed project

**5. Project sponsor financial capability to develop, construct and own the proposed facility**

<p>Creditworthiness review requires the following information, if available:</p> <p><input type="checkbox"/> Most recent annual report attached</p> <p><input type="checkbox"/> Most recent quarterly report attached</p> <p><input type="checkbox"/> Last two most recent audited year-end financial statements attached</p> <p><input type="checkbox"/> Rating agency reports attached</p> <p>Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies or investigations (if applicable)</p>
--

Other information supporting sponsor's financial expertise

In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following three tests:

1. Has existed for at least 5 years;
2. Has maintained positive working capital for the prior 3 years; and
3. Has a minimum tangible net worth of \$1,000,000 or total asset of \$10,000,000.

**6. Proposed project financing plan**

Clear description of how the project will be financed, including a list of the investors and the percentage ownership of each, and the proposed sources of debt and equity capital and the percentages of each.

**7. Project sponsor ability to maintain and operate proposed facility**

Clear description of project sponsor's ability to operate and maintain the proposed project. Must provide (1) actual examples of operation and maintenance experience, including duration (years) of experience for similar size project; or (2) provide similar information for sponsor's consultant or outsourced entity.

**8. Primary Project Contact**

Name		Title	
Phone Number	E-mail Address		

\* All information supplied to NTTG must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:

- a) None or "Public"
- b) Contains Critical Energy Infrastructure Information—Do Not Release. <http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>
- c) Contains Privileged Information—Do Not Release

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

E-mail this form and all supporting documents to [info@nttg.biz](mailto:info@nttg.biz).

**Attachment 5**

**Clean Version of Applicant's Attachment K**

**ATTACHMENT K**  
**Transmission Planning Process**

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# ATTACHMENT K

## Transmission Planning Process

### Preamble

In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, interregional and interconnection-wide basis. Section 2 of this Attachment K addresses the local planning process. Section 3 of this Attachment K addresses the regional planning process. Section 4 of this Attachment K addresses interregional coordination with the planning regions in the United States portion of the Western Interconnection. Section 5 of this Attachment K addresses the interconnection-wide planning process.

The Transmission Provider is responsible for maintaining its Transmission System and planning for transmission and generator interconnection service pursuant to the Tariff and other agreements. The Transmission Provider retains the responsibility for the local planning process and Local Transmission System Plan and may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.

### 1. Definitions

Unless defined below<sup>1</sup>, capitalized terms shall refer to terms defined in the Tariff.

#### 1.1. **Alternative Project**

*Alternative Project* is defined in Section 3.7.3.2 and collectively refers to Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any).

#### 1.2. **Annual Capital-Related Costs**

*Annual Capital-Related Costs* is defined in Section 3.7.4.2.

#### 1.3. **Applicant**

*Applicant* is defined in Section 3.7.2.2 as a Project Sponsor and a stakeholder that submits an unsponsored project.

#### 1.4. **Beneficiary**

*Beneficiary* means any entity, including but not limited to transmission providers (both incumbent and non-incumbent), Merchant Transmission Developers, load

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<sup>1</sup> Please note that additional definitions with respect to interregional coordination and cost allocation are contained in Section 4 of this Attachment K, which contains provisions that are common among each of the planning regions in the United States portion of the Western Interconnection.

serving entities, transmission customers or generators that utilize the regional transmission system within the NTTG Footprint to transmit energy or provide other energy-related services.

**1.5. Biennial Study Plan**

*Biennial Study Plan* means the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

**1.6. Change Case**

A *Change Case* is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more non-Committed projects in the Initial Regional Plan. The deletion or deferral of a non-Committed Project in the Initial Regional Plan without including an Alternative Project can also be a Change Case.

**1.7. Committed Project**

A *Committed Project* is defined in Section 3.9.1 as a project that has all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of Quarter 1 of the current Regional Planning Cycle.

**1.8. Confidentiality Agreement**

*Confidentiality Agreement* means the agreement posted on Transmission Provider's OASIS at [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx). The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.2.3 and 3.4.2.

**1.9. Cost Allocation Committee**

*Cost Allocation Committee* is defined in Section 3.1.2.

**1.10. Cost Allocation Committee Charter**

*Cost Allocation Committee Charter* means that document attached as Exhibit D to this Attachment K.

**1.11. Cost Allocation Data Form**

*Cost Allocation Data Form* means the form posted on NTTG's website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

1.12. **Critical Energy Infrastructure Information (“CEII”)**

*Critical Energy Infrastructure Information* is defined by the Commission’s regulations in 18 C.F.R. Part 388 (or any successor thereto) and associated orders issued by the Commission.

1.13. **Data Submittal Form**

*Data Submittal Form* means the form posted on NTTG’s website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

1.14. **Demand Resources**

*Demand Resources* means mechanisms to manage demand for power in response to supply conditions, for example, having electricity customers reduce their consumption at critical times or in response to market prices. For purposes of this Attachment K, this methodology is focused on curtailing demand to avoid the need to plan new sources of generation or transmission capacity.

1.15. **Draft Regional Transmission Plan**

*Draft Regional Transmission Plan* refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 4, as provided for in Section 3.7.4.4, and presented to stakeholders for comment in Quarter 5 as set forth in Section 3.7.5.

1.16. **Draft Final Regional Transmission Plan**

*Draft Final Regional Transmission Plan* refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 6, as provided for in Section 3.7.6.3, presented to stakeholders for comment in Quarter 7 as set forth in Section 3.7.7, and presented, with any necessary modifications, to the Steering Committee for adoption in Quarter 8 as set forth in Section 3.7.8.

1.17. **Economic Study or Congestion Study**

*Economic Study or Economic Congestion Study* means an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

1.18. **Economic Congestion Study Request**

*Economic Study Request or Economic Congestion Study Request* means a request by a Transmission Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Transmission System Plan, to reduce the overall cost of reliably

serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, Regional Economic Study Request, and Interconnection-wide Economic Study Request.

**1.19. Economic Study Request Form**

*Economic Study Request Form* means the form posted on NTTG’s website used to submit an Economic Study Request as referenced in Section 3.11.1.

**1.20. Finance Agent Agreement**

The *Finance Agent Agreement* is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

**1.21. Funding Agreement**

*Funding Agreement* refers to the current version of the agreement among the entities funding the activities of NTTG. The Funding Agreement is available on the NTTG Website.

**1.22. Incumbent Transmission Developer**

*Incumbent Transmission Developer* refers to an entity that develops a transmission project within its own retail distribution service territory or footprint.

**1.23. Interconnection-wide Economic Study Request**

An *Interconnection-wide Economic Study Request* means an Economic Study Request where there is a Point of Receipt or Point of Delivery within the NTTG Footprint, as determined by the Planning Committee, and it’s a Point of Delivery or Point of Receipt, respectively, is both within the Western Interconnection and outside the NTTG Footprint. In the alternative, if the Economic Study Request is reasonably determined by the Planning Committee to be an Interconnection-wide Economic Study Request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes only WECC member interconnected transmission systems, the study request will be considered an Interconnection-wide Economic Study Request.

**1.24. Initial Regional Plan**

*Initial Regional Plan* is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders Local Transmission Plans.

**1.25. Local Economic Study Request**

*A Local Economic Study Request* means an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the Planning Committee (if the request is received by the NTTG Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.

**1.26. Local Transmission System Plan or Local Transmission Plan (LTSP or LTP)**

*Local Transmission System Plan (LTSP) or Local Transmission Plan (LTP)* means the transmission plan of the Transmission Provider that identifies the upgrades and other investments to the Transmission System and Demand Resources necessary to reliably satisfy, over the planning horizon, Network Customers' resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider's resource and load growth expectations for Native Load Customers; Transmission Provider's transmission obligation for Public Policy Requirements; Transmission Provider's obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider's Point-to-Point Transmission Customers' projected service needs including obligations for rollover rights.

**1.27. LTSP Re-Study Request**

*LTSP Re-Study Request* means a request by an Eligible Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft Local Transmission System Plan (produced pursuant to Section 2 of Attachment K), to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its customers set forth in the Transmission System Plan.

**1.28. Merchant Transmission Developer**

*Merchant Transmission Developer* refers to an entity that assumes all financial risk for developing and constructing its transmission project. A Merchant Transmission Developer recovers the costs of constructing the proposed transmission project through negotiated rates instead of cost-based rates. A Merchant Transmission Developer does not seek to allocate the costs associated with its merchant transmission facilities to other entities.

**1.29. NTTG**

*NTTG* means the Northern Tier Transmission Group or its successor.

1.30. **NTTG Footprint**

*NTTG Footprint* means the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

1.31. **NTTG Website**

*NTTG Website* means [www.nttg.biz](http://www.nttg.biz).

1.32. **Nonincumbent Transmission Developer**

*Nonincumbent Transmission Developer* refers to two categories of transmission developer: (1) a transmission developer that does not have a retail distribution service territory or footprint; and (2) a public utility transmission provider that proposes a transmission project outside of its existing retail distribution service territory or footprint, where it is not the incumbent for purposes of that project.

1.33. **Planning Committee**

*Planning Committee* is defined in Section 3.1.2.

1.34. **Planning Committee Charter**

*Planning Committee Charter* means that document attached as Exhibit C to this Attachment K.

1.35. **Planning Horizon**

*Planning Horizon* means the Local Transmission Plan evaluates a ten (10) year planning horizon, which consists of a summer/winter Near Term Case (years 1-5) (“Near Term Case”) and a summer/winter Longer Term Case (years 6-10) (“Longer Term Case”).

1.36. **Project Sponsor**

*Project Sponsor* is defined in Section 3.7.1.1 as the Nonincumbent Transmission Provider or Incumbent Transmission Provider intending to develop the project that is submitted into the planning process.

1.37. **Public Policy Considerations**

*Public Policy Considerations* means those public policy considerations that are not established by local, state, or federal laws or regulations.

1.38. **Public Policy Requirements**

*Public Policy Requirements* means those public policy requirements that are established by local, state, or federal laws or regulations, meaning enacted statutes

(i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction.

**1.39. Regional Economic Study Request**

*A Regional Economic Study Request* means an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Point(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

**1.40. Regional Planning Cycle**

*Regional Planning Cycle* means NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

**1.41. Regional Transmission Plan**

*Regional Transmission Plan* means the current, final regional transmission plan, as approved by the Steering Committee.

**1.42. Sponsor Qualification Data Form**

*Sponsor Qualification Data Form* means the form posted on NTTG's website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

**1.43. Sponsored Project**

*Sponsored Project* means the project proposed by a Project Sponsor.

**1.44. Steering Committee**

*Steering Committee* is defined in Section 3.1.2.

**1.45. Steering Committee Charter**

*Steering Committee Charter* means that document attached as Exhibit B to this Attachment K.

**1.46. TEPPC**

*TEPPC* means Transmission Expansion Planning Policy Committee or its successor committee within WECC.

1.47. **TRANSAC**

*TRANSAC* means NWE's Transmission Advisory Committee that is a stand-alone advisory committee comprised of eligible stakeholders (to include state regulators, consumer council and transmission developers) who will provide input to the Transmission Provider regarding its Local Transmission Plan.

1.48. **WECC**

*WECC* means the Western Electricity Coordinating Council or its successor.

## 2. Local Planning Process

### 2.1. Preparation of a LTSP

- 2.1.1 The Transmission Provider shall prepare, with the input of interested stakeholders, one (1) LTSP during every two-year study cycle. The preparation of the LTSP shall be done in accordance with the general policies, procedures, and principles set forth in this Attachment K.
- 2.1.2 Point-to-Point transmission service request must be made as a separate and distinct submission by an Eligible Customer in accordance with the procedures set forth in Transmission Provider's Tariff. Similarly, Network Customers must submit Network Resource and load additions/removals pursuant to the process described in Part III of the Tariff and the Transmission Provider's Business Practices document. This document is identified under the Section "1.R - Open Access Transmission Tariff (OATT) & Business Practices" of the Transmission Provider's business practice, available on the Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.1.3 Comparability Between Customers. The Transmission Provider shall develop a transmission plan that meets the needs of its transmission customers and treats all similarly situated customers (including network and retail native load and its own merchant function) on a comparable basis. Information obtained in quarters 1 and 5 pursuant to Section 2.5 below will be used in the preparation of the next study cycle Local Transmission Plan. Transmission Provider may, following stakeholder input, also include results of completed Economic Congestion Studies, completed pursuant to Section 2.7 below, in either the draft Local Transmission Plan or the next study cycle, depending on whether the study was requested in Quarter 1 or Quarter 5. In developing the Local Transmission Plan, Transmission Provider shall apply applicable reliability criteria, including criteria established by the Transmission Provider, the Western Electricity Coordinating Council, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission.
- 2.1.4 Comparability Between Resources. Comparability between resources, including similarly situated customer-identified projects, will be accomplished in the following manner.
- 2.1.4.1 Comparability between resources will be achieved in NWE's Local Transmission Plan by including all valid data received from customers (including load forecast data, generation data, transmission needs driven by Public Policy Requirements and Considerations and Demand Resource data) in the Local Transmission Plan development.

- 2.1.4.2 The Transmission Provider projects and similarly situated customer-identified projects (e.g., transmission solutions, transmission needs driven by Public Policy Requirements and Considerations and solutions utilizing Demand Resource load adjustment) will be treated on a comparable basis and given comparable consideration in the transmission planning process. Comparability will be achieved by allowing customer-defined projects sponsor participation throughout the transmission planning process and by considering customer-defined projects (transmission solutions and solutions utilizing Demand Resources load modeled as a load adjustment) in the Local Transmission Plan development. The Transmission Provider retains discretion as to which solutions to pursue and is not required to include all customer-identified projects in its plan.
- 2.1.5 The Transmission Provider will establish a process by which stakeholders can discuss, question, or propose alternatives for input assumptions and upgrades identified by the transmission provider.
- 2.1.6 The Transmission Provider shall use a fifteen (15) year planning horizon for the LTSP.
- 2.1.7 The LTSP does not effectuate or otherwise constitute a transmission service request(s). Transmission Service Requests must be made in accordance with the procedures set for in the OATT and posted on the Transmission Provider's OASIS. The LTSP does fulfill the Transmission Provider's obligation to plan for, and provide for future Network Customers and Native Load Customers' load growth by identifying required Transmission System capacity additions to be constructed over the planning horizon.
- 2.1.8 The Transmission Provider shall take the LTSP into consideration, to the extent required by law or regulation, as is appropriate when preparing and conducting generation interconnect, transmission service and Economic Congestion Studies. Explanation of the coordination of the LTSP, generation interconnection studies and Economic Congestion Studies is available in Section "1.P - Attachment K Business Practice" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.1.9 The Transmission Provider shall take the generation interconnect, transmission service, Economic Congestion Study results, and transmission needs driven by Public Policy Requirements into consideration, to the extent required by law or regulation, as is appropriate when preparing and conducting the LTSP studies. An explanation of the coordination of the LTSP, generation interconnect studies and Economic Congestion Studies is described in Section "1.P - Attachment K Business Practice" of the Transmission Provider's business practices available on Transmission

Provider's OASIS at:

[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment K Business Practice Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

- 2.1.10 Transmission needs driven by Public Policy Requirements and Considerations: The Transmission Provider shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements and Considerations.
- 2.1.10.1 During Quarter 1 of its eight-quarter study cycle, the Transmission Provider will receive from all stakeholders proposed Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations. During Quarter 5 any stakeholder may submit comments or additional information relating to the information received in Quarter 1.
- 2.1.10.2 Out of the set of Public Policy Requirements and Considerations received in Quarter 1, the Transmission Provider, after consultation with its transmission advisory committee – TRANSAC, will separate the transmission needs driven by Public Policy Requirements and Considerations into the following:
- 2.1.10.2.1. All transmission needs driven by Public Policy Requirements will be evaluated in the transmission planning process that develops the LTSP.
- 2.1.10.2.2. Those transmission needs driven by Public Policy Considerations, and agreed to Public Policy Requirements, to be used in the uncertainty and other scenario analysis.
- 2.1.10.2.3. Those transmission needs driven by Public Policy Requirements and Considerations that will not be evaluated.
- 2.1.10.2.4. Transmission provider will post on its OASIS website a list of Public Policy Requirements and Considerations that will be evaluated in the biennial transmission planning process and why other suggested Public Policy Requirements and Considerations will not be evaluated.
- 2.1.10.3 Once identified the Public Policy Requirements and Considerations will not be revised during the development of the LTSP unless unforeseen circumstances require a modification to those Public Policy Requirements and Considerations identified to be evaluated in the transmission planning process that develops the LTSP. In this

instance, stakeholders will be consulted through TRANSAC before the Public Policy Requirements and Considerations are modified.

2.1.10.4 The LTSP review and evaluation process for transmission needs driven by Public Policy Requirements and Considerations in the LTSP will be the same as those used for any other local transmission and non transmission projects evaluated in the LTSP process. Stakeholder input will occur throughout the LTSP eight quarter planning cycle. To develop the LTSP, the LTSP process will begin with data collection, goal and scenario definition in Quarter 1 (Section 2.3.2.1). Also in Quarter 1, from the larger set of Public Policy Requirements and Considerations that have been received, the Public Policy Requirements that will be used to develop the LTSP will be identified (Section 2.1.10.2). In Quarters 2 through 6 a technical analysis (Section 2.3.2.2) will require transmission needs driven by Public Policy Requirements and Considerations to be evaluated jointly with other local projects in the context of different base and uncertainty scenario cases, rather than considering transmission needs driven by Public Policy Requirements and Considerations separately from other transmission needs. The technical analyses will use steady state power flow, post transient steady-state power flow and transient stability analyses to evaluate the system performance to ensure reliability is maintained. In Quarter 7 a decision rule (Section 2.3.2.3) will be developed with stakeholder input to review solutions identified during the technical analysis, including solutions from stakeholders and transmission solutions for Public Policy Requirements and Considerations. The decision rule will evaluate all solutions against each other based on a comparison of their relative economics and ability to meet reliability criteria to develop the LTSP. Reporting and coordination of the LTSP will occur in Quarter 8 (Section 2.3.3.4).

2.1.10.4.1. Additional information regarding the process by which transmission needs driven by Public Policy Requirements and Considerations will be received, reviewed and evaluated is described in the “ETP Method Criteria and Process Business Practice” as available in Section Q of the Attachment K Business Practice Links document posted on Transmission Provider’s OASIS website at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

## 2.2. **Open Planning Process**

### 2.2.1 Open Planning Process:

Transmission Provider shall prepare the LTSP using an open process that includes input from interested persons and stakeholders at every step consistent with the principles, practices, policy and procedures set forth in this Attachment K. The Transmission Provider shall: (1) determine the goals and define the scenarios related to the LTSP; (2) perform the Technical Study; (3) make any necessary determination, based on the data produced during the Technical Study and at the Transmission Providers sole discretion, regarding the LTSP itself or include timely submitted Economic Congestion Study Request results; and (4) report study results, as required by applicable law or regulation to interested stakeholders and affected parties.

### 2.2.2 Openness:

The Transmission Provider's LTSP process will be open to all stakeholders during the development of the LTSP. All meetings related to the LTSP process shall be: (1) noticed by the Transmission Provider via the OASIS; and (2) provide for alternate means of participation, to the extent practical and economical, such as teleconference, videoconference or other similar means. The mode, method, schedule, process, and instructions for participation in the LTSP process shall be posted and maintained on the OASIS.

### 2.2.3 Limitations on Disclosure:

While Transmission Provider's LTSP process will be conducted in the most open manner possible, Transmission Provider has an obligation to protect sensitive information such as, but not limited to, Critical Energy Infrastructure Information and the proprietary materials of third parties. Nothing in this Attachment K shall be construed as compelling the Transmission Provider to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental agency of competent jurisdiction. Transmission Provider may employ mechanisms such as Confidentiality Agreements, protective orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.

### 2.2.4 Compliance:

Transmission Provider will adhere to all applicable regulations in preparing the LTSP, including but not limited to the Standards of Conduct for Transmission Providers and Critical Energy Information.

## 2.3. Coordination

### 2.3.1 LTSP Study Cycle:

Transmission Provider shall prepare a LTSP during an eight-quarter (8) study cycle.

2.3.1.1 Throughout the development of the LTSP, Transmission Provider will coordinate the LTSP development with stakeholders, including, but not limited to, state regulators, developers, transmission customers, and interested parties through TRANSAC.

2.3.1.2 The LTSP study cycle and its start date will be posted on the Transmission Provider's OASIS website. The study cycle is explained in Section "1.K -LTSP Study Cycle – Data Collection" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.3.1.3 The responsibility for the Local Transmission Plan shall remain with the Transmission Provider who may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation. If any comments are rejected, documentation explaining why shall be maintained in Section "1.N - Local Transmission Plan" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.3.1.4 Transmission Provider will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Order 890 and 1000.

### 2.3.2 LTSP Sequence of Events:

Transmission Provider shall use the following timeline in preparing its LTSP.

#### 2.3.2.1 Quarter 1: Data Collection, Goal and Scenario Definition

2.3.2.1.1. Each Transmission Customer taking service under Part II of the OATT, or which has an accepted reservation in the transmission queue to take service under Part II shall provide data as requested by the Transmission Provider. Transmission Provider will gather Network Customers' projected loads and resources, and load growth expectations (based on annual updates and other

information available to it); Transmission Provider's projected load growth and resource needs for its Eligible Customers; Point-to-Point Transmission Service customer's projections for long-term (greater than 1 year) at each receipt and delivery point (based on information submitted by the customer to the Transmission Provider) including projections of rollover rights; and information from all Transmission Customers and the Transmission Provider on behalf of Native Load Customers concerning existing and planned Demand Resources and their impact on demand and peak demand. The Transmission Provider shall take into consideration, to the extent known or which may be obtained from its Transmission Customers and active queue requests, obligations that will either commence or terminate during the applicable study window.

- 2.3.2.1.2. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Local Transmission Plan, and uncertainty and other scenarios including alternate solutions to the identified needs set out in prior Local Transmission Plans and Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations. In doing so, the stakeholder shall submit the data during Quarters 1 and 5 as specified in Section "1.K -LTSP Study Cycle – Data Collection" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

A regional Project Sponsor may submit information for their project to the local Transmission Provider or to the Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Section 3.7.

- 2.3.2.1.3. Transmission Provider, with input from stakeholders and interested parties, will define the LTSP goal and define the uncertainty and other scenarios.
- 2.3.2.1.4. Transmission Provider will post on its OASIS website the basic methodology, criteria, process, its assumptions and databases that the Transmission Provider will use to prepare the Local Transmission Plan. Transmission Provider will also post on its OASIS website a list of

transmission needs driven by Public Policy Requirements and Considerations that will be evaluated in the biennial transmission planning process and why other suggested transmission needs driven by Public Policy Requirements and Considerations will not be evaluated.

- 2.3.2.1.5. Confidential data and information and Critical Energy Infrastructure Information will be protected as required.
- 2.3.2.1.6. A regional or interregional project sponsor may submit information for their project to the local transmission provider or NTTG Planning Committee for consideration in the regional transmission plan. This region project data submission process is described in Section 3.3.

#### 2.3.2.2 Quarter 2-6: Technical Study

- 2.3.2.2.1 Quarter 2: Transmission Provider, with input from stakeholders and interested parties, will develop base cases that include load and resource data, Public Policy Requirements and transmission needs driven by Public Policy Requirements for the LTSP, and Public Policy Requirements and Considerations for the uncertainty and other scenarios. Customer load, Demand Resources and generation data received pursuant to Section 2.5 will be included, as appropriate, in the development of the base case.
- 2.3.2.2.2 Quarter 5: Transmission Provider will coordinate the Economic Congestion Study results, Section 2.7, and new generation interconnection resource study results into the LTSP as appropriate. Any stakeholder may submit comments, additional information about new or changed circumstances relating to loads, resources, transmission projects, Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations, or alternative solutions to be evaluated as part of the preparation of the draft transmission plan, or submit identified changes to the data it provided in Quarter 1. The level of detail provided by the stakeholder should match the level of detail described in Quarter 1 above.
- 2.3.2.2.3 Quarter 2-6: Transmission Provider will conduct powerflow, transient stability studies, post transient power flow and other studies.

2.3.2.2.4 All stakeholder submissions, including Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations, will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

2.3.2.2.4.1 Transmission Provider will study the existing transmission system over the 15-year planning horizon and identify reliability concerns.

2.3.2.2.4.2 Transmission Provider will identify mitigation and analyze the transmission system with mitigation included.

2.3.2.2.4.3 Transmission Provider will collect information from the analysis to be used in Quarter 7 decisions.

2.3.2.2.5 Transmission Provider will consider transmission and non-transmission solutions, including transmission solutions driven by Public Policy Requirements and Considerations, Demand Resources load adjustments, to mitigate for unacceptable reliability performance problems that do not meet planning criteria.

2.3.2.2.6 Transmission Provider will consider the results from Economic Congestion Studies completed during quarters 1-4 of the current LCP study cycle or Economic Congestion Study results from studies completed during the prior year Economic Congestion Study cycle.

### 2.3.2.3 Quarter 7: Decision

2.3.2.3.1 Using data and information from the Technical Study, the Transmission Provider, with input from stakeholders and interested parties, will define its fifteen (15) year LTSP.

2.3.2.3.2 All solutions, including solutions from stakeholders and transmission solutions for Public Policy Requirements and Considerations, will be evaluated against each other based on a comparison of their relative economics and ability to meet reliability criteria.

#### 2.3.2.4 Quarter 8: Reporting and Coordination

- 2.3.2.4.1 Transmission Provider will report the LTSP to stakeholders and submit the LTSP to regional and interconnection-wide planning entities conducting similar studies.
- 2.3.2.4.2 Transmission Provider will communicate its LTSP with owners and operators of the neighboring interconnected transmission systems.
- 2.3.2.4.3 Transmission Provider will post on its OASIS its final LTSP report and all draft LTSP reports.

#### 2.4. **Transparency**

- 2.4.1 NorthWestern shall post on its OASIS and consistently apply the methodologies, criteria, assumptions, and process for preparing the LTSP.
- 2.4.2 The Transmission Provider shall utilize regularly scheduled TRANSAC meetings or other similar means, as it may from time to time establish, to solicit, obtain, and coordinate the input of interested stakeholders throughout the LTSP study process. Transmission Provider's open planning process encourages participation by stakeholders, including, but not limited to, the Montana Public Service Commission, the Montana Consumer Council, transmission customers (Network and Point-to-Point Transmission Service), generators, cooperatives, interconnecting utilities, the Governor's Office, transmission-providing neighbors and other stakeholders. Announcements of these meetings will be posted on NWE's OASIS website and all meetings will be open to the public.
- 2.4.3 Transmission Provider shall post and maintain on its OASIS: (1) All procedures, process, instructions, and other information necessary to participate in the TRANSAC, Open Public Meeting, or other means established for the purpose of soliciting the input of or coordinate with interested stakeholders; (2) all comments received from interested stakeholders, to the extent such comments are not confidential or subject to privilege; any draft LTSP or any other documents the Transmission Provider deems would promote coordination in the LTSP study process or required to be posted by applicable law or regulation.
- 2.4.4 The responsibility for the LTSP shall remain with the Transmission Provider who may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.
- 2.4.5 Upon completion of the LTSP process as set forth on the Transmission Provider's OASIS, the Transmission Provider shall finalize and post on the OASIS the LTSP and non-confidential supporting documents.

- 2.4.6 The LTSP shall be transmitted to the regional and interregional and interconnection wide entities conducting similar planning efforts, interested stakeholders, and the owners and operators of the neighboring interconnected transmission systems.
- 2.4.7 OASIS Requirements
- 2.4.7.1 The Transmission Provider shall maintain a Transmission Planning folder on the publicly accessible portion of its OASIS to distribute information related to this Attachment K and the LTSP.
- 2.4.7.2 The Transmission Provider shall maintain in the Transmission Planning folder on the publicly accessible portion of OASIS a subscription service or How-To-Contact-Us folder whereby any person may contact the Transmission Provider to receive e-mail notices and materials related to the LTSP process.
- 2.4.7.3 Content of OASIS Postings. Transmission Provider shall post on its OASIS the following information. These documents can be found under Section “1 – Local Transmission Planning and Attachment K Link Information” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.3.2.7.1 Transmission planning business practices along with the procedures for modifying the business practices;
- 2.3.2.7.2 Study cycle timeline;
- 2.3.2.7.3 A form to submit an Economic Congestion Study Request, each Economic Congestion Study Request, and any response from the Transmission Provider;
- 2.3.2.7.4 The details of each TRANSAC, Open Public Meeting, or any other similar meeting related to transmission planning;
- 2.3.2.7.5 In advance of its discussion at any public meeting, an agenda and available materials to be discussed;
- 2.3.2.7.6 As soon as reasonably practical after the conclusion of each public meeting, a summary of the transmission information discussed at the public meeting and any material not already posted;

- 2.3.2.7.7 Written comments submitted in relation to the Local Transmission Plan, and any explanation regarding rejection of such comment;
- 2.3.2.7.8 A list of which Public Policy Requirements and Considerations received during Quarter 1 will be evaluated in the biennial study cycle and why other suggested Public Policy Requirements and Considerations received during Quarter 1 will not be evaluated;
- 2.3.2.7.9 The draft and any interim versions of the Local Transmission Plan;
- 2.3.2.7.10 The final version of all completed Local Transmission Plans;
- 2.3.2.7.11 Aggregated load forecasts representing the Transmission Provider's total Balancing Area (e.g., control area) transmission system;
- 2.3.2.7.12 Summary list of Critical Energy Infrastructure Information submitted during the planning process;
- 2.3.2.7.13 Pertinent NTTG and WECC agreements, charters and documents under a separate NTTG and WECC folders on the OASIS; and
- 2.3.2.7.14 Information describing the extent that the Transmission Provider has undertaken a commitment to build a transmission facility included in NTTG's Regional Transmission Plan.

#### 2.4.8 Database Access.

A stakeholder may receive access from the Transmission Provider to the database and all changes to the database used to prepare the Local Transmission Plan according to the database access rules established by the WECC and upon certification to the Transmission Provider that the stakeholder is permitted to access such database. Unless expressly ordered to do so by a court of competent jurisdiction or regulatory agency, the Transmission Provider has no obligation to disclose database information to any stakeholder that does not qualify for access.

## 2.5. Information Exchange

### 2.5.1 Types of Forecast Data:

Network Customers, Point-to-Point Transmission Service customers and Load Serving Entities on behalf of Native Load Customers shall annually submit information on projected load, resources (or sources of electrical supply) and Demand Resources data as required to facilitate the LTSP process or to fulfill OATT, regulatory, legal or other Transmission Provider obligations. Network Customers, Point-to-Point Transmission Service customers and Load Serving Entities shall provide Transmission Provider the following types of data upon reasonable request and according to the schedule posted on the OASIS to facilitate the LTSP process.

2.5.1.1 Historical Data: one year of monthly historical energy and peak load data for the prior calendar year and for all months of the current year, as it is available.

2.5.1.2 Load Forecast Data: monthly energy (MWh) and peak (MW) load forecast data.

2.5.1.3 The peak load forecast shall assume a 1-in-2 temperature.

2.5.1.4 Demand Resources, demand reduction, conservation and demand-side management: demand response resource savings, conservation savings, and other customer load reduction alternative that would reduce or alter their load forecast.

2.5.1.5 Generation Forecast Data: changes to technical generator data or interconnection facilities data for their generators and expected monthly energy (MWh), monthly peak capability (MW) and expected maintenance schedule.

2.5.1.6 Other Supply Sources: monthly energy (MWh) and peak (MW) data for electrical supply sources including point of receipt and point of delivery.

### 2.5.2 Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations:

All stakeholders have the opportunity to submit Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations during Quarter 1 of the eight-quarter study cycle.

2.5.3 Amount of Data:

Unless otherwise requested or provided elsewhere in NorthWestern's OATT, or agreed to by the Transmission Provider and the Transmission Customer, the Transmission Customer shall provide the Transmission Provider fifteen (15) years of monthly forecast data.

2.5.4 Additional Information:

The Transmission Customer shall also provide, upon reasonable request, to the Transmission Provider the following information or other information as requested by the Transmission Provider:

2.5.4.1 Discussion of reasons for significant increase or decreases in load or generation forecast.

2.5.4.2 Source and vintage of load forecast and generation resource information.

2.5.4.3 Interruptible tariff peak loads with and without interruptible portion of the forecast applied.

2.5.4.4 The numerical value (average) for the 1-in-2 temperature used to develop the summer and winter peak load forecast.

2.5.4.5 The methodology that can be used to adjust the 1-in-2 winter and summer peak load forecasts to an alternative temperature (e.g., 1-in-10 and 1-in-20) probability assumption.

2.5.4.6 Weather station(s) used and assumptions associated with developing the peak load temperature forecasts.

2.5.4.7 Other load forecast and resource data as reasonably requested by the Transmission Provider.

2.5.5 Comparability of Data:

The same type of data request for generator forecast data and load forecast data shall be sent by the Transmission Provider to generators and Transmission Customers within the Transmission Provider's respective balancing area.

2.5.6 Confidentiality:

Individual customer data will be treated as confidential and will be aggregated with other customer data for planning and reporting purposes. The data received will be used to develop the Transmission Provider's LTSP and for reporting purposes. Market sensitive and commercial specific data, identified

as such by the Transmission Customer or stakeholder, shall be handled as such and administered in accordance with the Standard of Conduct for Transmission Providers as well as Confidential Energy Infrastructure Information.

#### 2.5.7 Schedule of Collection:

Transmission Provider will request forecast data annually during the fall time period (September-December) and merge it into the biennial LTSP study schedule as posted on OASIS. Similarly, Transmission Provider shall post on the OASIS instructions and procedures for the submission of data.

#### 2.5.8 Transmission Customer Obligation:

Customers shall provide Transmission Provider with generation, energy and peak load forecast, demand response resources, and other data specified within this Attachment K, to the maximum extent practical and consistent with protection of proprietary information.

2.5.8.1 Customers shall also provide timely written notice (including email) of material changes to information previously provided relating to its load, resources, or other aspects of its facility or operations affecting the Transmission Provider's ability to provide service.

2.5.8.2 If any Transmission Customer or stakeholder fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider cannot effectively include future needs in the Transmission Provider's LTSP planning obligations. If any Network Customer fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider shall plan the system based on the most recent load and resource data received.

#### 2.5.9 Comparability, Generally:

Transmission Provider shall consider all valid data, along with appropriate comments on data, process, and methodology received from Transmission Customers and stakeholders during preparation of LTSP.

### 2.6. **Cost Allocation**

2.6.1 Cost allocation principles expressed here are applied in a planning context, and do not supersede cost obligations as determined by other parts of the Tariff, which include but are not limited to transmission service requests, generation interconnection requests, Network Upgrades, Direct Assigned Facilities, or other cost allocation principles as may be determined in states with jurisdiction over the Transmission Provider.

2.6.2 The types of projects covered under this Cost Allocation (i.e., projects that are not covered under existing OATT allocation rules) include the following: a new project that is confined to Transmission Provider's Balancing Area that is not for load service (including a new project extending beyond the Transmission Provider's Balancing Area, which will be subject to regional cost allocation rules); a new project involving several transmission owners; a new project resulting from an open season participation; and a project resulting from an Economic Congestion Study Request that is not used for Transmission Provider load service.

2.6.2.1 Transmission Provider shall use mechanisms such as the TRANSAC or similar processes to work collaboratively with stakeholders and Transmission Customers regarding the allocation of costs for projects whose costs are not otherwise addressed under the OATT. Transmission Provider's Methodology and principles for the Allocation of Costs shall be posted on the OASIS.

2.6.2.2 Transmission Provider may elect to proceed with upgrades to the existing transmission system or with load service, customer requested and/or reliability transmission projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.

2.6.3 Individual Transmission Service Requests Costs and Interconnect Requests Not Considered

2.6.3.1 The costs of upgrades or other transmission investments subject to a generation interconnect or an existing transmission service request pursuant to the Tariff are evaluated in the context of that request. Nothing contained in this Attachment K shall relieve or modify the obligations of the Transmission Provider or the requesting Transmission Customer contained in the Tariff.

2.6.4 Cost Allocation Principles

2.6.4.1 Costs will be identified using the principle that cost causers should be cost bearers and that beneficiaries should pay in an amount that are reflective of the direct demonstrable benefits received. The costs will be determined by the technical study used to define the mitigation requirements and the direct costs of that mitigation. The benefits will be determined by the technical study as the direct demonstrable benefits that are a direct result of that mitigation.

2.6.4.2 Proportional Allocation: Costs and associated transmission rights for new local projects that fall outside Transmission Provider's OATT will be allocated on a proportional allocation based on the capacity

(MW) requested or benefit received (quantified as MW benefit or other agreed upon measure), unless a mutually agreeable cost allocation method can be reached between Transmission Provider and the project participants or sponsors, which will be subject to FERC approval of the participation agreement. Allocation of costs and benefits for network upgrades required by the local project will be allocated on a pro-rated share of the network facility capacity (MW) use, which will be quantified by technical study.

2.6.4.2.1 Transmission Provider will follow the Local Cost Allocation Project Outside OATT Methodology that is posted on Transmission Provider's OASIS to develop a non binding cost estimate for an indicative cost allocation. The local cost allocation methodology can be found under Section "1.M - Local Cost Allocation Methodology" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.6.4.2.2 For a project on the Transmission Provider's system that is undertaken for economic reasons or congestion relief at the request of an entity, the project cost will be allocated to the requesting entity.

2.6.4.2.3 In developing alternative cost allocation methods, Transmission Provider will seek input from its stakeholders, through TRANSAC, when appropriate.

2.6.4.3 Notwithstanding the foregoing provisions, Transmission Provider will not assume cost responsibility for any project if the cost of the project is not reasonably expected to be recovered in its retail and/or wholesale rates.

2.6.4.4 The Commission's regulations, policy statements and precedent on transmission pricing shall be followed.

2.6.4.5 The cost allocation for regional projects will be allocated consistent with the provisions of Section 3 of this Attachment K.

## 2.7. Economic Congestion Studies

2.7.1 The Transmission Provider will study up to two (2) high priority Local Transmission Provider Economic Congestion Studies annually. The Transmission Provider may not have or maintain the individual capability to conduct certain portions of the Economic Congestion Studies, and may contract with a qualified third party of its choosing to perform such work.

Information on Economic Congestion Studies is available in Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

#### 2.7.2 Economic Congestion Study Request:

Submission of a Local Economic Congestion Study Request should be submitted pursuant to Section 3.11.1 and reviewed for completeness pursuant to Section 3.11.2. A form for submitting Economic Congestion Study Requests shall be maintained on the Transmission Provider’s OASIS website, and a form for submitting a Regional Economic Study Request is maintained on the NTTG Website. Any Eligible Customer or stakeholder may submit an Economic Congestion Study Request to the Transmission Provider, along with all data in its possession supporting the request to be modeled. The party submitting the Economic Congestion Study Request shall work in good faith to assist the Transmission Provider in gathering the data necessary to perform the modeling request. To the extent necessary, any coordination between the requesting party and the Transmission Provider shall be subject to appropriate confidentiality requirements.

2.7.2.1 Transmission Provider will post on its OASIS a listing of Local Economic Congestion Study Requests, including but not limited to, date received, study name, brief description of study request and study status.

#### 2.7.3 Economic Congestion Study Process:

Transmission Provider will review submissions for completeness as set forth in Section 3.11.2. Local Transmission Provider shall use an annual Economic Congestion Study Request cycle to study up to two high priority valid requests for local Economic Congestion Study during Quarters 2 through 4 in a manner that is open and coordinated with stakeholders utilizing the TRANSAC or other method established by the Transmission Provider to facilitate an open, transparent, and coordinated process. A Local Economic Congestion Study Request should be submitted to the Transmission Provider during the first two (2) months of the annual local Economic Congestion Study cycle by using the local Economic Congestion Study Request Form posted on the Transmission Providers OASIS website. Upon completion of the process, the Transmission Provider will provide the study request sponsor a report of the study results in Quarter 4. If the Economic Congestion Study cannot be completed by the end of the calendar year, the Transmission Provider will notify the study request sponsor of the delay, provide an explanation of why the delay and provide an estimated completion date. The schedule and process document for performing Economic Congestion Studies can be found under Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business

practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment K Business Practice Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

#### 2.7.4 Clustering of Local Economic Congestion Study Requests.

Transmission Provider, with input from stakeholders, will cluster study requests as appropriate and prioritize the requests, including clustered requests, as described in Section 2.7.6 based on alleviating congestion. Additional discussion can be found in Section "1.P - Attachment K Business Practice" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment K Business Practice Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

#### 2.7.5 Classification of Requests.

Transmission Provider shall classify a request for Economic Congestion Study as a Local Economic Congestion Study Request, Regional Economic Study Request, or Interconnection-wide Economic Congestion Study Request pursuant to each respective definition and Section 3.11.3.

#### 2.7.6 Priority of Requests:

The Transmission Provider shall identify up to two (2) high priority Local Economic Congestion Study Requests for study per year.

2.7.6.1 If the Transmission Provider receives more than two Local Economic Study Requests per year, it will prioritize the requests, including requests that are clustered, and determine which Local Economic Study Request(s) will be performed based on an evaluation of the following:

2.7.6.1.1. The most significant opportunities to reduce overall costs of the Local Transmission Plan through the integration of new supply and Demand Resources into the local transmission grid, or expanding the local transmission in a manner that can benefit large numbers of customers, such as evaluating transmission upgrades necessary to connect major new areas of generation resource and/or load, while reliably serving the load growth needs being studied in the Local Transmission Plan, and

2.7.6.1.2. Input from stakeholders.

2.7.6.2 Sponsors of a Local Economic Congestion Study Request not prioritized as a high priority Economic Congestion Study may re-submit the Local Economic Congestion Study Request for study

consideration in the next Economic Congestion Study cycle or may fund their local Economic Congestion Study Request as an Additional Economic Congestion Study.

2.7.7 Economic Congestion Study Contents:

Economic Congestion Study shall include, but not be limited to: the location and magnitude of congestion, possible congestion remedies and the cost of relieving congestion.

2.7.8 Customer Obligation to Share Data:

Transmission Customers and stakeholders requesting an Economic Congestion Study shall, upon submitting the request to the Transmission Provider, supply all relevant information necessary to perform the Economic Congestion Study. If the Transmission Customer or stakeholder fails to provide the information requested, the Transmission Provider shall have no obligation to complete the study.

2.7.9 Additional Economic Congestion Studies:

Economic Congestion Study Requests that are not prioritized as one of the two highest priority local studies shall be referred to as Additional Studies. A stakeholder shall request an Additional Study within (10) business days of receiving notice from the Transmission Provider by email that their request was not classified a one of the two high priority local Economic Congestion Studies. The Transmission Provider shall allow sponsors of Additional Study requests to pay for consulting services to complete or withdraw the Additional Study. A description of the process, procedure, and methodology for processing Additional Economic Congestion Studies is available in Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.7.10 Recovery of Planning Costs:

The costs to complete the high priority Economic Congestion Studies will be recovered through Transmission Provider’s transmission rate base. The cost for Additional Economic Congestion Studies will be borne by the sponsor of the Economic Congestion Study Request.

## 2.8. **Dispute Resolution** (Compliance with Attachment K and Local Transmission Plan)

### 2.8.1 Process:

The following process shall be utilized to address procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and related transmission business practices.

2.8.1.1 Step 1 - Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider that describes the dispute. Upon receipt of such letter, the Transmission Provider shall set a meeting for the senior representatives for each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of the disputed matter, or (iii) after 60 days, the parties remain at an impasse.

2.8.1.2 Step 2 - If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation among those parties involved in the dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the Commission's Dispute Resolution Service serve as the mediator of the dispute.

2.8.2 All negotiations and proceedings pursuant to this process are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law.

2.8.3 The basis of the dispute and final non-confidential decisions will be made available to stakeholders upon request.

2.8.4 Timeline.

Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under Section 2.8.1 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier.

### 2.8.5 Rights.

Nothing contained in this Section 2.8 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

## 2.9. **Recovery of Planning Costs**

2.9.1 Unless Transmission Provider allocates planning-related costs to an individual stakeholder, or as otherwise permitted by the Tariff, all costs of the Transmission Provider related to the Local Transmission Plan process or as part of regional, interregional or interconnection wide planning process shall be included in the Transmission Provider's transmission rate base. Transmission Provider will capture the planning costs for the OATT using traditional test period requirements in the next FERC tariff filing.

## 2.10. **Transmission Business Practices**

2.10.1 Transmission Provider has posted on its OATT website its business practices. In lieu of developing a separate transmission business practice, the Transmission Provider may post documents or links to publicly available information that explains its planning obligations as set out in this Attachment K. The Transmission Provider's business practices are available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

### **3. Regional Planning Process**

#### *Governance and Participation*

##### **3.1. Governance**

###### **3.1.1 About NTTG**

NTTG is a trade name of the utilities and state representatives that are participating in the development of a Regional Transmission Plan that evaluates whether transmission needs within the NTTG Footprint may be satisfied on a regional and interregional basis more efficiently or cost effectively than through local planning processes. While the Regional Transmission Plan is not a construction plan, it provides valuable regional insight and information for all stakeholders (including developers) to consider and use in their respective decision-making processes.

###### **3.1.2 Committees**

NTTG has four standing committees: Steering Committee, Planning Committee, Cost Allocation Committee, and transmission use committee. The Steering Committee, which operates pursuant to the Steering Committee Charter, is charged with the tasks of approving the Regional Transmission Plan in accordance with this Attachment K, and governing the activities of NTTG. The Planning Committee, which is governed by the Planning Committee Charter, is charged with the task of producing the Regional Transmission Plan (inclusive of regional Economic Congestion Studies) in accordance with this Attachment K. The Cost Allocation Committee, which is governed by the Cost Allocation Committee Charter, is charged with the task of allocating costs to Beneficiaries of transmission projects selected into the Regional Transmission Plan for cost allocation purposes in accordance with this Attachment K. The transmission use committee, which is governed by the transmission use committee charter, and acts outside the scope of this Attachment K, and is responsible for increasing the efficiency of the transmission system through commercially reasonable initiatives and increasing customer knowledge of, and transparency into, the transmission system.

##### **3.2. Participation through Enrollment or Membership**

###### **3.2.1 Enrollment**

Enrollment obligations are specified in Section 3.2.3 below. An entity may enroll in NTTG by becoming a funder as specified in Section 3.2.3 below.

### 3.2.2 Membership

Membership rights are specified in the committee charters. An entity may become a member of the following:

- a. Planning Committee as specified in the Planning Committee Charter,
- b. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
- c. Steering Committee as specified in the Steering Committee Charter.

### 3.2.3 Funder of NTTG

#### 3.2.3.1 Eligibility

An entity that meets the definition of “Nominal Funder” or “Full Funder” as defined in the currently effective Funding Agreement is eligible to join NTTG as a funder.

#### 3.2.3.2 Funding Enrollment Process

An eligible entity will be enrolled in NTTG as a Full Funder on the date the requirements of (a), (b) and either (c) or (d) are satisfied. An eligible entity will be enrolled in NTTG as a Nominal Funder on the date the requirements of (a) and (b) are satisfied.

- a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.
- b. Entity becomes a party to the currently effective Finance Agent Agreement.
- c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders.
- d. If an entity intending to become a Full Funder is not a public utility, the Commission accepts the filing of a reciprocity Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders.

### 3.2.3.3 Funder Enrollment Obligations

The enrolled entity:

- a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment;
- b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment, and
- c. If a Full Funder, agrees to maintain effective versions of the agreements and Open Access Transmission Tariff specified in Section 3.2.3.2.

### 3.2.3.4 Funder Termination of Enrollment

An entity ceases being enrolled in NTTG as a funder on the date:

- a. The entity is no longer a party to the agreements specified in Section 3.2.3.2, and
- b. If a Full Funder, the Commission accepts an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

### 3.2.3.5 Identification of Full Funders

The following entities are enrolled in NTTG as Full Funders:

- a. Deseret Generation & Transmission Co-operative, Inc.,
- b. Idaho Power Company,
- c. NorthWestern Corporation,
- d. PacifiCorp, and
- e. Portland General Electric Company.

### 3.2.3.6 Identification of Nominal Funders

Utah Association of Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

### 3.3. Stakeholder Participation

#### 3.3.1 Participation through Public Meetings

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings. The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.

#### 3.3.2 Participation through Committees

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee meetings according to the terms and conditions of the Steering Committee, Planning Committee Charter, and the Cost Allocation Committee Charter, respectively. The date, time, and location of the committee meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter.

#### 3.3.3 Participation through Commenting

In addition to commenting orally during stakeholder meetings as set forth in Section 3.3.1 or during committee meetings as set forth in Section 3.3.2, any stakeholder may submit written comments to a committee chair at any time through [info@nttg.biz](mailto:info@nttg.biz).

### 3.4. Sensitive Information

#### 3.4.1 Critical Energy Infrastructure Information (“CEII”)

Any participant in an NTTG process must adhere to the Commission’s rules and/or guidelines concerning CEII. Additional information concerning CEII, including a summary list of the data that is determined by the supplying party to be deemed CEII, shall be posted on the Transmission Provider’s OASIS, and updated regularly.

#### 3.4.2 Confidential Information

In the event a participant in an NTTG process claims that information is confidential, another participant seeking access to such information must agree to adhere to the terms of the Confidentiality Agreement. The form of Transmission Provider’s Confidentiality Agreement shall be posted on the Transmission Provider’s OASIS. Confidential information shall be disclosed in compliance with the Standards of Conduct, and provided only to those participants that require such information and execute the Confidentiality Agreement; provided, however, any such information may be supplied to (i)

federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

### **3.5. Transmission Provider Participation**

#### **3.5.1 Planning & Process**

Transmission Provider shall engage in regional transmission planning (including interregional coordination and interregional cost allocation) through NTTG. Transmission Provider shall support NTTG's planning and cost allocation processes through funding a share of NTTG as a Full Funder, and providing employee support of NTTG's planning, cost allocation, and administrative efforts.

#### **3.5.2 Project Identification**

Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.

#### **3.5.3 Project Cost Allocation**

Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.7.

#### **3.5.4 Information Provided**

Transmission Provider will provide NTTG with:

- a. Its Local Transmission System Plan;
- b. Data used to develop its Local Transmission Plan including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources, and stakeholder data described in Section 2.
- c. Updates to information about new or changed circumstances or data contained in the Local Transmission System Plan;
- d. Public Policy Requirements;

- e. Public Policy Considerations; and
- f. Any other project proposed for the Regional Transmission Plan.

#### 3.5.5 Information Posted

Subject to appropriate Critical Energy Infrastructure Information or other applicable regulatory restrictions, Transmission Provider will post on its OASIS:

- a. The Biennial Study Plan;
- b. Updates to the Biennial Study Plan (if any);
- c. The Regional Transmission Plan; and
- d. The start and end dates of the current Regional Planning Cycle, along with notices for each upcoming regional planning meeting that is open to all parties.

### 3.6. **Dispute Resolution**

#### 3.6.1 Scope

Transmission Provider, signatories to the Planning Committee Membership Agreement, and Eligible Customers and stakeholders that participate in the regional planning process shall utilize the dispute resolution process set forth in this Section 3.6 to resolve procedural and substantive disputes related to the regional planning process.

#### 3.6.2 Process

Disputes shall be resolved according to the following process:

- a. *Step 1* – In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.
- b. *Step 2* – The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute

involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.

- c. *Step 3* – If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission’s dispute resolution service to facilitate mediation of the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.
- d. *Step 4* – If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

### 3.6.3 Timeliness

To facilitate the completion of the Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 3.6 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier. Nothing contained in this Section 3.6 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

## ***Planning and Cost Allocation Processes***

### **3.7. Preparation of Regional Transmission Plan**

The Planning Committee will biennially prepare a long-term (10-year) bulk transmission expansion plan (the “Regional Transmission Plan”). The regional transmission planning process is comprised of the activities set forth in this Section during the Regional Planning Cycle.

### 3.7.1 Pre-qualify for Cost Allocation

#### 3.7.1.1 Who must Pre-Qualify

A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a “**Project Sponsor**”) that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee in accordance with this Section 3.7.1, and remain qualified to be considered a Sponsored Project in subsequent Regional Transmission Plans.

#### 3.7.1.2 How to Pre-Qualify

A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through [info@nttg.biz](mailto:info@nttg.biz), by October 31<sup>st</sup> of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG Website to submit the data.

The Planning Committee and Cost Allocation Committee will apply the sponsor qualification criteria as summarized in Table 1 below in a comparable and non-discriminatory manner to both incumbent and non-incumbent transmission developers. The sufficiency of the qualification data will be determined by the Planning Committee and Cost Allocation Committee, in consultation with stakeholders, at regularly scheduled meetings in November of Quarter 8 of the prior Regional Planning Cycle.

NTTG will provide the Project Sponsor with notice of the committees’ determinations within five business days following the date a determination has been made by both committees. The notice will provide either that the Project Sponsor satisfied the qualification data requirements, or will identify specific deficiencies.

The Project Sponsor has until January 31<sup>st</sup> of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not cured by the end of January of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with

updated information and data deficiencies cured. The Project Sponsor must continue to comply with the pre-qualification requirements set forth in Section 3.7.1 for the project to continue to be considered a Sponsored Project in the next Regional Transmission Plan.

Table 1. Sponsor Qualification Data

Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle <sup>2</sup>			
	Category	Qualification Data	How Sponsor Qualification Data Will be Evaluated
1	Project Sponsor description	<ol style="list-style-type: none"> <li>1. Name and address.</li> <li>2. Years in business.</li> <li>3. Operating environment (nature of business).</li> </ol>	Assess whether the required data was submitted.
2	Project summary	<ol style="list-style-type: none"> <li>1. Voltage.</li> <li>2. Single or double circuit.</li> <li>3. AC or DC.</li> <li>4. Estimated cost.</li> <li>5. Approximate construction period,</li> <li>6. Project location.</li> <li>7. Points of interconnection with the transmission grid.</li> </ol>	Assess whether the required data was submitted.
3	Project Name	<ol style="list-style-type: none"> <li>1. Project Name.</li> </ol>	Assess whether the required data was submitted.
4	Project Sponsor demonstration of technical expertise to develop, construct and own the proposed project	<ol style="list-style-type: none"> <li>1. Management’s experience in developing, constructing (or managing construction), and owning a project of similar size and scope.</li> <li>2. Clear discussion of Project Sponsor’s depth and breadth of technical expertise, including Project Sponsor’s internal expertise or external expertise, or both, to</li> </ol>	Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or managing construction) and owning comparable projects.

<sup>2</sup> All information supplied to the Planning Committee or subcommittees must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:

- a) Public.
- b) Contains Critical Energy Infrastructure Information - Do Not Release. (<http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>)
- c) Contains Privileged Information - Do Not Release.

Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle<sup>2</sup>

	<b>Category</b>	<b>Qualification Data</b>	<b>How Sponsor Qualification Data Will be Evaluated</b>
		<p>develop, construct, and own the proposed project.</p> <p>3. Name, location, and description of a project of similar scale that demonstrates Project Sponsor’s technical expertise to develop, construct, and own the proposed project.</p>	
5	Project Sponsor financial expertise to develop, construct, and own the proposed project	<p>Creditworthiness review requires the following information, if available:</p> <ol style="list-style-type: none"> <li>1. Most recent annual report.</li> <li>2. Most recent quarterly report.</li> <li>3. Last two most recent audited year-end financial statements.</li> <li>4. Rating agency reports.</li> <li>5. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable).</li> <li>6. Other information supporting Project Sponsor’s financial expertise.</li> </ol> <p>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor’s parent company has either an investment grade rating, or, meets the following three tests:</p> <ol style="list-style-type: none"> <li>A. Has existed for at least 5 years;</li> <li>B. Has maintained positive working capital for the prior 3 years; and</li> <li>C. Has a minimum tangible net worth of \$1,000,000 or total asset of \$10,000,000.</li> </ol>	Assess whether the qualification data was submitted and satisfied the required qualitative criteria.
6	Proposed project financing plan	<ol style="list-style-type: none"> <li>1. Describe how the project will be financed.</li> <li>2. List investors and percentage ownership of each.</li> </ol>	Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise

Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle <sup>2</sup>			
	Category	Qualification Data	How Sponsor Qualification Data Will be Evaluated
		3. Proposed sources of debt and equity capital and the percentages of each.	provided in response to category 4.
7	Project Sponsor ability to maintain and operate proposed project	Clear description of Project Sponsor, its parent organization, or its third-party contractor that has been retained to operate and/or maintain the proposed project. Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor’s consultant or outsourced entity.	Assess whether the qualification data was submitted and satisfied the required qualitative criteria.
8.	Primary Project Contact	1. Name. 2. Title. 3. Phone. 4. Email.	Assess whether the required data was submitted.
9.	Signature	Signature of authorized representative	Assess whether the document was signed.

### 3.7.2 Quarter 1

#### 3.7.2.1 Data Gathering

Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.3.2.4 and Section 3.5.4) and stakeholder input applicable to the Planning Horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider’s Local Transmission System Plan and prior Regional Transmission Plans. A stakeholder shall use the Data Submittal Form found on the NTTG Website to submit its data. By January 31<sup>st</sup> of Quarter 1, stakeholders shall submit a completed form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

### 3.7.2.2 Proposing a Project for Consideration

A Project Sponsor may propose a transmission project for consideration in the Regional Transmission Plan (a “*Sponsored Project*”) by submitting to the Planning Committee chair the information identified in the “sponsored project” column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning Committee chair the information identified in the “unsponsored project” column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair the information identified in the “merchant developer project” column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an “*Applicant.*” Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG Website to submit its project. By March 31<sup>st</sup> of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

Table 2. Minimum Information Required

Minimum Information Required (Yes required or No not required)				
		Sponsored Project	Unsponsored Project	Merchant Developer Project
A	Load and resource data (1)	Y	Y	N (2)
B	Forecasted transmission service requirements, if any (5)	Y	Y	N (3)
C	Whether the proposed project meets reliability or load service needs	Y	Y	N (3)
D	Economic considerations (6)	Y	Y	N (4)
E	Whether the proposed project satisfies a transmission need driven by Public Policy Requirements	Y	Y	N (3)
F	Project location	Y	Y	Y
G	Voltage level (including whether AC or DC)	Y	Y	Y
H	Structure type	Y	Y	Y
I	Conductor type and configuration	Y	Y	Y
J	Project terminal facilities	Y	Y	Y

Minimum Information Required (Yes required or No not required)				
		Sponsored Project	Un-sponsored Project	Merchant Developer Project
K	Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement	Y	Y	N
L	Project development schedule	Y	Y	Y
M	Current project development phase	Y	Y	Y
N	In-service date	Y	Y	Y
O	A list of all planning regions to which an interregional project has been submitted for evaluation	Y	Y	N
<ol style="list-style-type: none"> <li>1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the load intended to be served with the line and the generation resource intended to inject energy into the line for the identified load.</li> <li>2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.</li> <li>3. Provide this information only to the extent it is readily available when the information is due.</li> <li>4. To the extent applicable and data is readily available for the proposed transmission project; provide that approximate location of the congestion that this project is proposed to address.</li> <li>5. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in row "A," then do not provide them in response to this data request. If not provide, then provide the data.</li> <li>6. Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.</li> </ol>				

### 3.7.2.3 Proposing a Project for Consideration for Cost Allocation

In addition to the information specified in Section 3.7.2.2 above, an Applicant shall use the Cost Allocation Data Form found on the NTTG Website to propose its project for cost allocation and submit the additional information requested below. By March 31<sup>st</sup> of Quarter 1, Applicant shall submit a completed form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz). Such Applicants are encouraged but not required to also provide following information::

- a. A statement as to whether the project was selected in a transmission provider’s local plan;
- b. A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource

development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a local transmission provider;

- c. If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;
- d. If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;
- e. To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;
- f. To the extent not already provided, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project;
- g. To the extent not set forth in the material provided in response to items (b) – (e), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;
- h. Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

#### 3.7.2.4 Submission of Economic Study Requests

Stakeholders may submit Economic Congestion Study Requests as set forth in Section 3.11.

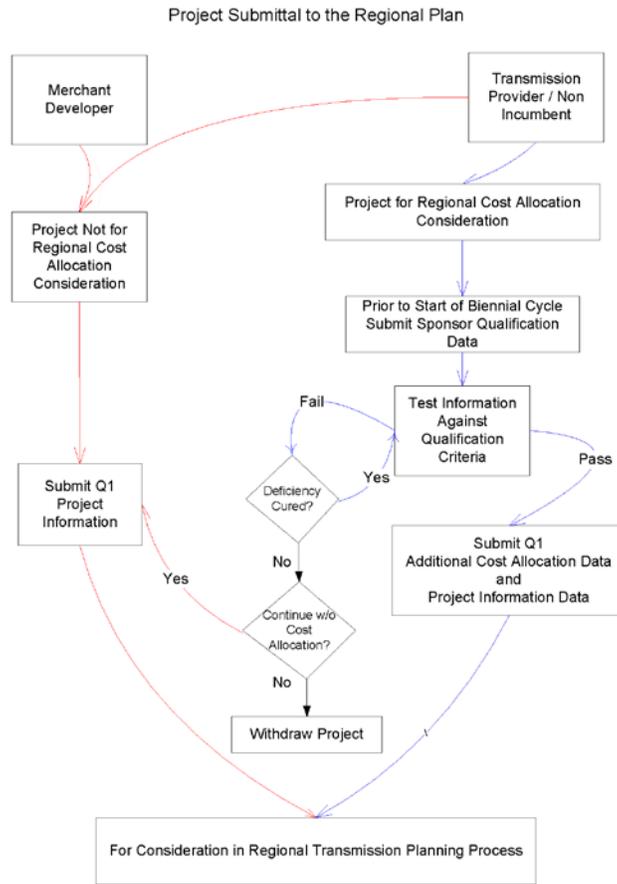
#### 3.7.2.5 Updates to Previously Selected Projects

For projects selected in the prior Regional Transmission Plan, the Applicant must submit an updated project development schedule to the Planning Committee. Stakeholders shall use the Data Submittal

Form found on the NTTG Website. By March 31<sup>st</sup> of Quarter 1, Applicants shall submit an updated form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

#### 3.7.2.6 Review for Completeness

The Planning Committee will review the information submitted pursuant to this Section 3.7.2 for completeness. If an Applicant fails to meet the information requirements set forth above, the Planning Committee shall notify the Applicant of the reasons for such failure. The Planning Committee will attempt to remedy deficiencies in the submitted information through informal communications with the Applicant. If such efforts are unsuccessful by April 15<sup>th</sup> of Quarter 2, the Planning Committee shall return the Applicant's information, and Applicant's request shall be deemed withdrawn. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, Applicant may resubmit the project, with updated information and data deficiencies cured, for consideration in the Regional Transmission Plan and may request cost allocation consideration. Figure 1. "Project Submittal Process" below, summarizes the process described in this Section 3.7.2 for submitting a project to be considered in the development of the Draft Regional Transmission Plan.



*Figure 1. “Project Submittal Process”*

### 3.7.3 Quarter 2

#### 3.7.3.1 Evaluate the Data

The Planning Committee shall identify the loads, resources, point-to-point transmission requests, desired flows, constraints and other technical data needed to be included and met by the development of the Regional Transmission Plan. The Planning Committee shall evaluate all stakeholder submissions, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers. The Planning Committee shall evaluate solutions based on a comparison of their ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

### 3.7.3.2 Development of the Biennial Study Plan

The Planning Committee will develop the Biennial Study Plan, which describes

- a. The detailed study methodology;
- b. Reliability criteria;
- c. Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- d. Assumptions;
- e. Databases;
- f. Analysis tools;
- g. Projects included in the prior Regional Transmission Plan that will be reevaluated according to Section 3.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- h. The projects included in each of the Full Funders Local Transmission Plans;
- i. Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any); and
- j. Allocation scenarios.

The projects in (g) and (h) are collectively referred to as the “Initial Regional Plan.” The projects identified in (i) are referred to as the “Alternative Projects.” The allocation scenarios referenced in (j) are developed by the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, for those parameters that will likely affect the amount of total benefits and their distribution among Beneficiaries as set forth in Section 3.8.2.3.

When developing the draft Biennial Study Plan, the Planning Committee and the Cost Allocation Committee will, under certain circumstances described in Section 3.9 below, identify projects

selected in the prior Regional Transmission Plan that will be reevaluated and potentially replaced or deferred.

At a Quarter 2 public meeting, the Planning Committee and the Cost Allocation Committee will present the draft Biennial Study Plan to stakeholders for comment. The Planning Committee will recommend the draft Biennial Study Plan to the Steering Committee for approval.

After considering the draft Biennial Study Plan, the Steering Committee may remand it to the Planning Committee for any of the following reasons:

- (aa) the draft Biennial Study Plan lacks details;
- (bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or
- (cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.

Further, the Steering Committee may also remand the draft Biennial Study Plan to the Cost Allocation Committee on any of the following additional grounds:

- (dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or
- (ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.

In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.

3.7.3.3 Selection of Public Policy Requirements and Public Policy Considerations Used in the Biennial Study Plan

3.7.3.3.1. Overview

NTTG’s regional planning process, through the Planning Committee, receives transmission needs driven by Public Policy Requirements, Public Policy Considerations, and data from the local transmission plans and stakeholders during the Quarter 1 data gathering submittal period pursuant to Section 3.7.2.1. NTTG’s Regional Transmission Plan only includes consideration of transmission needs driven by Public Policy Requirements. Public Policy Considerations as agreed upon by the Planning Committee, with stakeholder input, during Quarter 2 Biennial Study Plan development, will be evaluated as to whether they create additional transmission needs. Together, these transmission needs driven by Public Policy Requirements and Public Policy Considerations are approved by the Steering Committee as part of the Biennial Study Plan approval process at the end of Quarter 2.

3.7.3.3.2. Process

The Planning Committee applies the following process, shown in Figure 2. “Planning Committee Process for Selecting Public Policy Requirements and Public Policy Considerations” and described below (in the event of conflict between the figure and the text, the text controls) to transmission needs driven by Public Policy Requirements and Public Policy Considerations data.

<b>Q1 Public Policy Data Submitted</b>	
Transmission Provider	Stakeholder
<b>Q2 Develop Biennial Study Plan</b> <b>Define Public Policy Requirements &amp; Develop Biennial Study Plan</b> <b>Define Public Policy Requirements &amp; Public Policy Considerations</b>	
With stakeholder and state regulator input, identify Public Policy Requirements and Public Policy Considerations to include in Regional Transmission Plan	

Requirement included in Regional Transmission Plan	Considerations included in scenario analysis
<b>Q2 (June)</b>	
Rationale for selection and exclusion of Public Policy Requirements and Public Policy Considerations posted on NTTG website	
<b>Q3 Start Technical Analysis</b>	
Public Policy Requirements to be evaluated with other projects within biennial planning process	

*Figure 2. "Planning Committee Process for Selecting Public Policy Requirements and Public Policy Considerations"*

In Quarter 1, Public Policy Requirements and Public Policy Considerations information and data are received from the transmission providers' local transmission plans and received from stakeholders using NTTG's data submittal forms. Refer to Section 3.7.2.1.

In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the Public Policy Requirements to be used in the Biennial Study Plan, as well as the Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2

In June of Quarter 2, the Steering Committee approves the Biennial Study Plan, including the Public Policy Requirements for the Regional Transmission Plan and Public Policy Considerations for additional study analysis. Refer to Section 3.7.3.2.

#### 3.7.3.3.3. Identification

During the Regional Planning Cycle, the Planning Committee determines if there is a more efficient or cost-effective regional solution to meet the transmission needs driven by Public Policy Requirements set forth in

the Biennial Study Plan. The selection process and criteria for regional projects meeting transmission needs driven by Public Policy Requirements are the same as those used for any other regional project chosen for the Regional Transmission Plan. Rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs, the Planning Committee evaluates them in its technical analysis along with other regional projects.

#### 3.7.3.3.4. Posting

After the Steering Committee approves the Public Policy Requirements and the Public Policy Considerations, the Planning Committee will post on the NTTG Website, which Public Policy Requirements and Public Policy Considerations will and will not be evaluated in the Regional Planning Cycle, along with an explanation of why particular Public Policy Requirements and Public Policy Considerations were or were not considered.

### 3.7.4 Quarters 3 and 4

#### 3.7.4.1 Analysis and Methodology

The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing non-Committed project(s) in the Initial Regional Plan with one or more of the Alternative Projects. Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the Initial Transmission Plan's incremental capital-related cost for replaced or deferred project(s) and incremental monetized non-financial incremental costs. The set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. The projects eligible for cost allocation (i.e., those satisfying the

criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2.

#### 3.7.4.2 Analysis Criteria

Criterion (a), (b), and (c) below will be used to determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth in Section 3.7.4.1:

- a. *Capital-Related Costs*. A change in Annual Capital-Related Costs between a Change Case and the Initial Regional Plan captures benefits related to transmission needs driven by both reliability and Public Policy Requirements. This benefit metric captures the extent that a project in the Initial Regional Plan can be displaced (either deferred or replaced) while still meeting all regional transmission needs, including reliability standards (associated with serving existing, as well as new, service obligations) such that the Change Case has lower capital-related costs. The displacement of a project in the Initial Regional Plan may be due to a Change Case or due to the determination that more than one project in the Initial Regional Plan is meeting the same transmission need. This same benefit metric also captures the extent to which a Change Case may displace one or more projects in the Initial Regional Plan for purposes of meeting Public Policy Requirements because it is determined to have lower capital-related costs, while still meeting the same Public Policy Requirements.

“*Annual Capital-Related Costs*” will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

Those entities affected by the change in Annual Capital-Related Costs shall be identified for use in the cost allocation process.

- b. *Energy Losses*. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional

Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.

- c. Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the Initial Regional Plan. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6 through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

#### 3.7.4.3 Impacts on Neighboring Regions

The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case

or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated, as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

#### 3.7.4.4 Draft Regional Transmission Plan

The Planning Committee shall produce a Draft Regional Transmission Plan by the end of Quarter 4. The projects selected into the Draft Regional Transmission Plan are determined according to Section 3.7.4.1, and the projects selected into the Draft Regional Transmission Plan for cost allocation are determined according to Section 3.8.

### 3.7.5 Quarter 5 - Stakeholder Review of Draft Regional Transmission Plan

#### 3.7.5.1 Public Review

The Planning Committee will facilitate stakeholder review and comment on the Draft Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process.

#### 3.7.5.2 Public Comment and Updates

Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan through

[info@nttg.biz](mailto:info@nttg.biz). In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in quarter 1 above need to be submitted. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

#### 3.7.5.3 Submission of Economic Study Reports

Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

### 3.7.6 Quarter 6

#### 3.7.6.1 Updated Biennial Study Plan

The Biennial Study Plan will be updated based on the Planning Committee's review of stakeholder-submitted comments received during Quarter 5, additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions, or identified changes to data provided in Quarter 1.

#### 3.7.6.2 Cost Allocation

The Cost Allocation Committee will begin allocating costs of projects selected into the Draft Regional Transmission Plan to Beneficiaries as described in Section 3.8.2.

#### 3.7.6.3 Draft Final Regional Transmission Plan

The Planning Committee will produce by the end of Quarter 6, the Draft Final Regional Transmission Plan.

### 3.7.7 Quarter 7 - Draft Final Regional Transmission Plan Review

The Planning Committee will facilitate a stakeholder process for review and comment on the Draft Final Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process. The Planning Committee will

document and consider simultaneous feasibility of identified projects, cost allocation recommendations and stakeholder comments and produce the Draft Final Regional Transmission Plan.

### 3.7.8 Quarter 8 – Regional Transmission Plan Approval

The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan for consideration in the local and interconnection-wide study processes.

### 3.7.9 Quarterly Meetings

The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

## 3.8. **Cost Allocation.**

A Project Sponsor intending to submit its Sponsored Project for cost allocation must satisfy the pre-qualification requirements set forth in Section 3.7.1, submit the Sponsored Project as set forth in Section 3.7.2.2, and request cost allocation as set forth in Section 3.7.2.3. An Applicant desiring for its project be considered for cost allocation as an unsponsored project must submit the unsponsored project as set forth in Section 3.7.2.2 and request cost allocation as set forth in Section 3.7.2.3. Transmission Provider may elect to allocate costs of its project through either participant funding or NTTG’s cost allocation process as set forth in Section 3.8.2 as either a Sponsored Project or unsponsored project, provided that Transmission Provider complies with the applicable requirements specified above.

### 3.8.1 Participant Funding.

#### 3.8.1.1 Open Season Solicitation of Interest.

Transmission Provider may elect at its discretion to provide an “open season” solicitation of interest to secure additional project participants for any project. Upon a determination to hold an open season solicitation of interest for a project, Transmission Provider will:

- 3.8.1.1.1. Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;

- 3.8.1.1.2. Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and
- 3.8.1.1.3. Post information about the proposed project on its OASIS.

For any project entered into by Transmission Provider where an open-season solicitation-of-interest process has been used, the Transmission Provider will choose to allocate costs among project participants in proportion to investment or based on a commitment to transmission rights, unless the parties agree to an alternative mechanism for allocating project costs. In the event an open season process results in a single participant, the full cost and transmission rights will be allocated to that participant.

#### 3.8.1.2 Projects without a Solicitation of Interest.

Transmission Provider may elect to proceed with projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.

#### 3.8.1.3 Other Sponsored Projects.

Funding structures for non-Transmission Provider projects are not addressed in this Tariff. Nothing in this Tariff is intended to preclude any other entity from proposing its own funding structure.

### 3.8.2 Allocation of Costs

The Cost Allocation Committee will allocate the costs of projects the Planning Committee selects into the Draft Regional Transmission Plan for purposes of cost allocation according to this section. The Cost Allocation Committee shall use the methodology set forth in Sections 3.8.2.2 to allocate project costs to Beneficiaries.

#### 3.8.2.1 Project Qualification.

To be eligible for cost allocation, and therefore selected into the Draft Transmission Plan for purposes of cost allocation, the Planning Committee Cost shall verify that the project:

- a. Was proposed for such purpose by a pre-qualified sponsoring entity was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);

- b. Was selected in the Draft Regional Transmission Plan; and
- c. Has an estimated cost exceeding \$20 million.

### 3.8.2.2 Allocation of Project Costs to Beneficiaries.

The Cost Allocation Committee initially identifies Beneficiaries as all those entities that may be affected by the project based upon the application of the analysis criteria set forth in Section 3.7.4.2 and using the allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to Section 3.7.4.1, and remove those entities that do not receive a benefit from the project being evaluated.

Before allocating a transmission project's cost, the Cost Allocation Committee will adjust, as appropriate, the calculated initial net benefits for each Beneficiary based upon the following criteria:

- a. The net benefits attributed in any scenario are capped at no less than 50% and no more than 150% of the average of the unadjusted, net benefits (whether positive or negative); and
- b. If the average of the net benefits, as adjusted by (a) above, across the allocation scenarios is negative, the average net benefit to that Beneficiary is set to zero.

Each of these adjustments is applied to each Beneficiary independent of other Beneficiaries. The initial (and adjusted) net benefits for the selected Change Case are the sum of the benefits (which numerically may be positive or negative) across each of the analysis criteria. A Beneficiary will be included in the steps above even if only one of the analysis criteria is applicable to that Beneficiary and the estimated benefits for the other analysis criteria are, by definition, zero.

The adjusted net benefits, as determined by applying the limits in the two conditions above, are used for allocating project costs proportionally to Beneficiaries. However, Beneficiaries other than the Applicant will only be allocated costs such that the ratio of adjusted net benefits to allocated costs is no less than 1.10 (or, if there is no Applicant, no less than 1.10). If a Beneficiary has an allocated cost of less than \$100,000, the cost allocated to that Beneficiary is set to zero. The following examples demonstrate the application of the benefit-to-cost ratio.

Example 1: Project Cost = \$800M; B's adjusted net benefits = \$483M; C's (Project Sponsor) adjusted net benefits =

\$520M. B is allocated \$385M (i.e., the lesser of  $\$800M * (\$483 / (\$483 + \$520)) = \$385M$  OR  $\$483M / 1.1 = \$439.1M$ ) and C is allocated \$415M (i.e.,  $\$800 - \$385 = \$415$ ).

Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the lesser of  $\$950M * (\$483 / (\$483 + \$520)) = \$457.5M$  OR  $\$483 / 1.10 = \$439.1$ ) and C is allocated \$511M (i.e.,  $\$950 - \$439 = \$511$ ).

Unallocated costs due to the limitations above are reallocated among the remaining Beneficiaries. Reallocation will continue among regional Beneficiaries, which are still above the benefit-cost threshold (i.e., the 1.10 ratio of adjusted net benefits to allocated costs) until either all costs are allocated or there are no Beneficiaries above the 1.10 benefit-cost threshold. The Applicant may voluntarily accept any remaining project costs. Otherwise, if the thresholds prevent all costs from being reallocated among Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership (or ownership-like) rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or ownership-like rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary.

### 3.8.2.3 Allocation Scenarios

As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries. The allocation scenarios become part of the Biennial Study Plan during its development in Quarter 2, and are not used by the Planning Committee and the Cost Allocation Committee until the development of benefits pursuant to the analysis criteria in Section 3.7.4.2 and the allocation of costs pursuant to those benefits to Beneficiaries pursuant to Section 3.8.2.2 starting in Quarter 6.

The variables in the allocation scenarios will include, but are not limited to, load levels by load-serving entity and geographic location, fuel prices, and fuel and resource availability. For example, cost allocation scenarios could include a range of future load levels. Future projections of load levels in a given scenario will be based on factors such as, but not limited to, projected demand for irrigation, economic development, and heating/cooling demands necessitated by weather forecasts in particular geographic locations. These load level projections will be compared against a range of future resource options. Future projections of resource options in a given scenario will be based on factors such as, but not limited to, projected fuel prices and projected yields of particular types of generation resources (e.g. wind, hydro, etc.). This process will provide the overall range of future cost allocation scenarios that will be used in determining a project's benefits and beneficiaries. In the development of the allocation scenarios the Cost Allocation Committee will give consideration to alternative resource planning scenarios developed by transmission providers within the NTTG Footprint as well as scenarios developed by other regional and Western Interconnection entities.

Use of allocation scenarios recognizes that estimates of the amount and distribution of benefits may be highly uncertain and dependent on key assumptions and projections. By using scenarios that choose data across a range of outcomes for these parameters, the potential impact of these uncertainties is estimated and incorporated in the calculation of net benefits used in cost allocation.

### 3.8.3 Exclusions.

The cost for projects undertaken in connection with requests for interconnection or transmission service under the Tariff will be governed solely by the applicable cost allocation methods associated with those requests under the Tariff.

## 3.9. **Reevaluation**

### 3.9.1 Reevaluation of the Regional Transmission Plan.

NTTG expects the sponsor of a project selected in the prior Regional Transmission Plan (the "Original Project") to inform the Planning Committee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-submits its project development schedule during quarter 1. If the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original

Project in the context of the current Regional Planning Cycle using an updated in-service date.

“Committed” projects are Original Projects that have all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of quarter 1 of the current Regional Planning Cycle. Committed projects are not subject to reevaluation, unless the Original Project fails to meet its development schedule milestones such that the needs of the region will not be met, in which case, the Original Project may lose its designation as a Committed project.

If “not committed,” the Original Project - whether selected for cost allocation or not - shall be reevaluated, and potentially replaced or deferred, in the current Regional Planning Cycle only in the event that:

- a. The Project Sponsor fails to meet its project development schedule such that the needs of the region will not be met,
- b. The Project Sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or
- c. The needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently or cost effectively.

If condition (a), (b) or (c) is true, then the incumbent transmission provider may propose solutions that it would implement within its retail distribution service territory or footprint (the “New Project”). Both the Original Project and the New Project will be reevaluated or evaluated, respectively, in Quarter 2 as any other project for consideration in the Regional Transmission Plan.

During such reevaluation the Planning Committee shall only consider remaining costs to complete the Original Project against the costs to complete of the other projects being evaluated.

### 3.10. **Calculations**

The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the

calculations considered by the Planning Committee and the Cost Allocation Committee.

### 3.11. Economic Study Requests

#### 3.11.1 Submission of Economic Study Requests

Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Section 2.7.2;
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12.1; and
- c. Interconnection-wide Economic Study Request to WECC TEPPC as provided for in Section 5.5.1.

Be aware that local, regional and interconnection-wide Economic Study processes have different submission windows and requirements. Stakeholders must comply with each process's submission windows and requirements.

#### 3.11.2 Review for Completeness

The Planning Committee or the Transmission Provider will review the information it receives pursuant to this Section 3.11.1 for completeness. If a stakeholder fails to meet the information requirements, the Planning Committee or Transmission Provider shall notify the stakeholder of the reasons for such failure. The Planning Committee or Transmission Provider will attempt to remedy deficiencies in the submitted information through informal communications with the stakeholder. If such efforts are unsuccessful within 15 calendar days of the close of the submission window, the Planning Committee or Transmission Provider shall return the stakeholder's information, and stakeholder's request shall be deemed withdrawn. The Planning Committee or Transmission Provider may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a request set forth in a withdrawn submission. Stakeholder may resubmit the request for consideration during the next submission window with updated information and data deficiencies cured.

#### 3.11.3 Categorization and Processing of Economic Study Requests

All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request, a Regional Economic Study Request, or an Interconnection-wide Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Section 22. Regional Economic Study Requests will be forwarded to the Planning Committee and

processed as set forth in Section 3.12. Interconnection-wide Economic Study Requests will be forwarded to WECC TEPPC and processed as set forth in Section 5.5.

### 3.12. Regional Economic Study Requests

#### 3.12.1 Submission Windows

Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 30<sup>th</sup> of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG Website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit completed forms to the Planning Committee, through [info@nttg.biz](mailto:info@nttg.biz).

#### 3.12.2 Studies Performed

The Planning Committee will complete up to two (2) Regional Economic Studies per Regional Planning Cycle. By April 30<sup>th</sup> each year, the Planning Committee will determine the Regional Economic Study(ies) to be performed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle. If the Regional Economic Study cannot be completed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle, the Planning Committee will notify the study request sponsor of the delay, provide an explanation of the delay, and provide an estimated completion date. If the Planning Committee receives more than two (2) Regional Economic Study Requests per Regional Planning Cycle, it will prioritize the requests and determine which Regional Economic Study Request(s) will be performed based on an evaluation of the following:

- a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and
- b. Input from stakeholders at the Planning Committee meeting.

The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

#### 3.12.3 Additional Studies

The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by

emailing the Planning Committee chair, through [info@nttg.biz](mailto:info@nttg.biz). Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.

#### 3.12.4 Clustering Study Requests

The Planning Committee will cluster and study together Regional Economic Study Requests if all of the Point(s) of Receipt and Point(s) of Delivery match one another or, in the alternative, it is reasonably determined by the Planning Committee that the Regional Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.

#### 3.12.5 Unaccommodated Economic Study Requests

All Regional Economic Study Requests not accommodated within the current study cycle will be deemed withdrawn and returned to the stakeholder without action and the stakeholder may submit the Regional Economic Study Request in the next Regional Planning Cycle.

#### 3.12.6 Study Schedule

In Quarters 1 and 5, Regional Economic Study Requests are submitted by Stakeholders to the Planning Committee. In Quarters 2 and 6, study plans are developed by the Planning Committee for the Regional Economic Study Requests that will be modeled. In Quarters 3 and 7, Regional Economic Studies are performed by the Planning Committee or under the Planning Committee's direction. In Quarters 4 and 8, results of the regional Economic Studies are reported by the Planning Committee in the Draft Regional Transmission Plan and the Regional Transmission Plan, respectively, and provided to the requesting party.

## 4. Common Interregional Coordination and Cost Allocation

### *Introduction*

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. NTTG is to conduct the activities and processes set forth in this Section 4 of Attachment K in accordance with the provisions of this Section 4 of this of Attachment K and the other provisions of this Attachment K.

Nothing in this section will preclude any transmission owner or transmission provider from taking any action it deems necessary or appropriate with respect to any transmission facilities it needs to comply with any local, state, or federal requirements.

Any Interregional Cost Allocation regarding any ITP is solely for the purpose of developing information to be used in the regional planning process of each Relevant Planning Region, including the regional cost allocation process and methodologies of each such Relevant Planning Region.

References in this section of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order 1000.

#### 4.1. Definitions

The following capitalized terms where used in this Section 4 of Attachment K, are defined as follows:

- 4.1.1. **Annual Interregional Coordination Meeting:** shall have the meaning set forth in Section 4.3 below.
- 4.1.2. **Annual Interregional Information:** shall have the meaning set forth in Section 4.2 below.
- 4.1.3. **Interregional Cost Allocation:** means the assignment of ITP costs between or among Planning Regions as described in Section 4.5.2 below.
- 4.1.4. **Interregional Transmission Project (“ITP”):** means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions in accordance with Section 4.4.1.
- 4.1.5. **Planning Region:** means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG Transmission Group, and WestConnect.

4.1.6. **Relevant Planning Regions:** means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional transmission needs in accordance with Section 4.4.2, at which time it shall no longer be considered a Relevant Planning Region.

4.2. **Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, NTTG is to make available by posting on its website or otherwise provide to each of the other Planning Regions the following information, to the extent such information is available in its regional transmission planning process, relating to regional transmission needs in NTTG transmission planning region and potential solutions thereto:

- i. study plan or underlying information that would typically be included in a study plan, such as:
  - a. identification of base cases;
  - b. planning study assumptions; and
  - c. study methodologies;
- ii. initial study reports (or system assessments); and
- iii. regional transmission plan

(collectively referred to as “Annual Interregional Information”).

NTTG is to post its Annual Interregional Information on its website according to its regional transmission planning process. Each other Planning Region may use in its regional transmission planning process NTTG Annual Interregional Information. NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

NTTG is not required to make available or otherwise provide to any other Planning Region (i) any information not developed by NTTG in the ordinary course of its regional transmission planning process, (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region, or (iii) any information if NTTG reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission’s Standards of Conduct or any other legal requirement. Annual Interregional Information made available or otherwise provided by NTTG shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NTTG’s regional transmission planning process. Any Annual

Interregional Information made available or otherwise provided by NTTG shall be “AS IS” and any reliance by the receiving Planning Region on such Annual Interregional Information is at its own risk, without warranty and without any liability of NTTG, Transmission Provider, or any entity supplying information in NTTG’s regional transmission planning process, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

#### 4.3. **Annual Interregional Coordination Meeting**

NTTG is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTG is to host the Annual Interregional Coordination Meeting in turn with the other Planning Regions, and is to seek to convene such meeting in February, but not later than March 31<sup>st</sup>. The Annual Interregional Coordination Meeting is to be open to stakeholders. NTTG is to provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

At the Annual Interregional Coordination Meeting, topics discussed may include the following:

- (i) each Planning Region’s most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
- (ii) identification and preliminary discussion of interregional solutions, including conceptual solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost effectively or efficiently; and
- (iii) updates of the status of ITPs being evaluated or previously included in NTTG’s regional transmission plan.

#### 4.4. **ITP Joint Evaluation Process**

##### 4.4.1. **Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section 4.4.2 by submitting the ITP into the regional transmission planning process of each Relevant Planning Region in accordance with such Relevant Planning Region’s regional transmission planning process and no later than March 31<sup>st</sup> of any even-numbered calendar year. Such proponent of an ITP seeking to connect to a transmission facility owned by multiple transmission owners in more than one Planning Region must submit the ITP to each such Planning Region in accordance with such Planning Region’s regional transmission planning process. In addition to satisfying each Relevant Planning Region’s information requirements, the proponent of an ITP must include with its

submittal to each Relevant Planning Region a list of all Planning Regions to which the ITP is being submitted.

#### **4.4.2. Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section 4.4.1, NTTG (if it is a Relevant Planning Region) is to participate in a joint evaluation by the Relevant Planning Regions that is to commence in the calendar year of the ITP's submittal in accordance with Section 4.4.1 or the immediately following calendar year. With respect to any such ITP, NTTG (if it is a Relevant Planning Region) is to confer with the other Relevant Planning Region(s) regarding the following:

- (i) ITP data and projected ITP costs; and
- (ii) the study assumptions and methodologies it is to use in evaluating the ITP pursuant to its regional transmission planning process.

For each ITP that meets the requirements of Section 4.4.1, NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's evaluation of the ITP;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section 4.4.2 in accordance with its regional transmission planning process;
- (c) is to notify the other Relevant Planning Regions if NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter NTTG has no obligation under this Section 4.4.2 to participate in the joint evaluation of the ITP; and
- (d) is to determine under its regional transmission planning process if such ITP is a more cost effective or efficient solution to one or more of NTTG's regional transmission needs.

#### **4.5. Interregional Cost Allocation Process**

##### **4.5.1. Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section 4.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from NTTG and each other Relevant Planning Region in accordance with its regional transmission planning

process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

#### **4.5.2. Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section 4.5.1, NTTG (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) NTTG's regional benefits stated in dollars resulting from the ITP, if any; and
- (iii) assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to Section 4.6.2 below) to each Relevant Planning Region using the methodology described in this Section 4.5.2.

For each ITP that meets the requirements of Section 4.5.1, NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's analysis;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section 4.5.2 in accordance with its regional transmission planning process;
- (c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in NTTG, NTTG is to use its regional cost allocation methodology, as applied to ITPs;
- (d) is to calculate its assigned *pro rata* share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;
- (e) is to share with the other Relevant Planning Regions information regarding what its regional cost allocation would be if it were to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation; NTTG may use such information to identify its total

share of the projected costs of the ITP to be assigned to NTTG in order to determine whether the ITP is a more cost effective or efficient solution to a transmission need in NTTG;

- (f) is to determine whether to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation, based on its regional transmission planning process; and
- (g) is to endeavor to perform its Interregional Cost Allocation activities pursuant to this Section in the same general time frame as its joint evaluation activities pursuant to Section 4.4.2.

#### **4.6. Application of Regional Cost Allocation Methodology to Selected ITP**

##### **4.6.1. Selection by All Relevant Planning Regions**

If NTTG (if it is a Relevant Planning Region) and all of the other Relevant Planning Regions select an ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 4.5.2(d) or 4.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

##### **4.6.2. Selection by at Least Two but Fewer than All Relevant Regions**

If the NTTG (if it is a Relevant Planning Region) and at least one, but fewer than all, of the other Relevant Planning Regions select the ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to evaluate (or reevaluate, as the case may be) pursuant to Sections 4.5.2(d), 4.5.2(e), and 4.5.2(f) above whether, without the participation of the non-selecting Relevant Planning Region(s), the ITP is selected (or remains selected, as the case may be) in its regional transmission plan for purposes for Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective regional transmission plans of NTTG and at least one other Relevant Planning Region, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 4.5.2(d) or 4.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

## **5. Interconnection-Wide Planning Process**

### **5.1. Introduction.**

Transmission Provider is a member of the WECC and supports the work of WECC TEPPC. NTTG may utilize WECC TEPPC for consolidation and completion of congestion and Economic Congestion Studies, base cases and other interconnection-wide planning. NTTG may coordinate with other neighboring regional planning groups directly, through joint study teams, or through the interconnection-wide process. Eligible Customers and stakeholders may participate directly in the WECC's processes, pursuant to participation requirements defined by WECC TEPPC, or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan or through the NTTG process as outlined above in Section 3 and 4.

### **5.2. Transmission Provider Coordination.**

Transmission Provider will coordinate with WECC TEPPC for interconnection-wide planning through its participation in NTTG. Transmission Provider will also use NTTG to coordinate with neighboring regional planning groups including the CAISO, WestConnect, NWPP and Columbia Grid. The goal of NTTG's coordination a interconnection-wide basis on behalf of Transmission Provider is to (1) share system plans to ensure that they are simultaneously feasible and otherwise use consistent assumptions and data, and (2) identify system enhancements that could relieve congestion or integrate new resources. A description of the interconnection-wide planning process is located in the Transmission Provider's business practice, located at:

[http://www.oatioasis.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oatioasis.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

### **5.3. Study Process.**

WECC TEPPC's transmission planning protocol and information is available on the WECC website. A link to the WECC TEPPC process is maintained in the transmission planning business practice, available on the Transmission Provider's business practices located at

[http://www.oatioasis.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oatioasis.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx) and on the Transmission Provider's OASIS.

### **5.4. Stakeholder Participation.**

Stakeholders have access to the interconnection-wide planning process through NTTG's public planning meetings, other regional planning groups and WECC at their discretion.

## 5.5. **Interconnection-Wide Economic Study Requests**

### 5.5.1 Submission of Economic Study Requests

Stakeholders shall submit their Interconnection-wide Economic Study Request to the WECC TEPPC process and provide the Planning Committee with a copy through [info@nttg.biz](mailto:info@nttg.biz).

### 5.5.2 Transmission Provider Support of WECC TEPPC

Transmission Provider will support, directly and through its participation in NTTG, the WECC TEPPC process.

### 5.5.3 Interconnection-Wide Economic Study Requests

Interconnection-wide Economic Study Requests by the will be processed and studied by WECC TEPPC according to its rules and procedures. Results of WECC TEPPC studies will be distributed by WECC TEPPC pursuant to its rules and procedures.

## 5.6. **Dispute Resolution.**

Interconnection-wide dispute resolution will be pursuant to the process developed by WECC. Nothing contained in this Section 5.6 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

## 5.7. **Cost Allocation.**

A Western Interconnection cost allocation methodology does not exist, therefore cost allocations for interconnection wide transmission projects, will be addressed on a case-by-case basis by parties participating in the project.

*Exhibit A*

**Economic Study Agreement**



## Economic Study Agreement

This Economic Study Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

### Recitals

- A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of performing Economic Congestion Studies for the Northern Tier footprint<sup>1</sup> as requested by stakeholders following the process described in the Transmission Provider’s Attachment K;
- B. The Planning Committee operates according to the terms and conditions set forth in the Planning Committee Charter which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz);
- C. This Agreement is intended to document an entity’s obligations regarding the Economic Congestion Study process, as described herein;

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

### Section 1 – Duration and Termination.

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

### Section 2 – Obligations of the Undersigned

- 2.1 By executing the signature page set forth below, the undersigned, agrees to:
  - a. Submit Economic Study Requests to the Transmission Provider during the Economic Study Request windows and provide the data required to perform the study;
  - b. Submit Economic Congestion Study Requests to the Transmission Provider during the Economic Congestion Study Request windows and provide the data required to perform the study;

- c. Acknowledge that Economic Congestion Study Requests will be evaluated and voted upon by the Planning Committee for potential clustering and selection for the up to two studies that will be performed during the Regional Planning Cycle;
- d. Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in Section 3.6 of Attachment K;
- e. If the Economic Congestion Study requests are not selected as one of the up to two studies, be subject to reimburse NTTG for the actual costs to perform the studies;
- f. Act in a good faith manner to further the completion of the Economic Congestion Study Request according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time-to-time by the Steering Committee;
- g. The extent practicable, provide support from internal resources to complete the Economic Congestion Study;
- h. Bear its own costs and expenses associated with participation in and support of the Economic Congestion Study; and
- i. Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

### **Section 3 - Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement's terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

_____ (Signature)	_____ (Name of Company or Organization)	_____ (Phone)
_____ (Print Signature)	_____ (Street Address)	_____ (Fax)
_____ (Title)	_____ (City, State, Zip Code)	_____ (Email)

<sup>1</sup> The Northern Tier's footprint is defined by the service territories of those entities that have executed the Northern Tier Funding Agreement, as may be amended from time to time.

*Exhibit B*

**Steering Committee Charter**



## **STEERING COMMITTEE**

### **CHARTER**

**Adopted: August 27, 2013**

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# **STEERING COMMITTEE CHARTER**

## **OF**

### **NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Steering Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1.**

##### **PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall provide governance and direction on initiatives undertaken by the Northern Tier Full Funders and Nominal Funders, and approved by the Steering Committee. Those initiatives include, but are not limited to, increasing the efficiency and use of the transmission system to the benefit of customers, and furtherance of markets, regional transmission tariffs, and other transmission products, services, or structures that are economically justified. The Committee shall act in accordance with such Attachment Ks, this charter, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal an Attachment K, or any resolution of any other Northern Tier committee.

#### **ARTICLE 2.**

##### **MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a Full Funder or Nominal Funder. Class 2 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (the "Regulators").

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the

criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2.

### **ARTICLE 3. MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chairs of the Committee using such form as may be established by the chairs for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chairs of the Committee using such form as may be established by the chairs for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chairs. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation becomes effective, quorum and voting thresholds shall be reduced accordingly, until the eligible entity appoints a new member representative.

3.6. Removal. A member representative is automatically removed as a member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chairs shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

#### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chairs. Notice of all special meetings shall be transmitted by or on behalf of the chairs to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chairs shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chairs shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative or alternate list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting; provided, however, should the Utility Co-chair or Vice-chair determine that a Class 1 member has failed to timely fund its allocated share as provided for in the Northern Tier Funding Agreement, its right to vote shall be suspended and shall not be considered in determination of quorum or voting percentages; provided, further, that a suspended Class 1 member's voting rights shall be reinstated upon a determination by the Utility Co-chair or Vice-chair that said member has fully funded its allocation share. The Committee shall work to achieve unanimity for any items that require approval. However, if unable to achieve unanimity, the act of two-thirds (2/3) of the member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5. OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the co-chairs and vice-chairs. The Committee may elect such other officers and assistant officers as it shall deem necessary. On an annual basis coinciding with the first meeting of the Committee in each calendar year, the Committee shall elect from its member representatives (not alternates) two (2) chairs and two (2) vice-chairs. One co-chair and vice-chair shall be a Class 2 member representative that is also a state regulatory utility commissioner (“State Co-chair” and “State Vice-chair”) and one co-chair and vice-chair shall be a member representative of a Class 1 Full Funder (“Utility Co-chair” and “Utility Vice-chair”).

5.2. Co-Chairs.

5.2.1. Joint Responsibility. The co-chairs are responsible for ensuring the Committee’s purposes are achieved, and are the primary public spokespersons for the Committee. The co-chairs shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.2.2. Utility Co-Chair Responsibility. The Utility Co-chair shall have the responsibility to:

- Initiate discussions among the Class 1 member representatives to review budget increases or financing for additional work streams approved by the Steering Committee; and
- Initiate and coordinate the dispute resolution process outlined in Attachment K.

5.2.3. State Co-Chair Responsibility. The State Co-chair shall have the responsibility to:

- Lead Steering Committee process and enforce Steering Committee process rules;
- Declare an impasse in any dispute resolution pursuant to the process outlined in Attachment K; and
- Ensure Northern Tier cost allocation processes are followed and send acknowledgement that the process has been followed to regulatory agencies.

5.3. Vice-Chairs. The vice-chairs shall perform all duties usually inherent in such office. A vice-chair shall perform the duties of a co-chair in the event of absence or withdrawal of one of the co-chairs. In addition, if one of the member representatives serving as co-chair ceases being a member representative for any reason or submits his resignation as co-chair of the Committee, a vice-chair shall perform the duties of the co-

chair for the remainder of the prior co-chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the co-chairs. The vice-chairs shall be the individuals intended to become the next co-chairs of the Committee.

5.4. Removal. The Committee may remove any officer whenever, in the Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the co-chairs (or, if one of the co-chairs, by giving notice to the other co-chair and to the vice-chairs). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chairs may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee co-chairs.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. This charter may be amended, in all or any part, by the Committee. At least once a year the Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

**CERTIFICATION**

The undersigned hereby certifies that the foregoing Steering Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27<sup>th</sup> day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

/s/ Ray Brush  
By \_\_\_\_\_  
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

/s/ Travis Kavulla  
By \_\_\_\_\_  
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group

*Exhibit C*

**Planning Committee Charter**



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**PLANNING COMMITTEE**

**CHARTER**

**Adopted: August 27, 2013**

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# **PLANNING COMMITTEE CHARTER**

## **OF**

### **NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Planning Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1.**

##### **PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties as assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, and the Steering Committee's directions, and applicable legal and regulatory requirements

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

#### **ARTICLE 2.**

##### **MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of three (3) classes of members: Class 1, and Class 2, and Class 3.

2.2. Eligibility for Membership. Class 1 members shall consist only of those transmission providers or transmission developers engaged in or intending to engage in the sale of electric transmission service within the Northern Tier Footprint (the "Transmission Provider/Developer Class"). Class 2 members shall consist only of those transmission users engaged in the purchase of electric transmission service within the Northern Tier Footprint, or other entity, which has, or intends to enter into, an interconnection agreement with a transmission provider within the Northern Tier

Footprint (the “Transmission User Class”). Class 3 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (collectively, the “Regulators,” and the “Regulatory Class”). Each entity is entitled to only one membership.

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings without signing the Planning Committee Membership Agreement. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, and execute the Planning Committee Membership Agreement that is attached as Exhibit A to this charter, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings.

Each signatory of the Northern Tier Funding Agreement that is subject to Federal Energy Regulatory Commission (“Commission”) jurisdiction under the Federal Power Act shall maintain the current form of the Planning Committee Membership Agreement approved by the Steering Committee as an exhibit to this charter, which in turn is an attachment to its respective OATT. Stakeholders seeking to join the Committee as a member of Class 1 (other than a funder) or Class 2 are not required to sign the Planning Committee Membership Agreement of any specific transmission provider. Rather, each stakeholder may choose and execute whichever form it desires to sign. However, a stakeholder must return the executed Planning Committee Membership Agreement to the transmission provider from which it obtained the form and to the Committee chair through [info@nttg.biz](mailto:info@nttg.biz).

Upon receipt of an executed Planning Committee Membership Agreement, that transmission provider will notify the Commission of its execution via the Electronic Quarterly Reports, and the chair of the Committee will cause Northern Tier to maintain a list on its website that identifies every stakeholder that has signed a Planning Committee Membership Agreement. Signatories to the Northern Tier Funding Agreement are automatically members of the Committee, and will be identified on the Northern Tier website as a member of the Committee.

The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of each signatory of the Planning Committee Membership Agreement, each signatory of the Northern Tier Funding Agreement, and the Regulators that have requested Committee membership.

**ARTICLE 3.**  
**MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf of the member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

##### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in the Transmission Provider/Developer's Class and one other class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5. OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) that are Full Funders of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such

office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committees.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

**CERTIFICATION**

The undersigned hereby certifies that the foregoing Planning Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27<sup>th</sup> day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

/s/ Ray Brush  
By \_\_\_\_\_  
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

/s/ Travis Kavulla  
By \_\_\_\_\_  
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group

## **Exhibit A**

### **Planning Committee Membership Agreement**

This Planning Committee Membership Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

#### **Recitals**

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of producing a regional transmission plan for the Northern Tier Footprint, and coordinating the transmission plan and its development with other regional planning groups and the interconnection-wide planning activities of the Western Electricity Coordinating Council (“WECC”);

B. The Planning Committee operates according to the terms and conditions set forth Attachment K and the Planning Committee Charter, which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz);

C. Attachment K and the Planning Committee Charter provide that any stakeholder may attend and participate in Planning Committee meetings but limits those entities that may formally vote to those entities that become members of the committee and appoint a member representative;

D. This Agreement is intended to document an entity’s membership on the Planning Committee and commit the entity to act in a good faith manner to further the purpose of the Planning Committee and Northern Tier;

E. A list of all members of the Planning Committee is maintained on the Northern Tier website; and

F. The Planning Committee is funded by the signatories to the Northern Tier Funding Agreement (“Funding Members”), as it may be amended from time-to-time, and which has been filed with the Commission and posted on the Northern Tier website.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

#### **Section 1. Duration and Termination**

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory

Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

## **Section 2. Obligations of the Undersigned**

2.1 By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class of the Planning Committee, and agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:

- (a) Act in a good faith manner to carry out the responsibilities assigned to the Planning Committee in Attachment K, the purposes of the Planning Committee Charter, and the governance of the Steering Committee, as each may be amended from time-to-time;
- (b) Be bound by the decisions of the Steering Committee, the Planning Committee, and the Cost Allocation Committee, and/or resolve disputes according to the process set forth in Attachment K;
- (c) To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter and the responsibilities assigned to the Planning Committee in Attachment K;
- (d) Bear its own costs and expenses associated with participation in and support of the Planning Committee;
- (e) Be responsible for the costs of meeting facilities and administration, including third-party contract resources, associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and
- (f) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data or non-public information.

## **Section 3. Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned’s sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement’s terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee and/or the Cost Allocation Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

Requested Membership Class \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name of Company or  
Organization)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Print Signature)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(Fax)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(City, State, Zip Code)

\_\_\_\_\_  
(Email)

*Exhibit D*

**Cost Allocation Committee Charter**



## **COST ALLOCATION COMMITTEE**

### **CHARTER**

**Adopted: August 27, 2013**

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# **COST ALLOCATION COMMITTEE CHARTER**

## **OF**

### **NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Cost Allocation Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1. PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, the Steering Committee's directions, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

#### **ARTICLE 2. MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a funder and that have appointed a representative to the Steering Committee. Class 2 members shall consist only of those state utility commissions, state consumer advocates, or state transmission siting agencies within the Northern Tier Footprint that have appointed a representative to the Steering Committee (the "Regulators").

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2

### **ARTICLE 3. MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

##### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5. OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committee.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

### **CERTIFICATION**

The undersigned hereby certifies that the foregoing Cost Allocation Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27th day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

/s/ Ray Brush  
By \_\_\_\_\_  
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

/s/ Travis Kavulla  
By \_\_\_\_\_  
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group

**Attachment 6**

**Red-lined Version of Applicant's Attachment K**

**ATTACHMENT K**  
**Transmission Planning Process**

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# ATTACHMENT K

## Transmission Planning Process

### Preamble

In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional (~~NTTG~~), interregional and interconnection-wide ~~planning (WECC)~~ basis. Section 2 of this Attachment K addresses the local planning process. Section 3 of this Attachment K addresses ~~Transmission Provider's the~~ regional planning ~~coordination efforts and responsibilities~~ process. Section 4 of this Attachment K addresses interregional coordination with the ~~other~~ planning regions in the United States portion of the Western Interconnection. Section 5 of this Attachment K addresses the interconnection-wide planning ~~coordination efforts and responsibilities~~. ~~Greater detail with respect to Transmission Provider's regional, interregional and interconnection wide planning efforts is also contained within the separate agreements and practices of the NTTG and the WECC~~ process.

The Transmission Provider is responsible for maintaining its Transmission System and planning for transmission and generator interconnection service pursuant to the Tariff and other agreements. The Transmission Provider retains the responsibility for the local planning process and Local Transmission System Plan and may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.

### 1. Definitions

Unless defined below,<sup>1</sup> capitalized terms shall refer to terms defined in the Tariff.

#### 1.1. Alternative Project

Alternative Project is defined in Section 3.7.3.2 and collectively refers to Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any).

#### 1.2. Annual Capital-Related Costs

Annual Capital-Related Costs is defined in Section 3.7.4.2.

#### 1.3. Applicant

Applicant is defined in Section 3.7.2.2 as a Project Sponsor and a stakeholder that submits an unsponsored project.

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<sup>1</sup> Please note that additional definitions with respect to interregional coordination and cost allocation are contained in Section 4 of this Attachment K, which contains provisions that are common among each of the planning regions in the United States portion of the Western Interconnection.

#### 1.4. Beneficiary

~~shall~~ Beneficiary means any entity, including but not limited to transmission providers (both incumbent and non-incumbent), ~~m~~Merchant Transmission Developers, load serving entities, transmission customers or generators that utilize the regional transmission system within the NTTG Footprint to transmit energy or provide other energy-related services.

#### 1.5. Biennial Study Plan

~~shall~~ Biennial Study Plan means the ~~regional transmission~~ study plan used to produce the Regional Transmission Plan, as approved by the ~~NTTG's~~ Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

#### 1.6. Change Case

A Change Case is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more non-Committed projects in the Initial Regional Plan. The deletion or deferral of a non-Committed Project in the Initial Regional Plan without including an Alternative Project can also be a Change Case.

#### 1.7. Committed Project

A Committed Project is defined in Section 3.9.1 as a project that has all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of Quarter 1 of the current Regional Planning Cycle.

#### 1.8. Confidentiality Agreement

Confidentiality Agreement means the agreement posted on Transmission Provider's OASIS at [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx). The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.2.3 and 3.4.2.

#### 1.9. Cost Allocation Committee

Cost Allocation Committee is defined in Section 3.1.2.

#### 1.10. Cost Allocation Committee Charter

Cost Allocation Committee Charter means that document attached as Exhibit D to this Attachment K.

### **1.11. Cost Allocation Data Form**

Cost Allocation Data Form means the form posted on NTTG’s website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

### **1.12. Critical Energy Infrastructure Information (“CEII”)**

Critical Energy Infrastructure Information is defined by the Commission’s regulations in 18 C.F.R. Part 388 (or any successor thereto) and associated orders issued by the Commission.

### **1.13. Data Submittal Form**

Data Submittal Form means the form posted on NTTG’s website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

### **1.14. Demand Resources**

~~shall~~ Demand Resources means mechanisms to manage demand for power in response to supply conditions, for example, having electricity customers reduce their consumption at critical times or in response to market prices. For purposes of this Attachment K, this methodology is focused on curtailing demand to avoid the need to plan new sources of generation or transmission capacity.

### **1.15. Draft Regional Transmission Plan**

Draft Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 4, as provided for in Section 3.7.4.4, and presented to stakeholders for comment in Quarter 5 as set forth in Section 3.7.5.

### **1.16. Draft Final Regional Transmission Plan**

Draft Final Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 6, as provided for in Section 3.7.6.3, presented to stakeholders for comment in Quarter 7 as set forth in Section 3.7.7, and presented, with any necessary modifications, to the Steering Committee for adoption in Quarter 8 as set forth in Section 3.7.8.

### **1.17. Economic Study or Congestion Study**

~~shall~~ Economic Study or Economic Congestion Study means an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

### **1.18. Economic Congestion Study Request**

~~shall~~ Economic Study Request or Economic Congestion Study Request means a request by a Transmission Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Transmission System Plan, to reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, Regional Economic Study Request, and Interconnection-wide Economic Study Request.

### **1.19. Economic Study Request Form**

Economic Study Request Form means the form posted on NTTG's website used to submit an Economic Study Request as referenced in Section 3.11.1.

### **1.20. Finance Agent Agreement**

The Finance Agent Agreement is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

### **1.21. Funding Agreement**

Funding Agreement refers to the current version of the agreement among the entities funding the activities of NTTG. The Funding Agreement is available on the NTTG Website.

### **1.22. Incumbent Transmission Developer**

Incumbent Transmission Developer refers to an entity that develops a transmission project within its own retail distribution service territory or footprint.

### **1.23. Interconnection-wide Economic Study Request**

An Interconnection-wide Economic Study Request means an Economic Study Request where there is a Point of Receipt or Point of Delivery within the NTTG Footprint, as determined by the Planning Committee, and it's a Point of Delivery or Point of Receipt, respectively, is both within the Western Interconnection and outside the NTTG Footprint. In the alternative, if the Economic Study Request is reasonably determined by the Planning Committee to be an Interconnection-wide Economic Study Request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes only WECC member interconnected transmission systems, the study request will be considered an Interconnection-wide Economic Study Request.

#### 1.24. Initial Regional Plan

Initial Regional Plan is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders Local Transmission Plans.

#### 1.25. Local Economic Study Request

A Local Economic Study Request means an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the Planning Committee (if the request is received by the NTTG Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.

~~1.1. **Local Planning Meeting:** shall mean the meetings held by Transmission Provider pursuant to Attachment K to the Tariff.~~

#### 1.26. Local Transmission System Plan or **Local Transmission Plan (LTSP or LTP)**

~~shall~~ Local Transmission System Plan (LTSP) or Local Transmission Plan (LTP) means the ~~Transmission Provider's~~ transmission plan of the Transmission Provider that identifies the upgrades and other investments to the Transmission System and Demand Resources necessary to reliably satisfy, over the planning horizon, Network Customers' resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider's resource and load growth expectations for Native Load Customers; Transmission Provider's transmission obligation for Public Policy Requirements; Transmission Provider's obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider's Point-to-Point Transmission Customers' projected service needs including obligations for rollover rights.

#### 1.27. LTSP Re-Study Request

~~shall~~ LTSP Re-Study Request means a request by an Eligible Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft Local Transmission System Plan (produced pursuant to Section 2 of Attachment K), to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its customers set forth in the Transmission System Plan.

**1.28. Merchant Transmission Developer**

Merchant Transmission Developer refers to an entity that assumes all financial risk for developing and constructing its transmission project. A Merchant Transmission Developer recovers the costs of constructing the proposed transmission project through negotiated rates instead of cost-based rates. A Merchant Transmission Developer does not seek to allocate the costs associated with its merchant transmission facilities to other entities.

**1.29. NTTG**

~~shall~~ NTTG means the Northern Tier Transmission Group or its successor organization.

**1.30. NTTG Footprint**

NTTG Footprint means the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

**1.31. NTTG Website**

NTTG Website means www.nttg.biz.

**1.32. Nonincumbent Transmission Developer**

Nonincumbent Transmission Developer refers to two categories of transmission developer: (1) a transmission developer that does not have a retail distribution service territory or footprint; and (2) a public utility transmission provider that proposes a transmission project outside of its existing retail distribution service territory or footprint, where it is not the incumbent for purposes of that project.

~~1.2. **Planning and Cost Allocation Practice:** shall mean the NTTG Regional Planning and Cost Allocation Practice document which may be accessed via direct links in Transmission Provider's transmission planning business practice available at [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).~~

**1.33. Planning Committee**

Planning Committee is defined in Section 3.1.2.

**1.34. Planning Committee Charter**

Planning Committee Charter means that document attached as Exhibit C to this Attachment K.

### 1.35. Planning Horizon

Planning Horizon means the Local Transmission Plan evaluates a ten (10) year planning horizon, which consists of a summer/winter Near Term Case (years 1-5) (“Near Term Case”) and a summer/winter Longer Term Case (years 6-10) (“Longer Term Case”).

### 1.36. Project Sponsor

Project Sponsor is defined in Section 3.7.1.1 as the Nonincumbent Transmission Provider or Incumbent Transmission Provider intending to develop the project that is submitted into the planning process.

### 1.37. Public Policy Considerations

~~shall~~ Public Policy Considerations means those public policy considerations that are not established by local, state, or federal laws or regulations.

### 1.38. Public Policy Requirements

~~shall~~ Public Policy Requirements means those public policy requirements that are established by local, state, or federal laws or regulations, meaning enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction.

### 1.39. Regional Economic Study Request

A Regional Economic Study Request means an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

### 1.40. Regional Planning Cycle

~~shall~~ Regional Planning Cycle means NTTG’s eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

### 1.41. Regional Transmission Plan

~~shall~~ Regional Transmission Plan means the current, final regional transmission plan, as approved by the ~~NTTG-s~~ Steering eCommittee.

**1.42. Sponsor Qualification Data Form**

Sponsor Qualification Data Form means the form posted on NTTG’s website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

**1.43. Sponsored Project**

Sponsored Project means the project proposed by a Project Sponsor.

**1.44. Steering Committee**

Steering Committee is defined in Section 3.1.2.

**1.45. Steering Committee Charter**

Steering Committee Charter means that document attached as Exhibit B to this Attachment K.

~~1.3. **TRANSAC: Shall mean** NWE’s Transmission Advisory Committee that is a stand-alone advisory committee comprised of eligible stakeholders (to include state regulators, consumer council and transmission developers) who will provide input to the Transmission Provider regarding its Local Transmission Plan.~~

**1.46. TEPPC**

~~÷ shall~~ TEPPC means Transmission Expansion Planning Policy Committee or its successor committee within WECC.

**1.47. TRANSAC**

TRANSAC means NWE’s Transmission Advisory Committee that is a stand-alone advisory committee comprised of eligible stakeholders (to include state regulators, consumer council and transmission developers) who will provide input to the Transmission Provider regarding its Local Transmission Plan.

**1.48. WECC**

~~÷ shall~~ WECC means the Western Electricity Coordinating Council or its successor organization.

## 2. Local Planning Process

### 2.1. Preparation of a LTSP

- 2.1.1 The Transmission Provider shall prepare, with the input of interested stakeholders, one (1) LTSP during every two-year study cycle. The preparation of the LTSP shall be done in accordance with the general policies, procedures, and principles set forth in this Attachment K.
- 2.1.2 Point-to-Point transmission service request must be made as a separate and distinct submission by an Eligible Customer in accordance with the procedures set forth in Transmission Provider's Tariff. Similarly, Network Customers must submit Network Resource and load additions/removals pursuant to the process described in Part III of the Tariff and the Transmission Provider's Business Practices document. This document is identified under the Section "1.R - Open Access Transmission Tariff (OATT) & Business Practices" of the Transmission Provider's business practice, available on the Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.1.3 Comparability Between Customers. The Transmission Provider shall develop a transmission plan that meets the needs of its transmission customers and treats all similarly situated customers (including network and retail native load and its own merchant function) on a comparable basis. Information obtained in quarters 1 and 5 pursuant to Section 2.5 below will be used in the preparation of the next study cycle Local Transmission Plan. Transmission Provider may, following stakeholder input, also include results of completed Economic Congestion Studies, completed pursuant to Section 2.7 below, in either the draft Local Transmission Plan or the next study cycle, depending on whether the study was requested in Quarter 1 or Quarter 5. In developing the Local Transmission Plan, Transmission Provider shall apply applicable reliability criteria, including criteria established by the Transmission Provider, the Western Electricity Coordinating Council, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission.
- 2.1.4 Comparability Between Resources. Comparability between resources, including similarly situated customer-identified projects, will be accomplished in the following manner.
- 2.1.4.1 Comparability between resources will be achieved in NWE's Local Transmission Plan by including all valid data received from customers (including load forecast data, generation data, transmission needs driven by Public Policy Requirements and Considerations and Demand Resource data) in the Local Transmission Plan development.

- 2.1.4.2 The Transmission Provider projects and similarly situated customer-identified projects (e.g., transmission solutions, transmission needs driven by Public Policy Requirements and Considerations and solutions utilizing Demand Resource load adjustment) will be treated on a comparable basis and given comparable consideration in the transmission planning process. Comparability will be achieved by allowing customer-defined projects sponsor participation throughout the transmission planning process and by considering customer-defined projects (transmission solutions and solutions utilizing Demand Resources load modeled as a load adjustment) in the Local Transmission Plan development. The Transmission Provider retains discretion as to which solutions to pursue and is not required to include all customer-identified projects in its plan.
- 2.1.5 The Transmission Provider will establish a process by which stakeholders can discuss, question, or propose alternatives for input assumptions and upgrades identified by the transmission provider.
- 2.1.6 The Transmission Provider shall use a fifteen (15) year planning horizon for the LTSP.
- 2.1.7 The LTSP does not effectuate or otherwise constitute a transmission service request(s). Transmission Service Requests must be made in accordance with the procedures set for in the OATT and posted on the Transmission Provider's OASIS. The LTSP does fulfill the Transmission Provider's obligation to plan for, and provide for future Network Customers and Native Load Customers' load growth by identifying required Transmission System capacity additions to be constructed over the planning horizon.
- 2.1.8 The Transmission Provider shall take the LTSP into consideration, to the extent required by law or regulation, as is appropriate when preparing and conducting generation interconnect, transmission service and Economic Congestion Studies. Explanation of the coordination of the LTSP, generation interconnection studies and Economic Congestion Studies is available in Section "1.P - Attachment K Business Practice" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.1.9 The Transmission Provider shall take the generation interconnect, transmission service, Economic Congestion Study results, and transmission needs driven by Public Policy Requirements into consideration, to the extent required by law or regulation, as is appropriate when preparing and conducting the LTSP studies. An explanation of the coordination of the LTSP, generation interconnect studies and Economic Congestion Studies is described in Section "1.P - Attachment K Business Practice" of the Transmission Provider's business practices available on Transmission

Provider's OASIS at:

<http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment K Business Practice Links.docx>.

- 2.1.10 Transmission needs driven by Public Policy Requirements and Considerations: The Transmission Provider shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements and Considerations.
- 2.1.10.1 During Quarter 1 of its eight-quarter study cycle, the Transmission Provider will receive from all stakeholders proposed Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations. During Quarter 5 any stakeholder may submit comments or additional information relating to the information received in Quarter 1.
- 2.1.10.2 Out of the set of Public Policy Requirements and Considerations received in Quarter 1, the Transmission Provider, after consultation with its transmission advisory committee – TRANSAC, will separate the transmission needs driven by Public Policy Requirements and Considerations into the following:
- 2.1.10.2.1. ~~Those~~ All transmission needs driven by Public Policy Requirements will ~~to~~ be evaluated in the transmission planning process that develops the LTSP.
  - 2.1.10.2.2. Those transmission needs driven by Public Policy Considerations, and agreed to Public Policy Requirements, to be used in the uncertainty and other scenario analysis.
  - 2.1.10.2.3. Those transmission needs driven by Public Policy Requirements and Considerations that will not be evaluated.
  - 2.1.10.2.4. Transmission provider will post on its OASIS website a list of Public Policy Requirements and Considerations that will be evaluated in the biennial transmission planning process and why other suggested Public Policy Requirements and Considerations will not be evaluated.
- 2.1.10.3 Once identified the Public Policy Requirements and Considerations will not be revised during the development of the LTSP unless unforeseen circumstances require a modification to those Public Policy Requirements and Considerations identified to be evaluated in the transmission planning process that develops the LTSP. In this

instance, stakeholders will be consulted through TRANSAC before the Public Policy Requirements and Considerations are modified.

2.1.10.4 The LTSP review and evaluation process ~~for and selection criteria for inclusion of~~ transmission needs driven by Public Policy Requirements and Considerations in the LTSP will be the same as those used for any other local transmission and non transmission projects evaluated in the LTSP process. Stakeholder input will occur throughout the LTSP eight quarter planning cycle. To develop the LTSP, the LTSP process will begin with data collection, goal and scenario definition in Quarter 1 (Section 2.3.2.1). Also in Quarter 1, from the larger set of Public Policy Requirements and Considerations that have been received, the Public Policy Requirements that will be used to develop the LTSP will be identified (Section 2.1.10.2). In Quarters 2 through 6 a ~~In its~~ technical analysis (Section 2.3.2.2), ~~the Transmission Provider~~ will require ~~include the~~ transmission needs driven by Public Policy Requirements and Considerations ~~in the transmission planning process~~ to be jointly evaluated jointly with other local projects in the context of different base and uncertainty scenario cases, rather than considering transmission needs driven by Public Policy Requirements and Considerations separately from other transmission needs. The technical analyses will use steady state power flow, post transient steady-state power flow and transient stability analyses to evaluate the system performance to ensure reliability is maintained. In Quarter 7 a decision rule (Section 2.3.2.3) will be developed with stakeholder input to review solutions identified during the technical analysis, including solutions from stakeholders and transmission solutions for Public Policy Requirements and Considerations. The decision rule will evaluate all solutions against each other based on a comparison of their relative economics and ability to meet reliability criteria to develop the LTSP. Reporting and coordination of the LTSP will occur in Quarter 8 (Section 2.3.3.4).

2.1.10.4.1. Additional information regarding ~~T~~the process by which transmission needs driven by Public Policy Requirements and Considerations will be received, reviewed and evaluated is described in the “LTSETP Method Criteria and Process Business Practice” as available in Section Q of the Attachment K Business Practice Links document posted on Transmission Provider’s OASIS website at:  
<http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment K Business Practice Links.docx>.

## 2.2. Open Planning Process

- 2.2.1 Open Planning Process: Transmission Provider shall prepare the LTSP using an open process that includes input from interested persons and stakeholders at every step consistent with the principles, practices, policy and procedures set forth in this Attachment K. The Transmission Provider shall: (1) determine the goals and define the scenarios related to the LTSP; (2) perform the Technical Study; (3) make any necessary determination, based on the data produced during the Technical Study and at the Transmission Providers sole discretion, regarding the LTSP itself or include timely submitted Economic Congestion Study Request results; and (4) report study results, as required by applicable law or regulation to interested stakeholders and affected parties.
- 2.2.2 Openness: The Transmission Provider's LTSP process will be open to all stakeholders during the development of the LTSP. All meetings related to the LTSP process shall be: (1) noticed by the Transmission Provider via the OASIS; and (2) provide for alternate means of participation, to the extent practical and economical, such as teleconference, videoconference or other similar means. The mode, method, schedule, process, and instructions for participation in the LTSP process shall be posted and maintained on the OASIS.
- 2.2.3 Limitations on Disclosure: While Transmission Provider's LTSP process will be conducted in the most open manner possible, Transmission Provider has an obligation to protect sensitive information such as, but not limited to, Critical Energy [Infrastructure](#) Information and the proprietary materials of third parties. Nothing in this Attachment K shall be construed as compelling the Transmission Provider to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental agency of competent jurisdiction. Transmission Provider may employ mechanisms such as [eConfidentiality](#) [aAgreements](#), protective orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.
- 2.2.4 Compliance: Transmission Provider will adhere to all applicable regulations in preparing the LTSP, including but not limited to the Standards of Conduct for Transmission Providers and Critical Energy Information.

## 2.3. Coordination

- 2.3.1 LTSP Study Cycle: Transmission Provider shall prepare a LTSP during an eight-quarter (8) study cycle.
- 2.3.1.1 Throughout the development of the LTSP, Transmission Provider will coordinate the LTSP development with stakeholders, including, but not limited to, state regulators, developers, transmission customers, and interested parties through TRANSAC.

- 2.3.1.2 The LTSP study cycle and its start date will be posted on the Transmission Provider's OASIS website. The study cycle is explained in Section "1.K -LTSP Study Cycle – Data Collection" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.3.1.3 The responsibility for the Local Transmission Plan shall remain with the Transmission Provider who may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation. If any comments are rejected, documentation explaining why shall be maintained in Section "1.N - Local Transmission Plan" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.3.1.4 Transmission Provider will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Order 890 and 1000.
- 2.3.2 LTSP Sequence of Events: Transmission Provider shall use the following timeline in preparing its LTSP.
- 2.3.2.1 Quarter 1: Data Collection, Goal and Scenario Definition
- 2.3.2.1.1 Each Transmission Customer taking service under Part II of the OATT, or which has an accepted reservation in the transmission queue to take service under Part II shall provide data as requested by the Transmission Provider. Transmission Provider will gather Network Customers' projected loads and resources, and load growth expectations (based on annual updates and other information available to it); Transmission Provider's projected load growth and resource needs for its Eligible Customers; Point-to-Point Transmission Service customer's projections for long-term (greater than 1 year) at each receipt and delivery point (based on information submitted by the customer to the Transmission Provider) including projections of rollover rights; and information from all Transmission Customers and the Transmission Provider on behalf of Native Load Customers concerning existing and planned Demand Resources and their impact on demand and peak demand. The Transmission Provider shall take into consideration, to the extent

known or which may be obtained from its Transmission Customers and active queue requests, obligations that will either commence or terminate during the applicable study window.

- 2.3.2.1.2. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Local Transmission Plan, and uncertainty and other scenarios including alternate solutions to the identified needs set out in prior Local Transmission Plans and Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations. In doing so, the stakeholder shall submit the data during Quarters 1 and 5 as specified in Section “1.K -LTSP Study Cycle – Data Collection” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at:

[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

[A regional Project Sponsor may submit information for their project to the local Transmission Provider or to the Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Section 3.7.](#)

- 2.3.2.1.3. Transmission Provider, with input from stakeholders and interested parties, will define the LTSP goal and define the uncertainty and other scenarios.
- 2.3.2.1.4. Transmission Provider will post on its OASIS website the basic methodology, criteria, process, its assumptions and databases that the Transmission Provider will use to prepare the Local Transmission Plan. Transmission Provider will also post on its OASIS website a list of transmission needs driven by Public Policy Requirements and Considerations that will be evaluated in the biennial transmission planning process and why other suggested transmission needs driven by Public Policy Requirements and Considerations will not be evaluated.
- 2.3.2.1.5. Confidential data and information and Critical Energy Infrastructure Information will be protected as required.
- 2.3.2.1.6. A regional or interregional project sponsor may submit information for their project to the local transmission provider or NTTG Planning Committee for consideration

in the regional transmission plan. This region project data submission process is described in [sSection 3.3](#).

### 2.3.2.2 Quarter 2-6: Technical Study

- 2.3.2.2.1 Quarter 2: Transmission Provider, with input from stakeholders and interested parties, will develop base cases that include load and resource data, Public Policy Requirements and transmission needs driven by Public Policy Requirements for the LTSP, and Public Policy Requirements and Considerations for the uncertainty and other scenarios. Customer load, Demand [Response Resources](#) and generation data received pursuant to [Section 2.5](#) will be included, as appropriate, in the development of the base case.
- 2.3.2.2.2 Quarter 5: Transmission Provider will coordinate the Economic Congestion Study results, [sSection 2.7](#), and new generation interconnection resource study results into the LTSP as appropriate. Any stakeholder may submit comments, additional information about new or changed circumstances relating to loads, resources, transmission projects, Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations, or alternative solutions to be evaluated as part of the preparation of the draft transmission plan, or submit identified changes to the data it provided in Quarter 1. The level of detail provided by the stakeholder should match the level of detail described in Quarter 1 above.
- 2.3.2.2.3 Quarter 2-6: Transmission Provider will conduct powerflow, transient stability studies, post transient power flow and other studies.
- 2.3.2.2.4 All stakeholder submissions, including Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations, will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.
  - 2.3.2.2.4.1 Transmission Provider will study the existing transmission system over the 15-

year planning horizon and identify reliability concerns.

2.3.2.2.4.2 Transmission Provider will identify mitigation and analyze the transmission system with mitigation included.

2.3.2.2.4.3 Transmission Provider will collect information from the analysis to be used in Quarter 7 decisions.

2.3.2.2.5 Transmission Provider will consider transmission and non-transmission solutions, including transmission solutions driven by Public Policy Requirements and Considerations, Demand Resources load adjustments, to mitigate for unacceptable reliability performance problems that do not meet planning criteria.

2.3.2.2.6 Transmission Provider will consider the results from Economic Congestion Studies completed during quarters 1-4 of the current LCP study cycle or Economic Congestion Study results from studies completed during the prior year Economic Congestion Study cycle.

### 2.3.2.3 Quarter 7: Decision

2.3.2.3.1 Using data and information from the Technical Study, the Transmission Provider, with input from stakeholders and interested parties, will define its fifteen (15) year LTSP.

2.3.2.3.2 All solutions, including solutions from stakeholders and transmission solutions for Public Policy Requirements and Considerations, will be evaluated against each other based on a comparison of their relative economics and ability to meet reliability criteria.

### 2.3.2.4 Quarter 8: Reporting and Coordination

2.3.2.4.1 Transmission Provider will report the LTSP to stakeholders and submit the LTSP to regional and interconnection-wide planning entities conducting similar studies.

2.3.2.4.2 Transmission Provider will communicate its LTSP with owners and operators of the neighboring interconnected transmission systems.

2.3.2.4.3 Transmission Provider will post on its OASIS its final LTSP report and all draft LTSP reports.

## 2.4. Transparency

- 2.4.1 NorthWestern shall post on its OASIS and consistently apply the methodologies, criteria, assumptions, and process for preparing the LTSP.
- 2.4.2 The Transmission Provider shall utilize regularly scheduled TRANSAC meetings or other similar means, as it may from time to time establish, to solicit, obtain, and coordinate the input of interested stakeholders throughout the LTSP study process. Transmission Provider's open planning process encourages participation by stakeholders, including, but not limited to, the Montana Public Service Commission, the Montana Consumer Council, transmission customers (Network and Point-to-Point Transmission Service), generators, cooperatives, interconnecting utilities, the Governor's Office, transmission-providing neighbors and other stakeholders. Announcements of these meetings will be posted on NWE's OASIS website and all meetings will be open to the public.
- 2.4.3 Transmission Provider shall post and maintain on its OASIS: (1) All procedures, process, instructions, and other information necessary to participate in the TRANSAC, Open Public Meeting, or other means established for the purpose of soliciting the input of or coordinate with interested stakeholders; (2) all comments received from interested stakeholders, to the extent such comments are not confidential or subject to privilege; any draft LTSP or any other documents the Transmission Provider deems would promote coordination in the LTSP study process or required to be posted by applicable law or regulation.
- 2.4.4 The responsibility for the LTSP shall remain with the Transmission Provider who may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.
- 2.4.5 Upon completion of the LTSP process as set forth on the Transmission Provider's OASIS, the Transmission Provider shall finalize and post on the OASIS the LTSP and non-confidential supporting documents.
- 2.4.6 The LTSP shall be transmitted to the regional and interregional and interconnection wide entities conducting similar planning efforts, interested stakeholders, and the owners and operators of the neighboring interconnected transmission systems.
- 2.4.7 OASIS Requirements
  - 2.4.7.1 The Transmission Provider shall maintain a Transmission Planning folder on the publicly accessible portion of its OASIS to distribute information related to this Attachment K and the LTSP.

- 2.4.7.2 The Transmission Provider shall maintain in the Transmission Planning folder on the publicly accessible portion of OASIS a subscription service or How-To-Contact-Us folder whereby any person may contact the Transmission Provider to receive e-mail notices and materials related to the LTSP process.
- 2.4.7.3 Content of OASIS Postings. Transmission Provider shall post on its OASIS the following information. These documents can be found under Section “1 – Local Transmission Planning and Attachment K Link Information” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.3.2.7.1 Transmission planning business practices along with the procedures for modifying the business practices;
- 2.3.2.7.2 Study cycle timeline;
- 2.3.2.7.3 A form to submit an Economic Congestion Study Request, each Economic Congestion Study Request, and any response from the Transmission Provider;
- 2.3.2.7.4 The details of each TRANSAC, Open Public Meeting, or any other similar meeting related to transmission planning;
- 2.3.2.7.5 In advance of its discussion at any public meeting, an agenda and available materials to be discussed;
- 2.3.2.7.6 As soon as reasonably practical after the conclusion of each public meeting, a summary of the transmission information discussed at the public meeting and any material not already posted;
- 2.3.2.7.7 Written comments submitted in relation to the Local Transmission Plan, and any explanation regarding rejection of such comment;
- 2.3.2.7.8 A list of which Public Policy Requirements and Considerations received during Quarter 1 will be evaluated in the biennial study cycle and why other suggested Public Policy Requirements and Considerations received during Quarter 1 will not be evaluated;
- 2.3.2.7.9 The draft and any interim versions of the Local Transmission Plan;

- 2.3.2.7.10 The final version of all completed Local Transmission Plans;
- 2.3.2.7.11 Aggregated load forecasts representing the Transmission Provider's total Balancing Area (e.g., control area) transmission system;
- 2.3.2.7.12 Summary list of Critical Energy Infrastructure Information submitted during the planning process;
- 2.3.2.7.13 Pertinent NTTG and WECC agreements, charters and documents under a separate NTTG and WECC folders on the OASIS; and
- 2.3.2.7.14 Information describing the extent that the Transmission Provider has undertaken a commitment to build a transmission facility included in NTTG's Regional Transmission Plan.

2.4.8 Database Access. A stakeholder may receive access from the Transmission Provider to the database and all changes to the database used to prepare the Local Transmission Plan according to the database access rules established by the WECC and upon certification to the Transmission Provider that the stakeholder is permitted to access such database. Unless expressly ordered to do so by a court of competent jurisdiction or regulatory agency, the Transmission Provider has no obligation to disclose database information to any stakeholder that does not qualify for access.

## 2.5. Information Exchange

2.5.1 Types of Forecast Data: Network Customers, Point-to-Point Transmission Service customers and Load Serving Entities on behalf of Native Load Customers shall annually submit information on projected load, resources (or sources of electrical supply) and Demand Resources data as required to facilitate the LTSP process or to fulfill OATT, regulatory, legal or other Transmission Provider obligations. Network Customers, Point-to-Point Transmission Service customers and Load Serving Entities shall provide Transmission Provider the following types of data upon reasonable request and according to the schedule posted on the OASIS to facilitate the LTSP process.

2.5.1.1 Historical Data: one year of monthly historical energy and peak load data for the prior calendar year and for all months of the current year, as it is available.

2.5.1.2 Load Forecast Data: monthly energy (MWh) and peak (MW) load forecast data.

- 2.5.1.3 The peak load forecast shall assume a 1-in-2 temperature.
- 2.5.1.4 Demand Resources, demand reduction, conservation and demand-side management: demand response resource savings, conservation savings, and other customer load reduction alternative that would reduce or alter their load forecast.
- 2.5.1.5 Generation Forecast Data: changes to technical generator data or interconnection facilities data for their generators and expected monthly energy (MWh), monthly peak capability (MW) and expected maintenance schedule.
- 2.5.1.6 Other Supply Sources: monthly energy (MWh) and peak (MW) data for electrical supply sources including point of receipt and point of delivery.
- 2.5.2 Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations: All stakeholders have the opportunity to submit Public Policy Requirements and Considerations and transmission needs driven by Public Policy Requirements and Considerations during Quarter 1 of the eight-quarter study cycle.
- 2.5.3 Amount of Data: Unless otherwise requested or provided elsewhere in NorthWestern's OATT, or agreed to by the Transmission Provider and the Transmission Customer, the Transmission Customer shall provide the Transmission Provider fifteen (15) years of monthly forecast data.
- 2.5.4 Additional Information: The Transmission Customer shall also provide, upon reasonable request, to the Transmission Provider the following information or other information as requested by the Transmission Provider:
  - 2.5.4.1 Discussion of reasons for significant increase or decreases in load or generation forecast.
  - 2.5.4.2 Source and vintage of load forecast and generation resource information.
  - 2.5.4.3 Interruptible tariff peak loads with and without interruptible portion of the forecast applied.
  - 2.5.4.4 The numerical value (average) for the 1-in-2 temperature used to develop the summer and winter peak load forecast.
  - 2.5.4.5 The methodology that can be used to adjust the 1-in-2 winter and summer peak load forecasts to an alternative temperature (e.g., 1-in-10 and 1-in-20) probability assumption.

- 2.5.4.6 Weather station(s) used and assumptions associated with developing the peak load temperature forecasts.
- 2.5.4.7 Other load forecast and resource data as reasonably requested by the Transmission Provider.
- 2.5.5 Comparability of Data: The same type of data request for generator forecast data and load forecast data shall be sent by the Transmission Provider to generators and Transmission Customers within the Transmission Provider's respective balancing area.
- 2.5.6 Confidentiality: Individual customer data will be treated as confidential and will be aggregated with other customer data for planning and reporting purposes. The data received will be used to develop the Transmission Provider's LTSP and for reporting purposes. Market sensitive and commercial specific data, identified as such by the Transmission Customer or stakeholder, shall be handled as such and administered in accordance with the Standard of Conduct for Transmission Providers as well as Confidential Energy Infrastructure Information.
- 2.5.7 Schedule of Collection: Transmission Provider will request forecast data annually during the fall time period (September-December) and merge it into the biennial LTSP study schedule as posted on OASIS. Similarly, Transmission Provider shall post on the OASIS instructions and procedures for the submission of data.
- 2.5.8 Transmission Customer Obligation: Customers shall provide Transmission Provider with generation, energy and peak load forecast, demand response resources, and other data specified within this Attachment K, to the maximum extent practical and consistent with protection of proprietary information.
  - 2.5.8.1 Customers shall also provide timely written notice (including email) of material changes to information previously provided relating to its load, resources, or other aspects of its facility or operations affecting the Transmission Provider's ability to provide service.
  - 2.5.8.2 If any Transmission Customer or stakeholder fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider cannot effectively include future needs in the Transmission Provider's LTSP planning obligations. If any Network Customer fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider shall plan the system based on the most recent load and resource data received.
- 2.5.9 Comparability, Generally: Transmission Provider shall consider all valid data, along with appropriate comments on data, process, and methodology received from Transmission Customers and stakeholders during preparation of LTSP.

## 2.6. Cost Allocation

- 2.6.1 Cost allocation principles expressed here are applied in a planning context, and do not supersede cost obligations as determined by other parts of the Tariff, which include but are not limited to transmission service requests, generation interconnection requests, Network Upgrades, Direct Assigned Facilities, or other cost allocation principles as may be determined in states with jurisdiction over the Transmission Provider.
- 2.6.2 The types of projects covered under this Cost Allocation (i.e., projects that are not covered under existing OATT allocation rules) include the following: a new project that is confined to Transmission Provider's Balancing Area that is not for load service (including a new project extending beyond the Transmission Provider's Balancing Area, which will be subject to regional cost allocation rules); a new project involving several transmission owners; a new project resulting from an open season participation; and a project resulting from an Economic Congestion Study Request that is not used for Transmission Provider load service.
  - 2.6.2.1 Transmission Provider shall use mechanisms such as the TRANSAC or similar processes to work collaboratively with stakeholders and Transmission Customers regarding the allocation of costs for projects whose costs are not otherwise addressed under the OATT. Transmission Provider's Methodology and principles for the Allocation of Costs shall be posted on the OASIS.
  - 2.6.2.2 Transmission Provider may elect to proceed with upgrades to the existing transmission system or with load service, customer requested and/or reliability transmission projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.
- 2.6.3 Individual Transmission Service Requests Costs and Interconnect Requests Not Considered
  - 2.6.3.1 The costs of upgrades or other transmission investments subject to a generation interconnect or an existing transmission service request pursuant to the Tariff are evaluated in the context of that request. Nothing contained in this Attachment K shall relieve or modify the obligations of the Transmission Provider or the requesting Transmission Customer contained in the Tariff.
- 2.6.4 Cost Allocation Principles
  - 2.6.4.1 Costs will be identified using the principle that cost causers should be cost bearers and that beneficiaries should pay in an amount that are reflective of the direct demonstrable benefits received. The costs

will be determined by the technical study used to define the mitigation requirements and the direct costs of that mitigation. The benefits will be determined by the technical study as the direct demonstrable benefits that are a direct result of that mitigation.

- 2.6.4.2 Proportional Allocation: Costs and associated transmission rights for new local projects that fall outside Transmission Provider's OATT will be allocated on a proportional allocation based on the capacity (MW) requested or benefit received (quantified as MW benefit or other agreed upon measure), unless a mutually agreeable cost allocation method can be reached between Transmission Provider and the project participants or sponsors, which will be subject to FERC approval of the participation agreement. Allocation of costs and benefits for network upgrades required by the local project will be allocated on a pro-rated share of the network facility capacity (MW) use, which will be quantified by technical study.
  - 2.6.4.2.1 Transmission Provider will follow the Local Cost Allocation Project Outside OATT Methodology that is posted on Transmission Provider's OASIS to develop a non binding cost estimate for an indicative cost allocation. The local cost allocation methodology can be found under Section "1.M - Local Cost Allocation Methodology" of the Transmission Provider's business practices, available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
  - 2.6.4.2.2 For a project on the Transmission Provider's system that is undertaken for economic reasons or congestion relief at the request of an entity, the project cost will be allocated to the requesting entity.
  - 2.6.4.2.3 In developing alternative cost allocation methods, Transmission Provider will seek input from its stakeholders, through TRANSAC, when appropriate.
- 2.6.4.3 Notwithstanding the foregoing provisions, Transmission Provider will not assume cost responsibility for any project if the cost of the project is not reasonably expected to be recovered in its retail and/or wholesale rates.
- 2.6.4.4 The Commission's regulations, policy statements and precedent on transmission pricing shall be followed.

2.6.4.5 The cost allocation for regional projects will be allocated consistent with the provisions of Section 3 of this Attachment K.

## 2.7. Economic Congestion Studies

- 2.7.1 The Transmission Provider will study up to two (2) high priority Local Transmission Provider Economic Congestion Studies annually. The Transmission Provider may not have or maintain the individual capability to conduct certain portions of the Economic Congestion Studies, and may contract with a qualified third party of its choosing to perform such work. Information on Economic Congestion Studies is available in Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).
- 2.7.2 Economic Congestion Study Request: [Submission of a Local Economic Congestion Study Request should be submitted pursuant to Section 3.11.1 and reviewed for completeness pursuant to Section 3.11.2.](#) A form for submitting Economic Congestion Study Requests shall be maintained on the Transmission Provider’s OASIS website, [and a form for submitting a Regional Economic Study Request is maintained on the NTTG Website.](#) Any Eligible Customer or stakeholder may submit an Economic Congestion Study Request to the Transmission Provider, along with all data in its possession supporting the request to be modeled. The party submitting the Economic Congestion Study Request shall work in good faith to assist the Transmission Provider in gathering the data necessary to perform the modeling request. To the extent necessary, any coordination between the requesting party and the Transmission Provider shall be subject to appropriate confidentiality requirements.
- 2.7.2.1 Transmission Provider will post on its OASIS a listing of [Local Economic Congestion Study Requests](#), including but not limited to, date received, study name, brief description of study request and study status.
- 2.7.3 Economic Congestion Study Process: [Transmission Provider will review submissions for completeness as set forth in Section 3.11.2.](#) Local Transmission Provider shall [use an annual Economic Congestion Study Request cycle to study up to two high priority](#) valid requests for [local Economic Congestion Studies during Quarters 2 through 4](#) in a manner that is open and coordinated with stakeholders utilizing the TRANSAC or other method established by the Transmission Provider to facilitate an open, transparent, and coordinated process. [A Local Economic Congestion Study Requests](#) should be submitted to the Transmission Provider during the first two (2) months of the [annual local Economic Congestion Study](#) ~~twelve (12) month study~~ cycle by using the [local Economic Congestion Study Request](#)

Form posted on the Transmission Providers OASIS website. Upon completion of the process, the Transmission Provider will provide the study request sponsor a report of the study results in Quarter 4. If the Economic Congestion Study cannot be completed by the end of the calendar year, the Transmission Provider will notify the study request sponsor of the delay, provide an explanation of why the delay and provide an estimated completion date. The schedule and process document for performing Economic Congestion Studies can be found under Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at:

[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.7.4 Clustering of Local Economic Congestion Study Requests. Transmission Provider, with input from stakeholders, will cluster study requests as appropriate and prioritize the requests, including clustered requests, as described in Section 2.7.6 based on alleviating congestion. Requests can be clustered if the point of receipt and point of delivery of the Economic Congestion Study Requests are on opposite sides of a common or a potentially common transmission path(s) or if a potentially common solution is created by the requests or, in the alternative, it is reasonably determined by the Transmission Provider that the Economic Congestion Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group. Additional discussion can be found in Section “1.P - Attachment K Business Practice” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

2.7.5 Classification of Requests. Transmission Provider shall classify a request for Economic Congestion Study as a Local ~~Transmission Provider~~ Economic Congestion Study Request, Regional Economic ~~Congestion~~ Study Request, or Interconnection-wide Economic Congestion Study Request pursuant to each respective definition and Section 3.11.3. ~~If the Local Transmission Provider Economic Congestion Study Request is regional or interconnection-wide, the Transmission Provider will notify the requesting party and forward the Economic Congestion Study Request to NTTG for consideration and processing under NTTG’s procedures.~~

~~2.7.6 Local Transmission Provider Economic Congestion Study Request: Local Transmission Provider Economic Congestion Study Request identifies (1) Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission Provider’s scheduling system footprint and the Point of Receipt(s) and Point(s) of Delivery utilize only the Transmission Provider’s scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the~~

~~study request does not affect other interconnected transmission systems, the study request will be considered local and will be prioritized under this Section (i.e., Section 2).~~

~~2.7.7 Regional Economic Congestion Study Request: If the Economic Congestion Study Request identifies (1) Point(s) of Receipt and Point(s) of Delivery that are all within the NTTG scheduling system footprint, as determined by the NTTG Transmission Use Committee, and the Point(s) of Receipt and Point of Delivery utilize only NTTG Funding Agreement members scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation as to whether the study request utilizes the interconnected transmission systems of NTTG Funding Agreement members, the study request will be considered regional and will be processed under the next Section, Section 3.~~

~~2.7.8 Intereconnection wide Economic Congestion Study Request: If the Economic Congestion Study Request identifies a Point of Receipt of Point of Delivery within the NTTG scheduling system footprint as determined by the NTTG Transmission Use Committee and (1) the Point(s) of Receipt and Point(s) of Delivery are all within the WECC scheduling system footprint; and (2) the Point(s) of Receipt and Points(s) of Delivery utilize only WECC members scheduling paths, the study request will be considered interconnection wide and will be processed under Section 4 of this document. In the alternative, if the Economic Congestion Study Request is reasonably determined by the Transmission Provider to be an interconnection wide request from a geographical and electrical perspective, including, but not limited to, an evaluation as to whether the study request utilizes only WECC member interconnected transmission systems, the study request will be considered interconnection wide and will be processed under Section 5.~~

~~2.7.9 Economic Congestion Study Request Not Applicable: To be considered by the Transmission Provider, any Economic Congestion Study Request must (1) contain at least one Point of Receipt or Point of Delivery within the Transmission Provider's scheduling footprint, or (2) be reasonably determined by the Transmission Provider to be geographically located within the Transmission Provider's scheduling footprint.~~

~~2.7.10~~ 2.7.6 Priority of Requests: The Transmission Provider shall identify up to two (2) high priority Local ~~Transmission Provider~~ Economic Congestion Study Requests for study per year.

2.7.6.1 If the Transmission Provider receives more than two Local Economic Study Requests per year, it will prioritize the requests, including requests that are clustered, and determine which Local Economic Study Request(s) will be performed based on an evaluation of the following:

2.7.6.1.1. The most significant opportunities to reduce overall costs of the Local Transmission Plan through the integration of new supply and Demand Resources into the local transmission grid, or expanding the local transmission in a manner that can benefit large numbers of customers, such as evaluating transmission upgrades necessary to connect major new areas of generation resource and/or load, while reliably serving the load growth needs being studied in the Local Transmission Plan, and

2.7.6.1.2. Input from stakeholders.

~~2.7.10.1 Transmission Provider, with input from stakeholders, will cluster study requests as appropriate and prioritize the requests, including clustered requests, based on alleviating congestion through the integration of new supply and Demand Resources into the local transmission grid or expanding the local transmission in a manner that can benefit large numbers of customers, such as by evaluating transmission upgrades necessary to connect major new areas of generation resource and/or load.~~

~~2.7.10.2~~2.7.6.2 Sponsors of a Local Economic Congestion Studyies Request not prioritized as a high priority Economic Congestion sStudy may re-submit the Local Economic Congestion Study Request for study consideration in the next Economic Congestion Study cycle or may fund their local Economic Congestion Study Request as an Additional Economic Congestion Study.

~~2.7.11~~2.7.7 Economic Congestion Study Contents: ~~Local Transmission Provider~~ies shall include, but not be limited to: the location and magnitude of congestion, possible congestion remedies and the cost of relieving congestion.

~~2.7.12~~2.7.8 Customer Obligation to Share Data: Transmission Customers and stakeholders requesting an Economic Congestion Study shall, upon submitting the request to the Transmission Provider, supply all relevant information necessary to perform the Economic Congestion Study. If the Transmission Customer or stakeholder fails to provide the information requested, the Transmission Provider shall have no obligation to complete the study.

~~2.7.13~~2.7.9 Additional Economic Congestion Studies: Economic Congestion Study Requests that are not prioritized as one of the two highest priority local studies shall be referred to as Additional Studies. A stakeholder shall request an Additional Study within (10) business days of receiving notice from the Transmission Provider by email that their request was not classified a one of the two high priority local Economic Congestion Studies. The Transmission Provider shall allow sponsors of Additional Study requests to pay for

consulting services to complete or withdraw the Additional Study. A description of the process, procedure, and methodology for processing Additional Economic Congestion Studies is available in Section “1.G – Economic Congestion Studies” of the Transmission Provider’s business practices, available on Transmission Provider’s OASIS at: [http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

~~2.7.14~~ 2.7.10 Recovery of Planning Costs: The costs to complete the high priority Economic Congestion Studies will be recovered through Transmission Provider’s transmission rate base. The cost for Additional Economic Congestion Studies will be borne by the sponsor of the Economic Congestion Study Request.

2.8. **Dispute Resolution** (Compliance with Attachment K and Local Transmission Plan)

2.8.1 Process: The following process shall be utilized to address procedural and substantive concerns over the Transmission Provider’s compliance with this Attachment K and related transmission business practices.

2.8.1.1 Step 1 - Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider that describes the dispute. Upon receipt of such letter, the Transmission Provider shall set a meeting for the senior representatives for each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of the disputed matter, or (iii) after 60 days, the parties remain at an impasse.

2.8.1.2 Step 2 - If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation among those parties involved in the dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the Commission’s Dispute Resolution Service serve as the mediator of the dispute.

2.8.2 All negotiations and proceedings pursuant to this process are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law.

- 2.8.3 The basis of the dispute and final non-confidential decisions will be made available to stakeholders upon request.
- 2.8.4 Timeline. Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under Section 2.8.1 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier.
- 2.8.5 Rights. Nothing contained in this Section 2.8 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

## **2.9. Recovery of Planning Costs**

- 2.9.1 Unless Transmission Provider allocates planning-related costs to an individual stakeholder, or as otherwise permitted by the Tariff, all costs of the Transmission Provider related to the Local Transmission Plan process or as part of regional, interregional or interconnection wide planning process shall be included in the Transmission Provider's transmission rate base. Transmission Provider will capture the planning costs for the OATT using traditional test period requirements in the next FERC tariff filing.

## **2.10. Transmission Business Practices**

- 2.10.1 Transmission Provider has posted on its OATT website its business practices. In lieu of developing a separate transmission business practice, the Transmission Provider may post documents or links to publicly available information that explains its planning obligations as set out in this Attachment K. The Transmission Provider's business practices are available on Transmission Provider's OASIS at:  
[http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oasis.oati.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

### 3. Regional Planning Process

#### Governance and Participation

##### 2.11.3.1. Introduction Governance

###### 3.1.1 About NTTG

NTTG is a trade name ~~for of~~ the ~~efforts of participating~~ utilities and state representatives ~~to develop that are participating in the development of~~ a Regional Transmission Plan that evaluates whether transmission needs within the NTTG Footprint may be satisfied on a regional and interregional basis more efficiently ~~and or~~ cost effectively than through ~~the NTTG transmission providers' respective~~ local planning processes. While the Regional Transmission Plan is not a construction plan, it provides valuable regional insight and information for all stakeholders (including developers) to consider and use in their respective decision-making processes.

###### 3.1.2 Committees

NTTG has four standing committees: ~~the s~~Steering ~~e~~Committee, ~~p~~Planning ~~e~~Committee, ~~e~~Cost ~~a~~Allocation ~~e~~Committee, and transmission use committee. The ~~s~~Steering ~~e~~Committee, which operates pursuant to the ~~s~~Steering ~~e~~Committee ~~e~~Charter, is charged with the tasks of approving the Regional Transmission Plan in accordance with this Attachment K, and governing ~~governs~~ the activities of NTTG. The ~~p~~Planning ~~e~~Committee, which is governed by the ~~p~~Planning ~~e~~Committee ~~e~~Charter, is charged with the task of producing the ~~responsible for preparing~~ Regional Transmission Plans (inclusive of and, in collaboration with stakeholders, in coordination with neighboring transmission planning regions, and conducting regional Economic Congestion Studies) in accordance with this Attachment K ~~requested by stakeholders~~. The ~~e~~Cost ~~a~~Allocation ~~e~~Committee, ~~whose actions are which is~~ governed by the ~~e~~Cost ~~a~~Allocation ~~e~~Committee ~~e~~Charter, is charged with the task of allocating costs to Beneficiaries of ~~responsible for applying the cost allocation principles and practices, while developing cost allocation recommendations for~~ transmission projects selected into the Regional Transmission Plans for cost allocation purposes in accordance with this Attachment K. ~~Additionally, t~~The transmission use committee, ~~whose actions are which is~~ governed by the transmission use committee charter, and acts outside the scope of this Attachment K, and is responsible for increasing the efficiency of the ~~existing member utility~~ transmission systems through commercially reasonable initiatives and increasing customer knowledge of, and transparency into, the transmission systems ~~of the member utilities~~.

~~The Planning and Cost Allocation Practice, developed and reviewed with stakeholders, describes the process by which NTTG prepares the Regional Transmission Plans (including cost allocation). Local transmission planning~~

~~processes are described in this Attachment K rather than the Planning and Cost Allocation Practice. This Attachment K also includes the processes by which NTTG coordinates its regional transmission planning processes with its neighboring transmission planning regions, and performs interregional project identification, evaluation, and cost allocation. See Section 4.~~

~~Stakeholders may participate in NTTG's activities and programs at their discretion; provided, however, stakeholders that intend to submit an Economic Congestion Study Request or engage in dispute resolution are expected to participate in the NTTG planning and cost allocation processes. Stakeholders may participate directly in the NTTG processes or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan.~~

~~While the resulting Regional Transmission Plans are not construction plans, they provide valuable regional insight and information for all stakeholders (including developers) to consider and use to potentially modify their respective plans.~~

### **3.2. Participation through Enrollment or Membership**

#### **3.2.1 Enrollment**

Enrollment obligations are specified in Section 3.2.3 below. An entity may enroll in NTTG by becoming a funder as specified in Section 3.2.3 below.

#### **3.2.2 Membership**

Membership rights are specified in the committee charters. An entity may become a member of the following:

- a. Planning Committee as specified in the Planning Committee Charter,
- b. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
- c. Steering Committee as specified in the Steering Committee Charter.

#### **3.2.3 Funder of NTTG**

##### **3.2.3.1 Eligibility**

An entity that meets the definition of “Nominal Funder” or “Full Funder” as defined in the currently effective Funding Agreement is eligible to join NTTG as a funder.

### 3.2.3.2 Funding Enrollment Process

An eligible entity will be enrolled in NTTG as a Full Funder on the date the requirements of (a), (b) and either (c) or (d) are satisfied. An eligible entity will be enrolled in NTTG as a Nominal Funder on the date the requirements of (a) and (b) are satisfied.

- a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.
- b. Entity becomes a party to the currently effective Finance Agent Agreement.
- c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders.
- d. If an entity intending to become a Full Funder is not a public utility, the Commission accepts the filing of a reciprocity Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders.

### 3.2.3.3 Funder Enrollment Obligations

The enrolled entity:

- a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment;
- b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment, and
- c. If a Full Funder, agrees to maintain effective versions of the agreements and Open Access Transmission Tariff specified in Section 3.2.3.2.

#### 3.2.3.4 Funder Termination of Enrollment

An entity ceases being enrolled in NTTG as a funder on the date:

- a. The entity is no longer a party to the agreements specified in Section 3.2.3.2, and
- b. If a Full Funder, the Commission accepts an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

#### 3.2.3.5 Identification of Full Funders

The following entities are enrolled in NTTG as Full Funders:

- a. Deseret Generation & Transmission Co-operative, Inc.,
- b. Idaho Power Company,
- c. NorthWestern Corporation,
- d. PacifiCorp, and
- e. Portland General Electric Company.

#### 3.2.3.6 Identification of Nominal Funders

Utah Association of Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

### **3.3. Stakeholder Participation**

#### 3.3.1 Participation through Public Meetings

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings. The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.

#### 3.3.2 Participation through Committees

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee meetings according to the terms and conditions of the Steering Committee, Planning Committee Charter, and the Cost Allocation Committee Charter, respectively. The date, time, and location of the committee meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter.

### 3.3.3 Participation through Commenting

In addition to commenting orally during stakeholder meetings as set forth in Section 3.3.1 or during committee meetings as set forth in Section 3.3.2, any stakeholder may submit written comments to a committee chair at any time through [info@nttg.biz](mailto:info@nttg.biz).

## 3.4. Sensitive Information

### 3.4.1 Critical Energy Infrastructure Information (“CEII”)

Any participant in an NTTG process must adhere to the Commission’s rules and/or guidelines concerning CEII. Additional information concerning CEII, including a summary list of the data that is determined by the supplying party to be deemed CEII, shall be posted on the Transmission Provider’s OASIS, and updated regularly.

### 3.4.2 Confidential Information

In the event a participant in an NTTG process claims that information is confidential, another participant seeking access to such information must agree to adhere to the terms of the Confidentiality Agreement. The form of Transmission Provider’s Confidentiality Agreement shall be posted on the Transmission Provider’s OASIS. Confidential information shall be disclosed in compliance with the Standards of Conduct, and provided only to those participants that require such information and execute the Confidentiality Agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

## ~~2.12.3.5~~ Transmission Provider ~~Coordination with NTTG~~ Participation

### 3.5.1 Planning & Process

Transmission Provider shall engage in regional transmission planning (including interregional coordination and interregional cost allocation) ~~as a member of~~ through NTTG. Transmission Provider shall support NTTG’s planning and cost allocation processes through funding a share of NTTG as a Full Funder, and providing employee support of NTTG’s planning, cost allocation, and administrative efforts.

### 3.5.2 Project Identification

Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost

effective ~~and efficient~~ from a regional perspective than the transmission projects identified in the Local Transmission ~~System~~ Plans developed by the participating transmission providers that are Full Funders.

### 3.5.3 Project Cost Allocation

Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.7.

### 3.5.4 Information Provided

Transmission Provider will provide NTTG with:

- a) ~~its~~ Its Local Transmission System Plan;
- b) Data used to develop its Local Transmission Plan including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources, and stakeholder data described in ~~Parts A and B~~Section 2.
- c) ~~u~~Updates to information about new or changed circumstances or data contained in the Local Transmission System Plan;
- e) ~~d.~~ Public Policy Requirements ~~and Considerations~~; and
- e) ~~e.~~ Public Policy Considerations; and
- f) ~~a~~Any other project proposed for the Regional Transmission Plan.

### 3.5.5 Information Posted

Subject to appropriate Critical Energy Infrastructure Information (~~CEII~~) or other applicable regulatory restrictions, Transmission Provider will post on its OASIS:

- a) ~~t~~The Biennial Study Plan, ~~which shall include: (1) planning and cost allocation criteria, methodology, and assumptions; (2) an explanation of which transmission needs driven by Public Policy Requirements and Considerations will and will not be evaluated in each biennial transmission planning process, along with an explanation of why particular transmission needs driven by Public Policy Requirements and Considerations were or were not considered; and (3) updates on progress and commitments to build received by NTTG;~~

- b). ~~u~~Updates to the Biennial Study Plan (if any);
- c). ~~t~~The Regional Transmission Plan; and
- d). ~~t~~The start and end dates of the current Regional Planning Cycle, along with notices for each upcoming regional planning meeting that is open to all parties.

### 3.6. Dispute Resolution

#### 3.6.1 Scope

Transmission Provider, signatories to the Planning Committee Membership Agreement, and Eligible Customers and stakeholders that participate in the regional planning process shall utilize the dispute resolution process set forth in this Section 3.6 to resolve procedural and substantive disputes related to the regional planning process.

#### 3.6.2 Process

Disputes shall be resolved according to the following process:

- a. Step 1 – In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.
- b. Step 2 – The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.
- c. Step 3 – If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in Appendix C of the WECC bylaws. If the

dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission’s dispute resolution service to facilitate mediation of the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.

d. Step 4 – If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

### 3.6.3 Timeliness

To facilitate the completion of the Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 3.6 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier. Nothing contained in this Section 3.6 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

## Planning and Cost Allocation Processes

### 3.7. Preparation of Regional Transmission Plan

The Planning Committee will biennially prepare a long-term (10-year) bulk transmission expansion plan (the “Regional Transmission Plan”). The regional transmission planning process is comprised of the activities set forth in this Section during the Regional Planning Cycle.

### ~~2.13.— Study Process.~~

~~Transmission Provider will support the NTTG processes as a member of NTTG to establish a coordinated regional study process, involving both economic and reliability components, as outlined in the Planning and Cost Allocation Practice, which is approved by the NTTG steering committee. The regional study process will also address NTTG’s coordination with neighboring planning regions and any interregional projects under consideration by NTTG. As part of the regional study process, the NTTG planning committee will biennially prepare a long-term (ten year) bulk transmission expansion plan (the Regional Transmission Plan), while taking into consideration up to a twenty year planning horizon. The comprehensive~~

~~transmission planning process will comprise the following milestone activities during the Regional Planning Cycle as outlined below, and further described in the Planning and Cost Allocation Practice:~~

### 3.7.1 Pre-qualify for Cost Allocation:

~~Sponsors who intend to submit a project for cost allocation must be pre-qualified by the NTTG planning committee, according to its criteria, process, and schedule.~~

#### 3.7.1.1 Who must Pre-Qualify

A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a “Project Sponsor”) that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee in accordance with this Section 3.7.1, and remain qualified to be considered a Sponsored Project in subsequent Regional Transmission Plans.

#### 3.7.1.2 How to Pre-Qualify

A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through info@nttg.biz, by October 31<sup>st</sup> of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG Website to submit the data.

The Planning Committee and Cost Allocation Committee will apply the sponsor qualification criteria as summarized in Table 1 below in a comparable and non-discriminatory manner to both incumbent and non-incumbent transmission developers. The sufficiency of the qualification data will be determined by the Planning Committee and Cost Allocation Committee, in consultation with stakeholders, at regularly scheduled meetings in November of Quarter 8 of the prior Regional Planning Cycle.

NTTG will provide the Project Sponsor with notice of the committees’ determinations within five business days following the date a determination has been made by both committees. The notice will provide either that the Project Sponsor satisfied the qualification data requirements, or will identify specific deficiencies.

The Project Sponsor has until January 31<sup>st</sup> of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not cured by the end of January of Quarter 1, the project will be considered an unsponsored project submitted by a

stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with updated information and data deficiencies cured. The Project Sponsor must continue to comply with the pre-qualification requirements set forth in Section 3.7.1 for the project to continue to be considered a Sponsored Project in the next Regional Transmission Plan.

*Table 1. Sponsor Qualification Data*

<u>Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle<sup>2</sup></u>			
	<u>Category</u>	<u>Qualification Data</u>	<u>How Sponsor Qualification Data Will be Evaluated</u>
<u>1</u>	<u>Project Sponsor description</u>	<u>1. Name and address.</u> <u>2. Years in business.</u> <u>3. Operating environment (nature of business).</u>	<u>Assess whether the required data was submitted.</u>
<u>2</u>	<u>Project summary</u>	<u>1. Voltage.</u> <u>2. Single or double circuit.</u> <u>3. AC or DC.</u> <u>4. Estimated cost.</u> <u>5. Approximate construction period.</u> <u>6. Project location.</u> <u>7. Points of interconnection with the transmission grid.</u>	<u>Assess whether the required data was submitted.</u>
<u>3</u>	<u>Project Name</u>	<u>1. Project Name.</u>	<u>Assess whether the required data was submitted.</u>
<u>4</u>	<u>Project Sponsor demonstration of technical expertise to</u>	<u>1. Management’s experience in developing, constructing (or managing construction), and owning a project of similar size and</u>	<u>Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or</u>

<sup>2</sup> All information supplied to the Planning Committee or subcommittees must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:

a) Public.

b) Contains Critical Energy Infrastructure Information - Do Not Release. (<http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>)

c) Contains Privileged Information - Do Not Release.

Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle<sup>2</sup>

	<u>Category</u>	<u>Qualification Data</u>	<u>How Sponsor Qualification Data Will be Evaluated</u>
	<u>develop, construct and own the proposed project</u>	<p><u>scope.</u></p> <p><u>2. Clear discussion of Project Sponsor’s depth and breadth of technical expertise, including Project Sponsor’s internal expertise or external expertise, or both, to develop, construct, and own the proposed project.</u></p> <p><u>3. Name, location, and description of a project of similar scale that demonstrates Project Sponsor’s technical expertise to develop, construct, and own the proposed project.</u></p>	<u>managing construction) and owning comparable projects.</u>
5	<u>Project Sponsor financial expertise to develop, construct, and own the proposed project</u>	<p><u>Creditworthiness review requires the following information, if available:</u></p> <p><u>1. Most recent annual report.</u></p> <p><u>2. Most recent quarterly report.</u></p> <p><u>3. Last two most recent audited year-end financial statements.</u></p> <p><u>4. Rating agency reports.</u></p> <p><u>5. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable).</u></p> <p><u>6. Other information supporting Project Sponsor’s financial expertise.</u></p> <p><u>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor’s parent company has either an investment grade rating, or, meets the following three tests:</u></p> <p><u>A. Has existed for at least 5 years;</u></p> <p><u>B. Has maintained positive working capital for the prior 3 years; and</u></p> <p><u>C. Has a minimum tangible net worth of \$1,000,000 or total asset of</u></p>	<u>Assess whether the qualification data was submitted and satisfied the required qualitative criteria.</u>

Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle<sup>2</sup>

	<u>Category</u>	<u>Qualification Data</u>	<u>How Sponsor Qualification Data Will be Evaluated</u>
		\$10,000,000.	
6	<u>Proposed project financing plan</u>	<ol style="list-style-type: none"> <li>1. Describe how the project will be financed.</li> <li>2. List investors and percentage ownership of each.</li> <li>3. Proposed sources of debt and equity capital and the percentages of each.</li> </ol>	<u>Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4.</u>
7	<u>Project Sponsor ability to maintain and operate proposed project</u>	<u>Clear description of Project Sponsor, its parent organization, or its third-party contractor that has been retained to operate and/or maintain the proposed project. Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor’s consultant or outsourced entity.</u>	<u>Assess whether the qualification data was submitted and satisfied the required qualitative criteria.</u>
8.	<u>Primary Project Contact</u>	<ol style="list-style-type: none"> <li>1. Name.</li> <li>2. Title.</li> <li>3. Phone.</li> <li>4. Email.</li> </ol>	<u>Assess whether the required data was submitted.</u>
9.	<u>Signature</u>	<u>Signature of authorized representative</u>	<u>Assess whether the document was signed.</u>

3.7.2 Quarter 1–

3.7.2.1 Data Gathering:

Planning Committee shall Gather and coordinate Transmission Provider (as specified in Section 2.3.2.4 and Section 3.5.4) and stakeholder input applicable to the planning horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, and Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider’s Local Transmission System Plan and

prior ~~NTTG biennial~~ Regional Transmission Plans. A stakeholder shall use the Data Submittal Form found on the NTTG Website to submit its data. By January 31<sup>st</sup> of Quarter 1, stakeholders shall submit a completed form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

### 3.7.2.2 Proposing a Project for Consideration

A ~~p~~Project ~~s~~Sponsor ~~that may~~ proposes a transmission project for consideration in the Regional Transmission Plan shall submit certain minimum information to the NTTG planning committee, including (to the extent appropriate for the project): (a “Sponsored Project”) by submitting to the Planning Committee chair the information identified in the “sponsored project” column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning Committee chair the information identified in the “unsponsored project” column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair the information identified in the “merchant developer project” column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an “Applicant.” Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG Website to submit its project. By March 31<sup>st</sup> of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

- ~~a) load and resource data;~~
- ~~b) forecasted transmission service requirements;~~
- ~~c) whether the proposed project meets reliability or load service needs;~~
- ~~d) economic considerations;~~
- ~~e) whether the proposed project satisfies a transmission need driven by Public Policy Requirements;~~
- ~~f) project location;~~
- ~~g) voltage level (including whether AC or DC);~~
- ~~h) structure type;~~
- ~~i) conductor type and configuration;~~
- ~~j) project terminal facilities;~~

- ~~k) project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement;~~
- ~~l) project development schedule;~~
- ~~m) current project development phase;~~
- ~~n) in-service date; and~~
- ~~o) a list of all planning regions to which an interregional project has been submitted for evaluation.~~

*Table 2. Minimum Information Required*

<u>Minimum Information Required (Yes required or No not required)</u>				
		<u>Sponsored Project</u>	<u>Un-sponsored Project</u>	<u>Merchant Developer Project</u>
<u>A</u>	<u>Load and resource data (1)</u>	<u>Y</u>	<u>Y</u>	<u>N (2)</u>
<u>B</u>	<u>Forecasted transmission service requirements, if any (5)</u>	<u>Y</u>	<u>Y</u>	<u>N (3)</u>
<u>C</u>	<u>Whether the proposed project meets reliability or load service needs</u>	<u>Y</u>	<u>Y</u>	<u>N (3)</u>
<u>D</u>	<u>Economic considerations (6)</u>	<u>Y</u>	<u>Y</u>	<u>N (4)</u>
<u>E</u>	<u>Whether the proposed project satisfies a transmission need driven by Public Policy Requirements</u>	<u>Y</u>	<u>Y</u>	<u>N (3)</u>
<u>F</u>	<u>Project location</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>G</u>	<u>Voltage level (including whether AC or DC)</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>H</u>	<u>Structure type</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>I</u>	<u>Conductor type and configuration</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>J</u>	<u>Project terminal facilities</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>K</u>	<u>Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement</u>	<u>Y</u>	<u>Y</u>	<u>N</u>
<u>L</u>	<u>Project development schedule</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>M</u>	<u>Current project development phase</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>N</u>	<u>In-service date</u>	<u>Y</u>	<u>Y</u>	<u>Y</u>
<u>O</u>	<u>A list of all planning regions to which an interregional project has</u>	<u>Y</u>	<u>Y</u>	<u>N</u>

<u>Minimum Information Required (Yes required or No not required)</u>				
		<u>Sponsored Project</u>	<u>Un-sponsored Project</u>	<u>Merchant Developer Project</u>
	<u>been submitted for evaluation</u>			
<p><u>1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the load intended to be served with the line and the generation resource intended to inject energy into the line for the identified load.</u></p> <p><u>2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.</u></p> <p><u>3. Provide this information only to the extent it is readily available when the information is due.</u></p> <p><u>4. To the extent applicable and data is readily available for the proposed transmission project; provide that approximate location of the congestion that this project is proposed to address.</u></p> <p><u>5. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in row "A," then do not provide them in response to this data request. If not provide, then provide the data.</u></p> <p><u>6. Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.</u></p>				

### 3.7.2.3 Proposing a Project for Consideration for Cost Allocation

~~For projects proposed~~ In addition to the information specified in Section 3.7.2.2 above, an Applicant shall use the Cost Allocation Data Form found on the NTTG Website to propose its project for cost allocation, ~~the project sponsor shall and~~ submit the following additional information requested below. By March 31<sup>st</sup> of Quarter 1, Applicant shall submit a completed form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz). Such Applicants are encouraged but not required to also provide following information::

- aa) A statement as to whether the project was selected in a transmission provider's local plan;
- b. ~~state~~ A statement as to whether the proposed project ~~was (i) selected to meet transmission needs driven by a reliability or Public Policy Requirement of a local transmission provider, and/or (ii) selected~~ is planned in conjunction with evaluation of economical resource development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a local transmission provider;
- ~~bb)c.~~ i ~~if the proposed project was selected~~ is planned primarily to meet the transmission needs of a reliability or Public Policy

Requirement of a ~~local~~ transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which ~~selection-planning~~ of the project ~~was-is~~ based;

~~ee)d.~~ ~~i~~f the proposed project ~~was selected-is planned~~ as part of ~~the planning-of~~ future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which ~~selection-planning~~ of the project ~~was-is~~ based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;

~~dd)e.~~ ~~t~~To the extent not already provided, copies of all studies performed by or in possession of the ~~project sponsor-Applicant~~ that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the ~~project sponsor-Applicant~~ and other regional entities;

~~ee)f.~~ ~~t~~To the extent not already provided, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project;

~~ff)g.~~ ~~t~~To the extent not set forth in the material provided in response to items ~~b(b) – dd(e)~~, the input assumptions and the range of forecasts incorporated in any studies relied on by the ~~project sponsor-Applicant~~ in evaluating the efficiency ~~and-or~~ cost-effectiveness of the proposed project;

~~gg)h.~~ ~~a~~Any proposal ~~Applicant may choose to offer~~ with regard to treatment of project cost overruns; ~~and~~

~~hh)~~ a list of all planning regions to which an interregional project has been submitted for the purposes of cost allocation.

~~Information submitted pursuant to items a) – o) and aa) – hh) above that is considered proprietary or commercially sensitive should be marked appropriately.~~

~~Complete project material must be received by the NTTG planning committee by the end of quarter 1. The NTTG planning committee will review the project material for completeness. If a project sponsor fails to meet the information requirements set forth above, the NTTG planning committee shall notify the project sponsor of the reasons for such failure. The NTTG planning committee will attempt to remedy deficiencies in the submitted information through informal communications with the project sponsor. If such efforts are unsuccessful by the end of quarter 1, the NTTG planning committee shall return the project sponsor's information, and project sponsor's request shall be deemed withdrawn. During the next transmission planning cycle, a project~~

~~sponsor may resubmit the project for consideration in the Regional Transmission Plan and may request cost allocation.~~

#### 3.7.2.4 Submission of Economic Study Requests

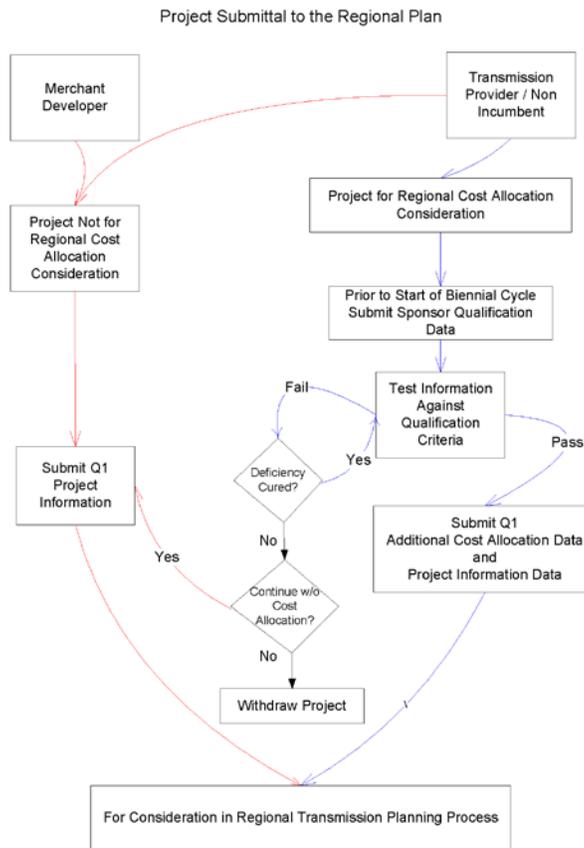
Stakeholders may submit Economic Congestion Study Requests as set forth in Section 3.11,~~which the NTTG planning committee will collect, prioritize and select for evaluation.~~

#### 3.7.2.5 Updates to Previously Selected Projects

For projects selected in the prior Regional Transmission Plan, the ~~project sponsor~~-Applicant must submit an updated project development schedule to the ~~NTTG~~-Planning eCommittee. Stakeholders shall use the Data Submittal Form found on the NTTG Website. By March 31<sup>st</sup> of Quarter 1, Applicants shall submit an updated form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

#### 3.7.2.6 Review for Completeness

The Planning Committee will review the information submitted pursuant to this Section 3.7.2 for completeness. If an Applicant fails to meet the information requirements set forth above, the Planning Committee shall notify the Applicant of the reasons for such failure. The Planning Committee will attempt to remedy deficiencies in the submitted information through informal communications with the Applicant. If such efforts are unsuccessful by April 15<sup>th</sup> of Quarter 2, the Planning Committee shall return the Applicant's information, and Applicant's request shall be deemed withdrawn. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, Applicant may resubmit the project, with updated information and data deficiencies cured, for consideration in the Regional Transmission Plan and may request cost allocation consideration. Figure 1. "Project Submittal Process" below, summarizes the process described in this Section 3.7.2 for submitting a project to be considered in the development of the Draft Regional Transmission Plan.



*Figure 1. "Project Submittal Process"*

### 3.7.3 Quarter 2

#### 3.7.3.1 Evaluate the Data ~~and Develop the Biennial Study Plan:~~

The Planning Committee shall identify the loads, resources, point-to-point transmission requests, desired flows, constraints and other technical data needed to be included and ~~monitored during~~ met by the development of the Regional Transmission Plan. ~~All~~ The Planning Committee shall evaluate all stakeholder submissions ~~will be evaluated~~, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers. The Planning Committee shall evaluate ~~S~~ solutions ~~will be evaluated~~ based on a comparison of their ability to meet reliability requirements, address economic considerations and/or meet transmission needs driven by Public Policy Requirements. ~~During a quarter 2 NTTG planning committee meeting, the transmission~~

~~needs and associated facilities driven by Public Policy Requirements and Considerations received in quarter 1 will be reviewed and winnowed using criteria documented in the Planning and Cost Allocation Practice.~~

### 3.7.3.2 Development of the Biennial Study Plan

The ~~NTTG~~ Planning ~~e~~Committee will develop the Biennial Study Plan, which describes

- ~~a).~~ The detailed study methodology;
- ~~b).~~ Reliability criteria;
- ~~c).~~ Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- ~~d).~~ Assumptions;
- ~~e).~~ Databases;
- ~~f).~~ Analysis tools;
- ~~g).~~ Projects included in the prior Regional Transmission Plan that will be reevaluated according to Section 3.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- ~~h).~~ The projects included in each of the Full Funders Local Transmission Plans;
- ~~i).~~ Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any); and
- ~~j).~~ Allocation scenarios.
- ~~f)~~ local, regional and interregional projects (as well as projects that are subject to the reevaluation process which is described below); and
- ~~g)~~ public policy projects that are accepted into the Biennial Study Plan (including why the public policy projects are or are not selected for analysis).

~~The Biennial Study Plan will be presented to stakeholders and NTTG planning committee members for comment and direction at a quarter 2 publically held NTTG planning committee meeting. The Biennial Study Plan will also include allocation scenarios.~~ The projects in (g) and (h) are collectively referred to as the “Initial Regional Plan.” The projects identified in (i) are referred to as the “Alternative Projects.” The allocation scenarios referenced in (j) are developed by the NTTG eCost aAllocation eCommittee (in consultation with the Planning Committee) with stakeholder input, for those parameters that will likely affect the amount of total benefits and their distribution among bBeneficiaries as set forth in Section 3.8.2.3.

When developing the draft Biennial Study Plan, the NTTG pPlanning eCommittee and the Cost Allocation Committee will, ~~consider potential project delays for any project selected into the prior Regional Transmission Plan. In doing so, the NTTG planning committee will reevaluate whether the project’s inability to meet its original in-service date, among other considerations, impacts reliability needs or service obligations addressed by the delayed project.~~ Under certain circumstances described in Section 3.9 below, identify projects selected in athe prior Regional Transmission Plan may that will be reevaluated and potentially replaced or deferred.

At a Quarter 2 public meeting, the Planning Committee and the Cost Allocation Committee will present the draft Biennial Study Plan to stakeholders for comment. The Planning Committee will recommend the draft Biennial Study Plan to the Steering Committee for approval.

After considering the draft Biennial Study Plan, the Steering Committee may remand it to the Planning Committee for any of the following reasons:

- (aa) the draft Biennial Study Plan lacks details;
- (bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or
- (cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.

Further, the Steering Committee may also remand the draft Biennial Study Plan to the Cost Allocation Committee on any of the following additional grounds:

(dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or

(ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.

In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.

### 3.7.3.3 Selection of Public Policy Requirements and Public Policy Considerations Used in the Biennial Study Plan

#### 3.7.3.3.1. Overview

NTTG’s regional planning process, through the Planning Committee, receives transmission needs driven by Public Policy Requirements, Public Policy Considerations, and data from the local transmission plans and stakeholders during the Quarter 1 data gathering submittal period pursuant to Section 3.7.2.1. NTTG’s Regional Transmission Plan only includes consideration of transmission needs driven by Public Policy Requirements. Public Policy Considerations as agreed upon by the Planning Committee, with stakeholder input, during Quarter 2 Biennial Study Plan development, will be evaluated as to whether they create additional transmission needs. Together, these transmission needs driven by Public Policy Requirements and Public Policy Considerations are approved by the Steering Committee as part of the Biennial Study Plan approval process at the end of Quarter 2.

#### 3.7.3.3.2. Process

The Planning Committee applies the following process, shown in Figure 2. “Planning Committee Process for Selecting Public Policy Requirements and Public Policy Considerations” **Error! Reference**

source not found.” and described below (in the event of conflict between the figure and the text, the text controls) to transmission needs driven by Public Policy Requirements and Public Policy Considerations data.

<b><u>Q1 Public Policy Data Submitted</u></b>	
<u>Transmission Provider</u>	<u>Stakeholder</u>
<b><u>Q2 Develop Biennial Study Plan</u></b> <b><u>Define Public Policy Requirements &amp; Develop Biennial Study Plan</u></b> <b><u>Define Public Policy Requirements &amp; Public Policy Considerations</u></b>	
<u>With stakeholder and state regulator input, identify Public Policy Requirements and Public Policy Considerations to include in Regional Transmission Plan</u>	
<u>Requirement included in Regional Transmission Plan</u>	<u>Considerations included in scenario analysis</u>
<b><u>Q2 (June)</u></b>	
<u>Rationale for selection and exclusion of Public Policy Requirements and Public Policy Considerations posted on NTTG website</u>	
<b><u>Q3 Start Technical Analysis</u></b>	
<u>Public Policy Requirements to be evaluated with other projects within biennial planning process</u>	

*Figure - “Planning Committee Process for Selecting Public Policy Requirements and Public Policy Considerations” Figure 2. “Planning Committee Process for Selecting Public Policy Requirements and Public Policy Considerations”*

In Quarter 1, Public Policy Requirements and Public Policy Considerations information and data are received from the transmission providers’ local transmission plans and received from stakeholders using NTTG’s data submittal forms. Refer to Section 3.7.2.1.

In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the Public Policy Requirements to be used in the Biennial Study

Plan, as well as the Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2

In June of Quarter 2, the Steering Committee approves the Biennial Study Plan, including the Public Policy Requirements for the Regional Transmission Plan and Public Policy Considerations for additional study analysis. Refer to Section 3.7.3.2.

#### 3.7.3.3.3. Identification

During the Regional Planning Cycle, the Planning Committee determines if there is a more efficient or cost-effective regional solution to meet the transmission needs driven by Public Policy Requirements set forth in the Biennial Study Plan. The selection process and criteria for regional projects meeting transmission needs driven by Public Policy Requirements are the same as those used for any other regional project chosen for the Regional Transmission Plan. Rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs, the Planning Committee evaluates them in its technical analysis along with other regional projects.

#### 3.7.3.3.4. Posting

After the Steering Committee approves the Public Policy Requirements and the Public Policy Considerations, the Planning Committee will post on the NTTG Website, which Public Policy Requirements and Public Policy Considerations will and will not be evaluated in the Regional Planning Cycle, along with an explanation of why particular Public Policy Requirements and Public Policy Considerations were or were not considered.

~~The NTTG planning committee will recommend the Biennial Study Plan to the NTTG steering committee for approval.~~

~~2.13.13.7.4 Quarters 3 and 4—Transmission System Analysis: Conduct modeling, using the methods documented in the Biennial Study Plan, and~~

~~produce a draft Regional Transmission Plan for stakeholder comment and review.~~

#### 2.13.1.13.7.4.1 Analysis and Methodology

The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing non-Committed project(s) in the Initial Regional Plan with one or more of the Alternative Projects. Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the Initial Transmission Plan's incremental capital-related cost for replaced or deferred project(s) and incremental monetized non-financial incremental costs. The set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. The projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2.

#### 3.7.4.2 Analysis Criteria

Criterion (a), (b), and (c) below will be used to determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth in Section 3.7.4.1:

- a. *Capital-Related Costs.* A change in Annual Capital-Related Costs between a Change Case and the Initial Regional Plan captures benefits related to transmission needs driven by both reliability and Public Policy Requirements. This benefit metric captures the extent that a project in the Initial Regional Plan can be displaced (either deferred or replaced) while still meeting all regional transmission needs, including reliability standards (associated with serving existing, as well as new, service obligations) such that the Change Case has lower

capital-related costs. The displacement of a project in the Initial Regional Plan may be due to a Change Case or due to the determination that more than one project in the Initial Regional Plan is meeting the same transmission need. This same benefit metric also captures the extent to which a Change Case may displace one or more projects in the Initial Regional Plan for purposes of meeting Public Policy Requirements because it is determined to have lower capital-related costs, while still meeting the same Public Policy Requirements.

“Annual Capital-Related Costs” will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

Those entities affected by the change in Annual Capital-Related Costs shall be identified for use in the cost allocation process.

- b. *Energy Losses.* This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.
- c. *Reserves.* This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the Initial Regional Plan. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6 through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

#### 3.7.4.3 Impacts on Neighboring Regions

The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3

will be repeated, as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

#### 3.7.4.4 Draft Regional Transmission Plan

The Planning Committee shall produce a Draft Regional Transmission Plan by the end of Quarter 4. The projects selected into the Draft Regional Transmission Plan are determined according to Section 3.7.4.1, and the projects selected into the Draft Regional Transmission Plan for cost allocation are determined according to Section 3.8.

#### 3.7.5 Quarter 5 - Stakeholder Review of Draft Regional Transmission Plan:

##### 3.7.5.1 -Public Review

The Planning Committee will Ffacilitate stakeholder review and comment on the eDraft Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process.

##### 3.7.5.2 Public Comment and Updates

Any stakeholder may submit to the Planning Committee chair comments ~~or additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions to be evaluated as part of the preparation of on~~ the Draft Regional Transmission Plan through info@nttg.biz.; ~~or submit identified changes to data it provided in quarter 1. The information provided by the stakeholder~~ In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in quarter 1 above need to be submitted. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

~~The NTFG planning committee will collect, prioritize and select Economic Congestion Study Requests for consideration and determination of possible congestion and modification to the draft Regional Transmission Plan.~~

### 3.7.5.3 Submission of Economic Study Reports

Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

## ~~2.13.2.3.7.6~~ Quarter 6

### 3.7.6.1 Updated Biennial Study Plan and Cost Allocation: Conduct up to two Economic Congestion Studies per biennial study cycle and document results.

The Biennial Study Plan will be updated based on the NTFG Planning Committee's review of stakeholder-submitted comments received during Quarter 5, additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions, or identified changes to data provided in Quarter 1.

### ~~2.13.2.1~~ 3.7.6.2 Cost Allocation

The NTFG Cost Allocation Committee will ~~estimate the benefits, based upon the benefit metrics described in Section 3.7.2.2, associated with each project identified for cost allocation to determine if such projects are eligible for cost allocation.~~ begin allocating costs of projects selected into the Draft Regional Transmission Plan to Beneficiaries as described in Section 3.8.2.

### 3.7.6.3 Draft Final Regional Transmission Plan

The Planning Committee will produce by the end of Quarter 6, the Draft Final Regional Transmission Plan.

## 3.7.7 Quarter 7 - Draft Final Regional Transmission Plan Review

~~The Planning Committee will facilitate a stakeholder process for review and comment on the Draft Final Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process. The Planning Committee will document and consider simultaneous feasibility of identified projects, cost allocation recommendations and stakeholder comments and produce the Draft Final Regional Transmission Plan.~~

## 3.7.8 Quarter 8 – Regional Transmission Plan Approval

~~The Planning Committee will submit the Draft Final Regional Transmission Plan to the NTTG's Steering Committee for approval, completing the biennial process Regional Planning Cycle. The Planning Committee will share the final approved Regional Transmission Plan for consideration in the local and interconnection-wide study processes.~~

## ~~2.14. Stakeholder Participation~~

~~2.14.1 Public Meetings. The NTTG planning committee shall convene a public meeting at the end of each quarter in the study cycle to present a status report on development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents and receive comments. The meetings shall be open to all stakeholders, including but not limited to Eligible Customers, other transmission providers, federal, state and local commissions and agencies, trade associations and consumer advocates. The date and time of the public meetings shall be posted on the NTTG website. The location of the public meeting, shall be as selected by the NTTG, or may be held telephonically or by video or Internet conference.~~

~~2.14.2 The NTTG planning committee charter shall define the NTTG planning committee's purpose, authority, operating structure, voting requirements and budget. Any stakeholder may participate in NTTG planning committee meetings without signing the NTTG Planning Agreement. In addition, pursuant to the NTTG planning committee charter, voting membership in the NTTG planning committee is open to membership by:~~

- ~~a) Transmission providers and transmission developers engaged in or intending to engage in the sale of electric transmission service within the NTTG footprint;~~
- ~~b) Transmission users engaged in the purchase of electric transmission service within the NTTG footprint, or other entities that have, or have the intention of entering into, an interconnection agreement with a transmission provider within the NTTG footprint; and~~
- ~~c) Regulators and other state agencies within the NTTG footprint that are interested in transmission development.~~

~~To become a voting member of the NTTG planning committee, an entity in one of the specified classes (other than a state regulatory commission) must execute the NTTG Planning Agreement (attached as Exhibit A), consistent with its terms, and return the executed agreement to the Transmission Provider. Upon receipt of the signed agreement, the Transmission Provider shall notify the chair of the NTTG planning committee. The chair of the NTTG planning committee shall direct NTTG to maintain a list of all entities that execute the Planning Agreement on its website. Each signatory to the NTTG Funding Agreement is a third-party beneficiary of the Planning~~

~~Agreement. NTTG has developed rules governing access to, and disclosure of, regional planning data by members. Members of NTTG are required to execute standard non-disclosure agreements before regional transmission planning data are released.~~

~~2.14.3 Any stakeholders may comment on NTTG study criteria, assumptions or results at their discretion either through direct participation in NTTG or by submitting comments to Transmission Provider to be evaluated and consolidated with Transmission Provider's comments on the Regional Transmission Plan, criteria and assumptions. The Planning and Cost Allocation Practice identifies when stakeholders have the opportunity to provide input into the elements of the Regional Transmission Plan.~~

## ~~2.15. Economic Congestion Studies~~

~~2.15.1 Transmission Provider, as a member of NTTG, will participate in the NTTG processes to prioritize, categorize and complete up to two regional Economic Congestion Studies per Regional Planning Cycle, as outlined in NTTG's standardized process for congestion studies. The regional Economic Congestion Studies will address those requests submitted by Eligible Customers and stakeholders to member Transmission Providers that are categorized as regional or interconnection-wide Economic Congestion Study Requests pursuant to Section 2.7. NTTG may submit requests for interconnection-wide Economic Congestion Studies to the WECC pursuant to NTTG and WECC processes.~~

~~2.15.2 Within each Regional Planning Cycle, any Eligible Customer or stakeholder may request additional Economic Congestion Studies, or Economic Congestion Studies that were not prioritized for completion by NTTG, to be paid for at the sole expense of the requesting party. The Eligible Customer or stakeholder shall make such requests to the Transmission Provider pursuant to Section 2.7 of this Attachment K. Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion.~~

~~2.15.3 NTTG will cluster and study together Economic Congestion Studies if all of the Point(s) of Receipt and Point(s) of Delivery match one another or, in the alternative, it is reasonably determined by NTTG that the Economic Congestion Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.~~

~~2.15.4 For an Economic Congestion Study Request to be considered by NTTG, Eligible Customers and stakeholders must submit all Economic Congestion Study Requests to the Transmission Provider pursuant to Section 2.7 of this Attachment K or directly to another transmission provider that is a party to the NTTG Funding Agreement.~~

~~2.15.5 All Economic Congestion Study Requests received by the Transmission Provider will be categorized pursuant to Section 2.7 of this Attachment K. For an Economic Congestion Study Request to be considered by NTTG, the Eligible Customer or stakeholder making such request shall be a member of the NTTG planning committee or sign the Economic Study Agreement, attached as Exhibit B.~~

## ~~2.16. — Dispute Resolution~~

~~2.16.1 Transmission Provider, signatories to the Planning Agreement and Eligible Customers and stakeholders that participate in the regional planning process shall utilize the dispute resolution process set forth in this Section 3.6 to resolve disputes related to the integration of Transmission Provider's Local Transmission System Plan with the Regional Transmission Plan; to enforce compliance with the NTTG regional study process; and to challenge a decision within a milestone document.~~

~~2.16.2 Disputes shall be resolved according to the following process:~~

~~Step 1—In the event of a dispute involving the NTTG planning or cost allocation committee (for disputes involving the NTTG steering committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable planning or cost allocation committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the NTTG planning or cost allocation committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable planning or cost allocation committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.~~

~~Step 2—The planning or cost allocation committee chair shall refer the dispute to the NTTG steering committee. In the event of a dispute involving the NTTG steering committee, the disputing entity shall provide written notice of the dispute to the steering committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the NTTG steering committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the NTTG steering committee, the disputing entity shall proceed to Step 3.~~

~~Step 3—If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission's dispute resolution service to facilitate mediation of~~

~~the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.~~

~~Step 4—If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of pro forma Open Access Transmission Tariff to resolve the dispute~~

~~2.16.3 To facilitate the completion of the Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 3.6 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier. Nothing contained in this Section 3.6 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.~~

### 3.7.9 Quarterly Meetings

The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

### ~~2.17.~~3.8. Cost Allocation.

~~For those projects included in the Regional Transmission Plan, costs can be allocated at the~~ A Project Sponsor intending to submit its Sponsored Project for cost allocation must satisfy the pre-qualification requirements set forth in Section 3.7.1, submit the Sponsored Project as set forth in Section 3.7.2.2, and request cost allocation as set forth in Section 3.7.2.3. An Applicant desiring for its project be considered for cost allocation as an unsponsored project must submit the unsponsored project as set forth in Section 3.7.2.2 and request cost allocation as set forth in Section 3.7.2.3. Transmission Provider may elect to allocate costs of its project sponsor's election either through either participant funding or NTTG's cost allocation process as set forth below, and further described in the Planning and Cost Allocation Practice in Section 3.8.2 as either a Sponsored Project or unsponsored project, provided that Transmission Provider complies with the applicable requirements specified above.

~~2.17.13.8.1~~ 3.8.1 Participant Funding.

3.8.1.1 Open Season Solicitation of Interest.

~~For any project identified in the Regional Transmission Plan in which Transmission Provider is a project sponsor,~~ Transmission Provider may elect at its discretion to provide an “open season” solicitation of interest to secure additional project participants for any project. Upon a determination to hold an open season solicitation of interest for a project, Transmission Provider will:

~~2.17.1.1.1.~~3.8.1.1.1. Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;

~~2.17.1.1.2.~~3.8.1.1.2. Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and

~~2.17.1.1.3.~~3.8.1.1.3. Post information about the proposed project on its OASIS.

~~2.17.1.1.4. Guide negotiations and assist interested parties to determine cost responsibility for initial studies; guide the project through the applicable line siting processes; develop final project specifications and costs; obtain commitments from participants for final project cost shares; and secure execution of construction and operating agreements.~~

For any project entered into by Transmission Provider where an open-season solicitation-of-interest process has been used, the Transmission Provider will choose to allocate costs among project participants in proportion to investment or based on a commitment to transmission rights, unless the parties agree to an alternative mechanism for allocating project costs. In the event an open season process results in a single participant, the full cost and transmission rights will be allocated to that participant.

3.8.1.2 Projects without a Solicitation of Interest.

Transmission Provider may elect to proceed with projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.

3.8.1.3 Other Sponsored Projects.

Funding structures for non-Transmission Provider projects are not addressed in this Tariff. Nothing in this Tariff is intended to preclude any other entity from proposing its own funding structure.

### 3.8.2 Allocation of Costs

The Cost Allocation Committee will allocate the costs of projects the Planning Committee selects into the Draft Regional Transmission Plan for purposes of cost allocation according to this sections. The Cost Allocation Committee shall use the methodology set forth in Sections 3.8.2.2 to allocate project costs to Beneficiaries.

#### 3.8.2.1 Project Qualification.

To be eligible for cost allocation, and therefore selected~~for cost allocation by the NTTG planning committee, in cooperation with the NTTG cost allocation committee, a project must~~ into the Draft Transmission Plan for purposes of cost allocation, the Planning Committee Cost shall verify that the project:

- ~~(a) either be~~ Was proposed for such purpose by a pre-qualified sponsoring entity ~~or be was~~ an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);
- ~~(b) be~~ Was selected in the Draft Regional Transmission Plan;~~and~~
- c. Has an estimated cost exceeding \$20 million.
- ~~(c) have an estimated cost which exceeds the lesser of:~~
  - ~~(1) \$100 million, or~~
  - ~~(2) 5% of the project sponsor's net plant in service (as of the end of the calendar year prior to the submission of the project);~~  
~~and~~
- ~~(d) have total estimated project benefits to regional entities (other than the project sponsor) that exceed \$10 million of the total estimated project benefits. For unsponsored projects, the regional entity estimated to receive the largest share of the project benefits is considered the project sponsor for this criterion.~~

~~2.17.1.2 Benefit Metrics. For all projects selected in the Regional Transmission Plan for purposes of cost allocation, the NTTG cost~~

~~allocation committee will use, with input from stakeholders, benefit metrics to evaluate the project's benefits and beneficiaries for purposes of cost allocation. Those benefit metrics will be set forth in the Biennial Study Plan and may include (but are not limited to):~~

- ~~(a) Change in annual capital-related costs;~~
- ~~(b) Change in energy losses; and~~
- ~~(c) Change in reserves.~~

~~Each benefit metric is expressed as an annual change in costs (or revenue or other appropriate metric). The annual changes are discounted to a net present value for those years within the 10-year study period that the benefit or cost accrues.~~

~~2.17.1.3 Allocation Scenarios. During quarters 1 and 2, the NTTG cost allocation committee will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among beneficiaries. The NTTG cost allocation committee will develop these scenarios during regularly scheduled meetings and with input from stakeholders. The resulting allocation scenarios become part of the Biennial Study Plan in quarter 2.~~

### 3.8.2.2 Determination of Project Benefits and Allocation of Project Costs to Beneficiaries.

~~The NTTG planning committee, in cooperation with the NTTG cost allocation committee, conducts the analyses of the benefit metrics and provides the initial, net benefits by Beneficiary for each transmission project that meets the criteria set forth in Sections 3.7.2.2 and 3.7.2.3. The initial net benefits are calculated for each transmission project for each allocation scenario. The net benefits of each scenario are the sum of the benefits (or costs) across each benefit metric. The net benefits are calculated as both an overall total and a regional total, as well as by regional Beneficiary. The NTTG eCost aAllocation eCommittee initially identifies Beneficiaries as all those entities that may be affected by the proposed project based upon the benefit metric calculation. After the calculation of initial benefits, the NTTG cost allocation committee will project based upon the application of the analysis criteria set forth in Section 3.7.4.2 and using the allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to~~

[Section 3.7.4.1](#), and remove those entities that do not receive a benefit from the project being evaluated.

~~While the estimation of the benefit metrics is generally not dependent or conditioned on future contractual rights of a Beneficiary, that is not necessarily true with regard to the benefits of deferred or replaced transmission projects. In such instances, in order to fulfill the function, and, therefore, fully realize the estimated benefits of deferring or replacing a transmission project, the affected transmission provider(s) may require ownership (or ownership-like) rights on the alternative transmission project or on the transmission system of the transmission provider within which the alternative transmission is embedded. Such contractual requirements are specific to the purpose(s) of the deferred or replaced transmission project. Transmission providers whose transmission project is deferred or replaced are consulted on a case-by-case basis to determine their contractual requirements.~~

Before ~~their use in~~ allocating a transmission project's cost, the ~~NTTG e~~Cost ~~a~~Allocation ~~e~~Committee will adjust, as appropriate, the calculated initial net benefits for each Beneficiary based upon the following criteria:

- ~~(a)~~ The net benefits attributed in any scenario are capped at [no less than 50% and no more than 150%](#) of the average of the unadjusted, net benefits [\(whether positive or negative\)](#) ~~across all allocation scenarios; and~~
- ~~(b)~~ If the average of the net benefits, as adjusted by (a) above, across the allocation scenarios is negative, the average net benefit to that Beneficiary is set to zero; ~~and~~
- ~~(c)~~ ~~Based on the net benefits, as adjusted by (a) and (b) above, across the allocation scenarios, if the ratio of the standard deviation to the average is greater than 1.0, the average net benefit to that Beneficiary is set to zero.~~

Each of these adjustments is applied to each ~~regional~~ Beneficiary independent of other Beneficiaries. The initial (and adjusted) net benefits ~~used for each scenario for the selected Change Case~~ are the sum of the benefits (which numerically may be positive or negative) across each of the ~~regional metrics~~[analysis criteria](#). A Beneficiary will be included in the steps above even if only one of the ~~benefit metrics~~[analysis criteria](#) is applicable to that Beneficiary and the estimated benefits for the other ~~benefit metrics~~[analysis criteria](#) are, by definition, zero.

The adjusted net benefits, as determined by applying the limits in the ~~three-two~~ conditions above, are used for allocating project costs proportionally to ~~regional~~ Beneficiaries. However, Beneficiaries other than the ~~project sponsor~~ Applicant will only be allocated costs such that the ratio of adjusted net benefits to allocated costs is no less than 1.10 (or, if there is no ~~project sponsor~~ Applicant, no less than 1.10). If a Beneficiary ~~other than the project sponsor~~ has an allocated cost of less than ~~\$2 million~~ \$100,000, the costs allocated to that Beneficiary ~~will be~~ is set to zero. ~~After the allocation of costs to Beneficiaries, the project sponsor will be responsible for any remaining project costs.~~ The following examples demonstrate the application of the benefit-to-cost ratio.

Example 1: Project Cost = \$800M; B's adjusted net benefits = \$483M; C's (Project Sponsor) adjust net benefits = \$520M. B is allocated \$385M (i.e., the lesser of  $\$800M * (\$483 / (\$483 + \$520)) = \$385M$  OR  $\$483M / 1.1 = \$439.1M$ ) and C is allocated \$415M (i.e.,  $\$800 - \$385 = \$415$ ).

Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the lesser of  $\$950M * (\$483 / (\$483 + \$520)) = \$457.5M$  OR  $\$483 / 1.1 = \$439.1$ ) and C is allocated \$511M (i.e.,  $\$950 - \$439 = \$511$ ).

Unallocated costs due to the limitations above are reallocated among the remaining Beneficiaries. Reallocation will continue among regional Beneficiaries, which are still above the benefit-cost threshold (i.e., the 1.10 ratio of adjusted net benefits to allocated costs) until either all costs are allocated or there are no Beneficiaries above the 1.10 benefit-cost threshold. The Applicant may voluntarily accept any remaining project costs. Otherwise, if the thresholds prevent all costs from being reallocated among Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership (or ownership-like) rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or ownership-like rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary.

### 3.8.2.3 Allocation Scenarios

As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries. The allocation scenarios become part of the Biennial Study Plan during its development in Quarter 2, and are not used by the Planning Committee and the Cost Allocation Committee until the development of benefits pursuant to the analysis criteria in Section 3.7.4.2 and the allocation of costs pursuant to those benefits to Beneficiaries pursuant to Section 3.8.2.2 starting in Quarter 6.

The variables in the allocation scenarios will include, but are not limited to, load levels by load-serving entity and geographic location, fuel prices, and fuel and resource availability. For example, cost allocation scenarios could include a range of future load levels. Future projections of load levels in a given scenario will be based on factors such as, but not limited to, projected demand for irrigation, economic development, and heating/cooling demands necessitated by weather forecasts in particular geographic locations. These load level projections will be compared against a range of future resource options. Future projections of resource options in a given scenario will be based on factors such as, but not limited to, projected fuel prices and projected yields of particular types of generation resources (e.g. wind, hydro, etc.). This process will provide the overall range of future cost allocation scenarios that will be used in determining a project's benefits and beneficiaries. In the development of the allocation scenarios the Cost Allocation Committee will give consideration to alternative resource planning scenarios developed by transmission providers within the NTTG Footprint as well as scenarios developed by other regional and Western Interconnection entities.

Use of allocation scenarios recognizes that estimates of the amount and distribution of benefits may be highly uncertain and dependent on key assumptions and projections. By using scenarios that choose data across a range of outcomes for these parameters, the potential impact of these uncertainties is estimated and incorporated in the calculation of net benefits used in cost allocation.

### 3.8.3 Exclusions.

The cost for projects undertaken in connection with requests for interconnection or transmission service under the Tariff will be governed

solely by the applicable cost allocation methods associated with those requests under the Tariff.

### 3.9. Reevaluation

#### 2.17.23.9.1 Reevaluation of ~~Projects Selected in~~ the Regional Transmission Plan.

NTTG expects the sponsor of a project selected in the prior Regional Transmission Plan (the “Original Project”) to inform the ~~NTTG~~ Planning eCommittee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-submits its project development schedule during quarter 1. If the ~~NTTG~~ Planning eCommittee determines that ~~a~~ the Original pProject cannot be constructed by its original in-service date, the ~~NTTG~~ Planning eCommittee will reevaluate the Original pProject in the context of the current Regional Planning Cycle using an updated in-service date.

“Committed” projects are ~~those selected in the previous Regional Transmission Plan~~ Original Projects that have all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of quarter 1 of the current Regional ~~Transmission Plan~~ Planning Cycle. Committed projects are not subject to reevaluation, unless the Original pProject fails to meet its development schedule milestones such that the needs of the region will not be met, in which case, the Original pProject may lose its designation as a eCommitted project.

If “not “committed,” ~~a~~ the Original pProject ~~selected in the previous Regional Transmission Plan~~ - whether selected for cost allocation or not - shall be reevaluated, and potentially replaced or deferred, in ~~subsequent~~ the current Regional Planning Cycles only in the event that:

- ~~(a).~~ † The pProject sSponsor fails to meet its project development schedule such that the needs of the region will not be met,
- ~~(b).~~ † The pProject sSponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or
- ~~(c).~~ † The needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently ~~and/or~~ cost effectively.

~~In the event of (a) as identified above in this Section 3.8, the NTTG planning committee may remove the transmission project from the initial Regional Transmission Plan. In the event of (b) or (c) identified above in this Section 3.8, an alternative project shall be considered to meet the needs of the region more efficiently and/or cost effectively if the total of its cost, plus costs for~~

~~the project being replaced/deferred, incurred by the developer during the period the project was selected in the Regional Transmission Plan, is equal to or less than .85 of the replaced/deferred project's capital cost. If an alternative project meets the .85 threshold while absorbing the incurred costs of the replaced/deferred project, then the prior project will be replaced by the alternative project.~~If condition (a), (b) or (c) is true, then the incumbent transmission provider may propose solutions that it would implement within its retail distribution service territory or footprint (the "New Project"). Both the Original Project and the New Project will be reevaluated or evaluated, respectively, in Quarter 2 as any other project for consideration in the Regional Transmission Plan.

During such reevaluation the Planning Committee shall only consider remaining costs to complete the Original Project against the costs to complete of the other projects being evaluated.

### 3.10. Calculations

The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.

### 3.11. Economic Study Requests

#### 3.11.1 Submission of Economic Study Requests

Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Section 2.7.2;
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12.1; and
- c. Interconnection-wide Economic Study Request to WECC TEPPC as provided for in Section 5.5.1.

Be aware that local, regional and interconnection-wide Economic Study processes have different submission windows and requirements. Stakeholders must comply with each process's submission windows and requirements.

#### 3.11.2 Review for Completeness

The Planning Committee or the Transmission Provider will review the information it receives pursuant to this Section 3.11.1 for completeness. If a stakeholder fails to meet the information requirements, the Planning Committee or Transmission Provider shall notify the stakeholder of the reasons for such failure. The Planning Committee or Transmission Provider will attempt to remedy deficiencies in the submitted information through informal communications with the stakeholder. If such efforts are unsuccessful within 15 calendar days of the close of the submission window, the Planning Committee or Transmission Provider shall return the stakeholder's information, and stakeholder's request shall be deemed withdrawn. The Planning Committee or Transmission Provider may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a request set forth in a withdrawn submission. Stakeholder may resubmit the request for consideration during the next submission window with updated information and data deficiencies cured.

#### 3.11.3 Categorization and Processing of Economic Study Requests

All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request, a Regional Economic Study Request, or an Interconnection-wide Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Section 22. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12. Interconnection-wide Economic Study Requests will be forwarded to WECC TEPPC and processed as set forth in Section 5.5.

### 3.12. Regional Economic Study Requests

#### 3.12.1 Submission Windows

Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 30<sup>th</sup> of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG Website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit completed forms to the Planning Committee, through [info@nttg.biz](mailto:info@nttg.biz).

#### 3.12.2 Studies Performed

The Planning Committee will complete up to two (2) Regional Economic Studies per Regional Planning Cycle. By April 30<sup>th</sup> each year, the Planning Committee will determine the Regional Economic Study(ies) to be performed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle. If the Regional Economic Study cannot be completed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle, the Planning Committee will notify the study request sponsor of the delay, provide an explanation of the delay, and provide an estimated completion date. If the Planning Committee receives more than two (2) Regional Economic Study Requests per Regional Planning Cycle, it will prioritize the requests and determine which Regional Economic Study Request(s) will be performed based on an evaluation of the following:

- a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and
- b. Input from stakeholders at the Planning Committee meeting.

The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

#### 3.12.3 Additional Studies

The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by emailing the Planning Committee chair, through [info@nttg.biz](mailto:info@nttg.biz). Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and

schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.

#### 3.12.4 Clustering Study Requests

The Planning Committee will cluster and study together Regional Economic Study Requests if all of the Point(s) of Receipt and Point(s) of Delivery match one another or, in the alternative, it is reasonably determined by the Planning Committee that the Regional Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.

#### 3.12.5 Unaccommodated Economic Study Requests

All Regional Economic Study Requests not accommodated within the current study cycle will be deemed withdrawn and returned to the stakeholder without action and the stakeholder may submit the Regional Economic Study Request in the next Regional Planning Cycle.

#### 3.12.6 Study Schedule

In Quarters 1 and 5, Regional Economic Study Requests are submitted by Stakeholders to the Planning Committee. In Quarters 2 and 6, study plans are developed by the Planning Committee for the Regional Economic Study Requests that will be modeled. In Quarters 3 and 7, Regional Economic Studies are performed by the Planning Committee or under the Planning Committee's direction. In Quarters 4 and 8, results of the regional Economic Studies are reported by the Planning Committee in the Draft Regional Transmission Plan and the Regional Transmission Plan, respectively, and provided to the requesting party.

### **3.4. Common Interregional Coordination and Cost Allocation**

#### ***Introduction***

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. NTTG is to conduct the activities and processes set forth in this Section 4 of Attachment K in accordance with the provisions of this Section 4 of this of Attachment K and the other provisions of this Attachment K.

Nothing in this section will preclude any transmission owner or transmission provider from taking any action it deems necessary or appropriate with respect to any transmission facilities it needs to comply with any local, state, or federal requirements.

Any Interregional Cost Allocation regarding any ITP is solely for the purpose of developing information to be used in the regional planning process of each Relevant Planning Region, including the regional cost allocation process and methodologies of each such Relevant Planning Region.

References in this section of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order 1000.

#### **4.1. Definitions**

The following capitalized terms where used in this Section 4 of Attachment K, are defined as follows:

- 4.1.1. **Annual Interregional Coordination Meeting:** shall have the meaning set forth in Section [34.3](#) below.
- 4.1.2. **Annual Interregional Information:** shall have the meaning set forth in Section [24.2](#) below.
- 4.1.3. **Interregional Cost Allocation:** means the assignment of ITP costs between or among Planning Regions as described in Section [5-24.5.2](#) below.
- 4.1.4. **Interregional Transmission Project (“ITP”):** means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions in accordance with Section [4-14.4.1](#).
- 4.1.5. **Planning Region:** means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, ~~Northern Tier~~ [NTTG](#) Transmission Group, and WestConnect.

4.1.6. **Relevant Planning Regions:** means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional transmission needs in accordance with Section [4.24.4.2](#), at which time it shall no longer be considered a Relevant Planning Region.

#### 4.2. **Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, NTTG is to make available by posting on its website or otherwise provide to each of the other Planning Regions the following information, to the extent such information is available in its regional transmission planning process, relating to regional transmission needs in NTTG transmission planning region and potential solutions thereto:

- ~~(i)~~ study plan or underlying information that would typically be included in a study plan, such as:
  - ~~(a)~~ identification of base cases;
  - ~~(b)~~ planning study assumptions; and
  - ~~(c)~~ study methodologies;
- ~~(ii)~~ initial study reports (or system assessments); and
- ~~(iii)~~ regional transmission plan

(collectively referred to as “Annual Interregional Information”).

NTTG is to post its Annual Interregional Information on its website according to its regional transmission planning process. Each other Planning Region may use in its regional transmission planning process NTTG Annual Interregional Information. NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

NTTG is not required to make available or otherwise provide to any other Planning Region (i) any information not developed by NTTG in the ordinary course of its regional transmission planning process, (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region, or (iii) any information if NTTG reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission’s Standards of Conduct or any other legal requirement. Annual Interregional Information made available or otherwise provided by NTTG shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NTTG’s regional transmission planning process. Any Annual

Interregional Information made available or otherwise provided by NTTG shall be “AS IS” and any reliance by the receiving Planning Region on such Annual Interregional Information is at its own risk, without warranty and without any liability of NTTG, Transmission Provider, or any entity supplying information in NTTG’s regional transmission planning process, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

#### 4.3. **Annual Interregional Coordination Meeting**

NTTG is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTG is to host the Annual Interregional Coordination Meeting in turn with the other Planning Regions, and is to seek to convene such meeting in February, but not later than March 31<sup>st</sup>. The Annual Interregional Coordination Meeting is to be open to stakeholders. NTTG is to provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

At the Annual Interregional Coordination Meeting, topics discussed may include the following:

- (i) each Planning Region’s most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
- (ii) identification and preliminary discussion of interregional solutions, including conceptual solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost effectively or efficiently; and
- (iii) updates of the status of ITPs being evaluated or previously included in NTTG’s regional transmission plan.

#### 4.4. **ITP Joint Evaluation Process**

##### **4.4.1. Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section [4.24.4.2](#) by submitting the ITP into the regional transmission planning process of each Relevant Planning Region in accordance with such Relevant Planning Region’s regional transmission planning process and no later than March 31<sup>st</sup> of any even-numbered calendar year. Such proponent of an ITP seeking to connect to a transmission facility owned by multiple transmission owners in more than one Planning Region must submit the ITP to each such Planning Region in accordance with such Planning Region’s regional transmission planning process. In addition to satisfying each Relevant Planning Region’s information requirements, the proponent of an ITP must include with its

submittal to each Relevant Planning Region a list of all Planning Regions to which the ITP is being submitted.

#### **4.4.2. Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section [4.14.4.1](#), NTTG (if it is a Relevant Planning Region) is to participate in a joint evaluation by the Relevant Planning Regions that is to commence in the calendar year of the ITP's submittal in accordance with Section [4.14.4.1](#) or the immediately following calendar year. With respect to any such ITP, NTTG (if it is a Relevant Planning Region) is to confer with the other Relevant Planning Region(s) regarding the following:

- (i) ITP data and projected ITP costs; and
- (ii) the study assumptions and methodologies it is to use in evaluating the ITP pursuant to its regional transmission planning process.

For each ITP that meets the requirements of Section [4.14.4.1](#), NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's evaluation of the ITP;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section [4.24.4.2](#) in accordance with its regional transmission planning process;
- (c) is to notify the other Relevant Planning Regions if NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter NTTG has no obligation under this Section [4.24.4.2](#) to participate in the joint evaluation of the ITP; and
- (d) is to determine under its regional transmission planning process if such ITP is a more cost effective or efficient solution to one or more of NTTG's regional transmission needs.

### **4.5. Interregional Cost Allocation Process**

#### **4.5.1. Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section [4.14.4.1](#), a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from NTTG and each other Relevant Planning Region in accordance with its regional transmission

planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

#### **4.5.2. Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section ~~5-14.5.1~~, NTTG (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) NTTG's regional benefits stated in dollars resulting from the ITP, if any; and
- (iii) assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to Section ~~6-24.6.2~~ below) to each Relevant Planning Region using the methodology described in this ~~s~~Section ~~5-24.5.2~~.

For each ITP that meets the requirements of Section ~~5-14.5.1~~, NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's analysis;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section ~~5-24.5.2~~ in accordance with its regional transmission planning process;
- (c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in NTTG, NTTG is to use its regional cost allocation methodology, as applied to ITPs;
- (d) is to calculate its assigned *pro rata* share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;
- (e) is to share with the other Relevant Planning Regions information regarding what its regional cost allocation would be if it were to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation; NTTG may use such information to identify its total

share of the projected costs of the ITP to be assigned to NTTG in order to determine whether the ITP is a more cost effective or efficient solution to a transmission need in NTTG;

- (f) is to determine whether to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation, based on its regional transmission planning process; and
- (g) is to endeavor to perform its Interregional Cost Allocation activities pursuant to this Section [5.2](#) in the same general time frame as its joint evaluation activities pursuant to Section [4.24.4.2](#).

#### 4.6. **Application of Regional Cost Allocation Methodology to Selected ITP**

##### 4.6.1. **Selection by All Relevant Planning Regions**

If NTTG (if it is a Relevant Planning Region) and all of the other Relevant Planning Regions select an ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections [5.24.5.2\(d\)](#) or [5.24.5.2\(e\)](#) above in accordance with its regional cost allocation methodology, as applied to ITPs.

##### 4.6.2. **Selection by at Least Two but Fewer than All Relevant Regions**

If the NTTG (if it is a Relevant Planning Region) and at least one, but fewer than all, of the other Relevant Planning Regions select the ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to evaluate (or reevaluate, as the case may be) pursuant to Sections [5.24.5.2\(d\)](#), [5.24.5.2\(e\)](#), and [5.24.5.2\(f\)](#) above whether, without the participation of the non-selecting Relevant Planning Region(s), the ITP is selected (or remains selected, as the case may be) in its regional transmission plan for purposes for Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective regional transmission plans of NTTG and at least one other Relevant Planning Region, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections [5.24.5.2\(d\)](#) or [5.24.5.2\(e\)](#) above in accordance with its regional cost allocation methodology, as applied to ITPs.

## **4.5. Interconnection-Wide Planning Process**

### **4.1.5.1. Introduction.**

Transmission Provider is a member of the WECC and supports the work of WECC TEPPC. NTTG may utilize WECC TEPPC for consolidation and completion of congestion and Economic Congestion Studies, base cases and other interconnection-wide planning. NTTG may coordinate with other neighboring regional planning groups directly, through joint study teams, or through the interconnection-wide process. Eligible Customers and stakeholders may participate directly in the WECC's processes, pursuant to participation requirements defined by WECC TEPPC, or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan or through the NTTG process as outlined above in Section 3 and 4.

### **4.2.5.2. Transmission Provider Coordination.**

Transmission Provider will coordinate with WECC TEPPC for interconnection-wide planning through its participation in NTTG. Transmission Provider will also use NTTG to coordinate with neighboring regional planning groups including the CAISO, WestConnect, NWPP and Columbia Grid. The goal of NTTG's coordination a interconnection-wide basis on behalf of Transmission Provider is to (1) share system plans to ensure that they are simultaneously feasible and otherwise use consistent assumptions and data, and (2) identify system enhancements that could relieve congestion or integrate new resources. A description of the interconnection-wide planning process is located in the Transmission Provider's business practice, located at:

[http://www.oatioasis.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oatioasis.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx).

### **4.3.5.3. Study Process.**

WECC TEPPC's transmission planning protocol and information is available on the WECC website. A link to the WECC TEPPC process is maintained in the transmission planning business practice, available on the Transmission Provider's business practices located at

[http://www.oatioasis.com/NWMT/NWMTdocs/Attachment\\_K\\_Business\\_Practice\\_Links.docx](http://www.oatioasis.com/NWMT/NWMTdocs/Attachment_K_Business_Practice_Links.docx) and on the Transmission Provider's OASIS.

### **4.4.5.4. Stakeholder Participation.**

Stakeholders have access to the interconnection-wide planning process through NTTG's public planning meetings, other regional planning groups and WECC at their discretion.

## 5.5. Interconnection-Wide Economic Study Requests

### 5.5.1 Submission of Economic Study Requests

Stakeholders shall submit their Interconnection-wide Economic Study Request to the WECC TEPPC process and provide the Planning Committee with a copy through info@nttg.biz.

### ~~4.4.15.5.2 Economic Congestion Study Requests.~~Transmission Provider Support of WECC TEPPC

~~Transmission Provider will support, directly and through its participation in NTTG, the WECC TEPPC processes to prioritize and complete Economic Congestion Studies requested by customers and stakeholders to each member transmission provider in each calendar year within the WECC's footprint as outlined in the standardized mechanism. Eligible Customers and stakeholders must submit all Economic Congestion Study Requests to the Transmission Provider pursuant to Section 2, Section 2.7 of this Attachment K or directly to another party to the NTTG Funding Agreement. All Economic Study Requests received by the Transmission Provider will be categorized pursuant to Section 2, Section 2.7 of this Attachment K.~~

### 5.5.3 Interconnection-Wide Economic Study Requests

Interconnection-wide Economic Study Requests by the will be processed and studied by WECC TEPPC according to its rules and procedures. Results of WECC TEPPC studies will be distributed by WECC TEPPC pursuant to its rules and procedures.

### ~~4.5.5.6.~~ **Dispute Resolution.**

~~Interconnection-wide dispute resolution will be pursuant to the process developed by WECC. Nothing contained in this Section 4, Section 5.64.6 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.~~

### ~~4.6.5.7.~~ **Cost Allocation.**

~~A Western Interconnection cost allocation methodology does not exist, therefore cost allocations for interconnection wide transmission projects, will be addressed on a case-by-case basis by parties participating in the project.~~



**Exhibit A**  
  
**Planning Agreement**

This Planning Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

**Recitals**

A.—~~The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the Planning Committee) is charged with the task of producing a regional transmission plan for the Northern Tier footprint,<sup>1</sup> and coordinating the transmission plan and its development with other regional planning groups and the interconnection wide planning activities of the Western Electricity Coordinating Council (“WECC”);~~

B.—~~The Planning Committee operates according to the terms and conditions set forth in the Planning Committee Charter, which may be amended from time to time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz);~~

C.—~~The Planning Committee Charter provides that any stakeholder may attend and participate in any Planning Committee meeting but limits those entities that may formally vote to those entities that execute this Agreement;~~

D.—~~This Agreement is intended to document an entity’s voting membership on the Planning Committee and commit the voting entity to act in a good faith manner to further the purpose of the Planning Committee, as described herein;~~

E.—~~A list of all members of the Planning Committee is maintained on the Northern Tier website; and~~

F.—~~The Planning Committee is funded by the signatories to the Northern Tier Funding Agreement (“Funding Members”), as it may be amended from time to time, and which has been filed with the Commission and posted on the Northern Tier website.~~

~~NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:~~

**Section 1—Duration and Termination.**

1.1.—~~This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its~~

participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission:

## **Section 2—Obligations of the Undersigned**

2.1.—By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class, and agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:

a.—Act in a good faith manner to further the purpose of the Planning Committee Charter according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time to time by the Steering Committee;

b.—Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in section 3.6 of Attachment K;

c.—To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter;

d.—Bear its own costs and expenses associated with participation in and support of the Planning Committee;

e.—Be responsible for the costs of meeting facilities and administration, including third-party contract resources associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and

f.—Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

## **Section 3—Miscellaneous**

3.1.—Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement is to enforce prospective compliance with this Agreement's terms and conditions.

3.2.—No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3.—Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee.

~~3.4. — Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.~~

~~3.5. — Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.~~

~~3.6. — Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.~~

~~3.7. — Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.~~

~~3.8. — Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.~~

~~3.9. — Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.~~

~~3.10. Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.~~

~~— IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.~~

~~Requested Membership Class \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_ (Print)~~

_____ (Signature)	_____ (Name of Company or Organization)	_____ (Phone)
_____ (Print Signature)	_____ (Street Address)	_____ (Fax)
_____ (Title)	_____ (City, State, Zip Code)	_____ (Email)

<sup>†</sup>The Northern Tier's footprint is defined by the service territories of those entities that have executed the Northern Tier Funding Agreement, as may be amended from time to time.



*Exhibit BA*  
  
**Economic Study Agreement**

This Economic Study Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

**Recitals**

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of performing Economic Congestion Studies for the Northern Tier footprint<sup>1</sup> as requested by stakeholders following the process described in the Transmission Provider’s Attachment K;

B. The Planning Committee operates according to the terms and conditions set forth in the Planning Committee Charter which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz);

C. This Agreement is intended to document an entity’s obligations regarding the Economic Congestion Study process, as described herein;

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

**Section 1 – Duration and Termination.**

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

**Section 2 – Obligations of the Undersigned**

2.1 By executing the signature page set forth below, the undersigned, agrees to:

- a. [Submit Economic Study Requests to the Transmission Provider during the Economic Study Request windows and provide the data required to perform the study;](#)

~~a~~.b. Submit Economic Congestion Study Requests to the Transmission Provider during the Economic Congestion Study Request windows and provide the data required to perform the study;

~~b~~.c. Acknowledge that Economic Congestion Study Requests will be evaluated and voted upon by the Planning Committee for potential clustering and selection for the up to two studies that will be performed during the Regional Planning Cycle;

~~e~~.d. Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in ~~s~~Section 3.6 of Attachment K;

~~d~~.e. If the Economic Congestion Study requests are not selected as one of the up to two studies, be subject to reimburse NTTG for the actual costs to perform the studies;

~~e~~.f. Act in a good faith manner to further the completion of the Economic Congestion Study Request according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time-to-time by the Steering Committee;

~~f~~.g. The extent practicable, provide support from internal resources to complete the Economic Congestion Study;

~~g~~.h. Bear its own costs and expenses associated with participation in and support of the Economic Congestion Study; and

~~h~~.i. Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

### **Section 3 - Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement ~~is~~ are to enforce prospective compliance with this Agreement's terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under ~~s~~Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

_____ (Signature)	_____ (Name of Company or Organization)	_____ (Phone)
_____ (Print Signature)	_____ (Street Address)	_____ (Fax)
_____ (Title)	_____ (City, State, Zip Code)	_____ (Email)

<sup>1</sup> The Northern Tier's footprint is defined by the service territories of those entities that have executed the Northern Tier Funding Agreement, as may be amended from time to time.



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**STEERING COMMITTEE**

**CHARTER**

**Adopted: August 27, 2013**

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# STEERING COMMITTEE CHARTER

## OF

### NORTHERN TIER TRANSMISSION GROUP

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Steering Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1.**

##### **PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall provide governance and direction on initiatives undertaken by the Northern Tier Full Funders and Nominal Funders, and approved by the Steering Committee. Those initiatives include, but are not limited to, increasing the efficiency and use of the transmission system to the benefit of customers, and furtherance of markets, regional transmission tariffs, and other transmission products, services, or structures that are economically justified. The Committee shall act in accordance with such Attachment Ks, this charter, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal an Attachment K, or any resolution of any other Northern Tier committee.

#### **ARTICLE 2.**

##### **MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a Full Funder or Nominal Funder. Class 2 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (the "Regulators").

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the

criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2.

### **ARTICLE 3.** **MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chairs of the Committee using such form as may be established by the chairs for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chairs of the Committee using such form as may be established by the chairs for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chairs. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation becomes effective, quorum and voting thresholds shall be reduced accordingly, until the eligible entity appoints a new member representative.

3.6. Removal. A member representative is automatically removed as a member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chairs shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

#### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chairs. Notice of all special meetings shall be transmitted by or on behalf of the chairs to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chairs shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chairs shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative or alternate list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting; provided, however, should the Utility Co-chair or Vice-chair determine that a Class 1 member has failed to timely fund its allocated share as provided for in the Northern Tier Funding Agreement, its right to vote shall be suspended and shall not be considered in determination of quorum or voting percentages; provided, further, that a suspended Class 1 member's voting rights shall be reinstated upon a determination by the Utility Co-chair or Vice-chair that said member has fully funded its allocation share. The Committee shall work to achieve unanimity for any items that require approval. However, if unable to achieve unanimity, the act of two-thirds (2/3) of the member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## ARTICLE 5. OFFICERS

5.1. Officers, Election, and Term. The officers of the Committee shall be the co-chairs and vice-chairs. The Committee may elect such other officers and assistant officers as it shall deem necessary. On an annual basis coinciding with the first meeting of the Committee in each calendar year, the Committee shall elect from its member representatives (not alternates) two (2) chairs and two (2) vice-chairs. One co-chair and vice-chair shall be a Class 2 member representative that is also a state regulatory utility commissioner (“State Co-chair” and “State Vice-chair”) and one co-chair and vice-chair shall be a member representative of a Class 1 Full Funder (“Utility Co-chair” and “Utility Vice-chair”).

### 5.2. Co-Chairs.

5.2.1. Joint Responsibility. The co-chairs are responsible for ensuring the Committee’s purposes are achieved, and are the primary public spokespersons for the Committee. The co-chairs shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.2.2. Utility Co-Chair Responsibility. The Utility Co-chair shall have the responsibility to:

- Initiate discussions among the Class 1 member representatives to review budget increases or financing for additional work streams approved by the Steering Committee; and
- Initiate and coordinate the dispute resolution process outlined in Attachment K.

5.2.3. State Co-Chair Responsibility. The State Co-chair shall have the responsibility to:

- Lead Steering Committee process and enforce Steering Committee process rules;
- Declare an impasse in any dispute resolution pursuant to the process outlined in Attachment K; and
- Ensure Northern Tier cost allocation processes are followed and send acknowledgement that the process has been followed to regulatory agencies.

5.3. Vice-Chairs. The vice-chairs shall perform all duties usually inherent in such office. A vice-chair shall perform the duties of a co-chair in the event of absence or withdrawal of one of the co-chairs. In addition, if one of the member representatives serving as co-chair ceases being a member representative for any reason or submits his resignation as co-chair of the Committee, a vice-chair shall perform the duties of the co-

chair for the remainder of the prior co-chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the co-chairs. The vice-chairs shall be the individuals intended to become the next co-chairs of the Committee.

5.4. Removal. The Committee may remove any officer whenever, in the Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the co-chairs (or, if one of the co-chairs, by giving notice to the other co-chair and to the vice-chairs). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6.** **MISCELLANEOUS**

6.1. Sub-Committees. The Committee chairs may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee co-chairs.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. This charter may be amended, in all or any part, by the Committee. At least once a year the Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.





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**PLANNING COMMITTEE**

**CHARTER**

**Adopted: August 27, 2013**

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# PLANNING COMMITTEE CHARTER

## OF

### NORTHERN TIER TRANSMISSION GROUP

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Planning Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1.**

##### **PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties as assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, and the Steering Committee's directions, and applicable legal and regulatory requirements

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

#### **ARTICLE 2.**

##### **MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of three (3) classes of members: Class 1, and Class 2, and Class 3.

2.2. Eligibility for Membership. Class 1 members shall consist only of those transmission providers or transmission developers engaged in or intending to engage in the sale of electric transmission service within the Northern Tier Footprint (the "Transmission Provider/Developer Class"). Class 2 members shall consist only of those transmission users engaged in the purchase of electric transmission service within the Northern Tier Footprint, or other entity, which has, or intends to enter into, an interconnection agreement with a transmission provider within the Northern Tier

Footprint (the “Transmission User Class”). Class 3 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (collectively, the “Regulators,” and the “Regulatory Class”). Each entity is entitled to only one membership.

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings without signing the Planning Committee Membership Agreement. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, and execute the Planning Committee Membership Agreement that is attached as Exhibit A to this charter, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings.

Each signatory of the Northern Tier Funding Agreement that is subject to Federal Energy Regulatory Commission (“Commission”) jurisdiction under the Federal Power Act shall maintain the current form of the Planning Committee Membership Agreement approved by the Steering Committee as an exhibit to this charter, which in turn is an attachment to its respective OATT. Stakeholders seeking to join the Committee as a member of Class 1 (other than a funder) or Class 2 are not required to sign the Planning Committee Membership Agreement of any specific transmission provider. Rather, each stakeholder may choose and execute whichever form it desires to sign. However, a stakeholder must return the executed Planning Committee Membership Agreement to the transmission provider from which it obtained the form and to the Committee chair through [info@nttg.biz](mailto:info@nttg.biz).

Upon receipt of an executed Planning Committee Membership Agreement, that transmission provider will notify the Commission of its execution via the Electronic Quarterly Reports, and the chair of the Committee will cause Northern Tier to maintain a list on its website that identifies every stakeholder that has signed a Planning Committee Membership Agreement. Signatories to the Northern Tier Funding Agreement are automatically members of the Committee, and will be identified on the Northern Tier website as a member of the Committee.

The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of each signatory of the Planning Committee Membership Agreement, each signatory of the Northern Tier Funding Agreement, and the Regulators that have requested Committee membership.

**ARTICLE 3.**  
**MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf of the member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

##### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in the Transmission Provider/Developer's Class and one other class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5.**

### **OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) that are Full Funders of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such

office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committees.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6.** **MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.



## Exhibit A

### Planning Committee Membership Agreement

This Planning Committee Membership Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

#### Recitals

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of producing a regional transmission plan for the Northern Tier Footprint, and coordinating the transmission plan and its development with other regional planning groups and the interconnection-wide planning activities of the Western Electricity Coordinating Council (“WECC”);

B. The Planning Committee operates according to the terms and conditions set forth Attachment K and the Planning Committee Charter, which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz);

C. Attachment K and the Planning Committee Charter provide that any stakeholder may attend and participate in Planning Committee meetings but limits those entities that may formally vote to those entities that become members of the committee and appoint a member representative;

D. This Agreement is intended to document an entity’s membership on the Planning Committee and commit the entity to act in a good faith manner to further the purpose of the Planning Committee and Northern Tier;

E. A list of all members of the Planning Committee is maintained on the Northern Tier website; and

F. The Planning Committee is funded by the signatories to the Northern Tier Funding Agreement (“Funding Members”), as it may be amended from time-to-time, and which has been filed with the Commission and posted on the Northern Tier website.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

#### **Section 1. Duration and Termination**

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory

Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

## **Section 2. Obligations of the Undersigned**

2.1 By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class of the Planning Committee, and agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:

- (a) Act in a good faith manner to carry out the responsibilities assigned to the Planning Committee in Attachment K, the purposes of the Planning Committee Charter, and the governance of the Steering Committee, as each may be amended from time-to-time;
- (b) Be bound by the decisions of the Steering Committee, the Planning Committee, and the Cost Allocation Committee, and/or resolve disputes according to the process set forth in Attachment K;
- (c) To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter and the responsibilities assigned to the Planning Committee in Attachment K;
- (d) Bear its own costs and expenses associated with participation in and support of the Planning Committee;
- (e) Be responsible for the costs of meeting facilities and administration, including third-party contract resources, associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and
- (f) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data or non-public information.

## **Section 3. Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned’s sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement’s terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee and/or the Cost Allocation Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

Requested Membership Class \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name of Company or Organization)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Print Signature)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(Fax)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(City, State, Zip Code)

\_\_\_\_\_  
(Email)



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**COST ALLOCATION COMMITTEE**

**CHARTER**

**Adopted: August 27, 2013**

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# COST ALLOCATION COMMITTEE CHARTER

## OF

### NORTHERN TIER TRANSMISSION GROUP

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Cost Allocation Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1.**

##### **PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, the Steering Committee's directions, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

#### **ARTICLE 2.**

##### **MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a funder and that have appointed a representative to the Steering Committee. Class 2 members shall consist only of those state utility commissions, state consumer advocates, or state transmission siting agencies within the Northern Tier Footprint that have appointed a representative to the Steering Committee (the "Regulators").

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2

### **ARTICLE 3.**

#### **MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

#### **ARTICLE 4.**

#### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5.** **OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committee.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6.**

### **MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

### **CERTIFICATION**

The undersigned hereby certifies that the foregoing Cost Allocation Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27th day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

<u>/s/ Ray Brush</u>	<u>/s/ Travis Kavulla</u>
By _____	By _____
<u>Ray Brush, Utility Co-Chair</u>	<u>Travis Kavulla, State Co-Chair</u>
<u>Steering Committee</u>	<u>Steering Committee</u>
<u>Northern Tier Transmission Group</u>	<u>Northern Tier Transmission Group</u>