

NTTG Quarter 7 Stakeholder Meeting

Bozeman, MT
September 29, 2015



NTTG Q7 Stakeholder Meeting

Agenda

10:00 – 10:15 **WELCOME and AGENDA REVIEW**

NTTG PLANNING COMMITTEE OVERVIEW – Dave Angell

- | | |
|---------------|---|
| 10:15 – 11:30 | <ul style="list-style-type: none">• Order No. 1000 Planning Process Implementation• NTTG 2014-2015 Regional Transmission Plan• NTTG Project Sponsor Pre-Qualification Process for the 2016-2017 Cycle |
|---------------|---|

NTTG COST ALLOCATION COMMITTEE OVERVIEW – Shay LaBray

- | | |
|---------------|---|
| 11:30 – 12:00 | <ul style="list-style-type: none">• Order No. 1000 Cost Allocation Implementation• NTTG 2014-2015 Regional Transmission Plan |
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12:00 – 1:00 **LUNCH BREAK**



NTTG Q7 Stakeholder Meeting

Agenda (Cont'd.)

1:00 – 1:15	OTHER UPDATES – Sharon Helms <ul style="list-style-type: none">• Interregional Order 1000 Coordination• 2016-2017 Regional and Interregional Process Overview
1:15 – 1:30	REGIONAL UPDATES <ul style="list-style-type: none">• CAISO – Gary DeShazo• ColumbiaGrid – Larry Furumasu• WestConnect – Heidi Pacini
1:30 – 1:45	WECC/TEPPC UPDATE – John Leland
1:45 – 2:00	STAKEHOLDER COMMENTS/ROUND TABLE
2:00	ADJOURN

NTTG Planning Committee Overview

NTTG Quarter 7 Stakeholder Meeting

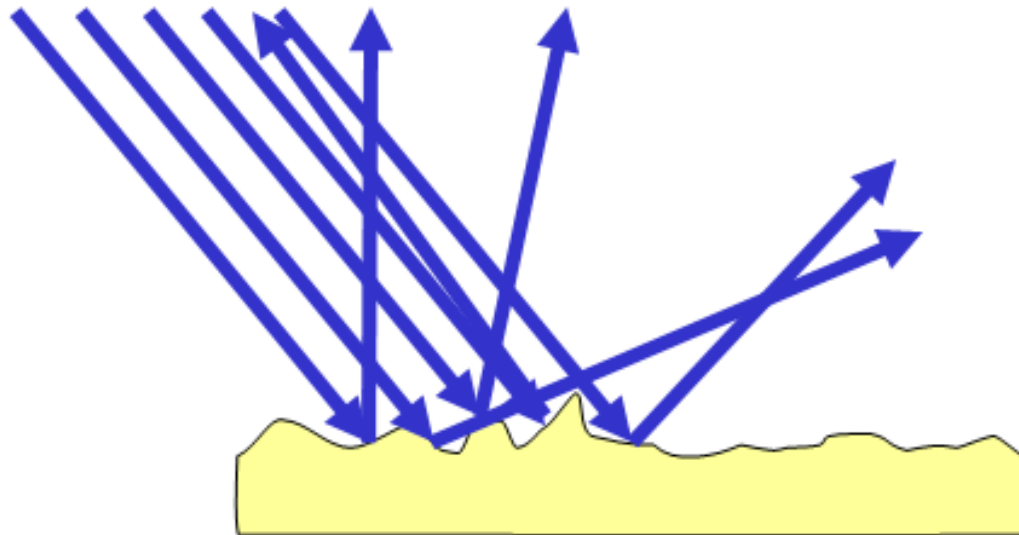
Bozeman, MT
September 29, 2015



Order No. 1000 Planning Process Implementation

- Reflecting back on successes
- Identifying Lessons learned
- Setting expectations going forward

Diffuse Reflection





Planning Process Components

- Formal stakeholder comment periods
- Methodology to analyze submitted projects
- Project cost estimation and validation
- Identification of alternative projects
- Project selection metric calculator





Planning Process Components

- Public Policy Consideration study
 - Winnowing of submissions
 - Stakeholder involvement
- Cost Allocation
 - Scenario cases
 - Metric calculator





Planning Process Opportunities

- Evaluation of the production cost case
- Production cost to power flow

Lessons Learned

- Meeting NTTG transmission need
- Project selection metrics



New Planning Process Components

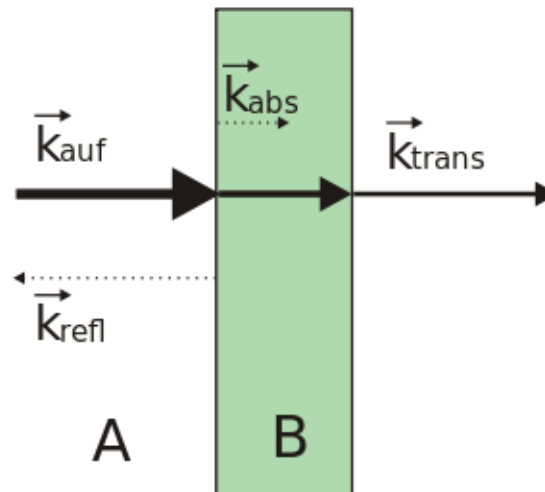
- Project selection metric using production cost model results
- Interregional Project Coordination
 - Selection
 - Cost allocation

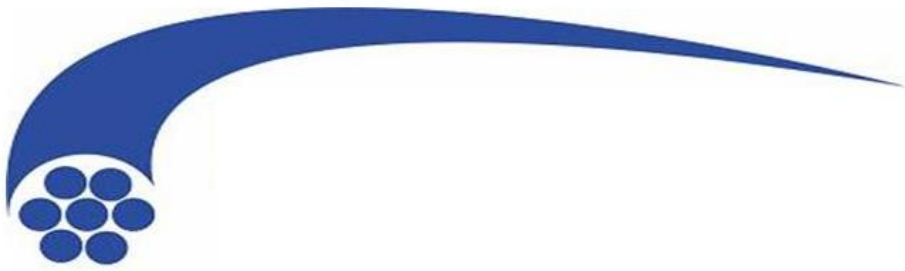




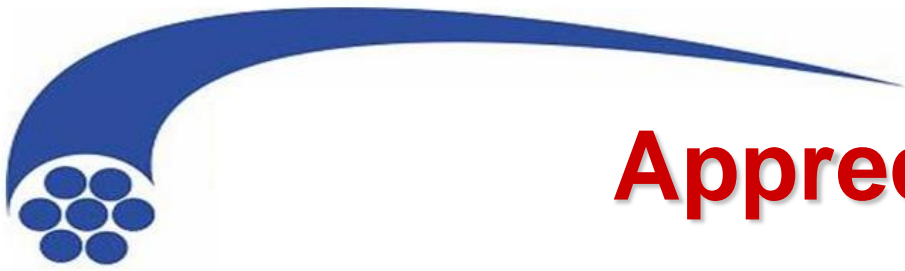
NTTG 2014-2015 Regional Transmission Plan

- Report overview
- Stakeholder comments on NTTG's planning process and results
- Next steps and approval process





Stakeholder Comments



Appreciation

- We believe this lays the groundwork not only for Order 1000 regional planning, but also for the important role NTTG can play in shaping the state implementation plans for the Clean Power Plan within the NTTG footprint, especially the reliability assessment provisions of the new rule
- Commend NTTG for significant improvements in its planning process, refinement of procedures and modeling, and prompt and thorough responses to our previous written comments



Procedural Concern

- Summary Technical Working Group (TWG) results presented at the Planning Committee for stakeholder review is a significant limitation
- Substantive planning analysis and review is done, including development and consideration of alternative transmission solutions by the TWG
 - Participation in the TWG being strictly limited to NTTG members
 - Difficult or infeasible for stakeholders to become NTTG members and participate meaningfully in the TWG process
- We believe that continuation of this restriction will significantly constrain the ability of NTTG to consider transmission alternatives in a timely manner



Future Consideration

- It may be time to revisit the decision not to use production cost modeling in the Order 1000 regional planning process. The details of that issue are beyond the scope of the current comments, but we trust it will be given further consideration.
- We encourage NTTG to continue building on efforts to collaborate with ColumbiaGrid on important aspects of regional transmission planning. The experience and modeling tools of the two organizations have complementary aspects



Potential Generation

- We believe additional review should occur on how potential new generation resources are included in the next planning cycle
- Examples to be considered
 - UAMPS 540 MW nuclear project, could it be completed within the 10-year planning horizon?
 - Idaho Power 451 MW renewable energy resource with, power purchase agreements and in late stages of siting
 - Other large wind and solar installations could be considered to have significant potential for completion if additional transmission capacity becomes available.
- Should project sponsors consider providing data in the next study window recognizing that some allowance must be made for potential delay or cancellation of proposed new generation projects



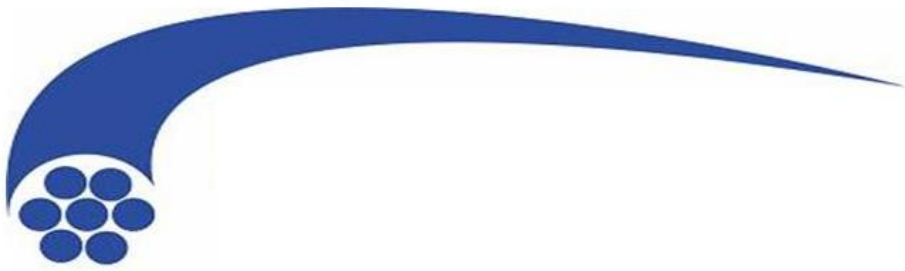
Public Policy Consideration (PPC)

- Renewable Northwest PPC study
 - significant technical assessment of operational aspects of the NTTG footprint
- NW Energy Coalition PPC Request
 - Complementary assessment by TEPPC and NTTG as TEPPC study does not represent all the system conditions that may be relevant to NTTG
- Production cost and grid stability will be a front-and-center issue for the Clean Power Plan



Un-sponsored Alternative Project

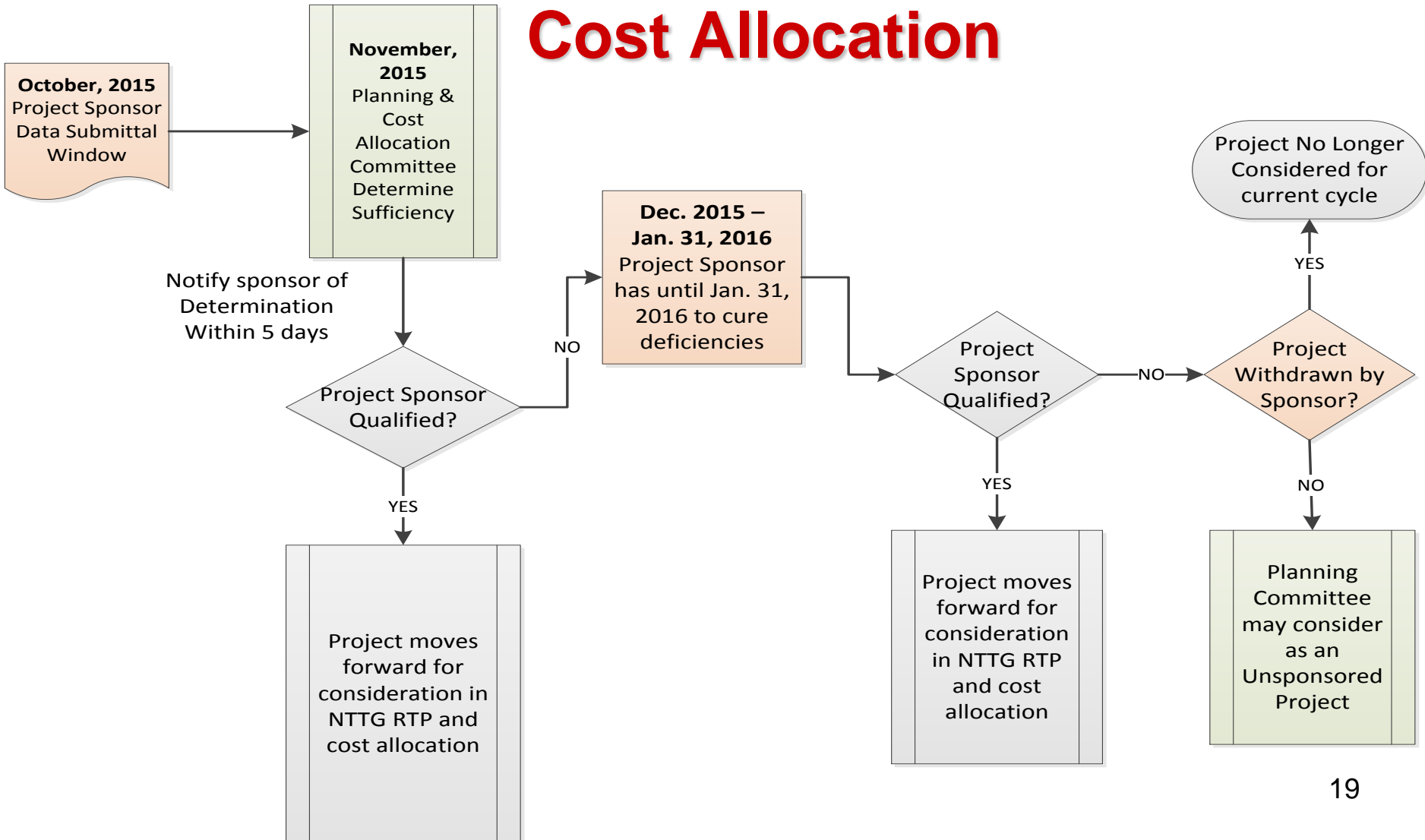
- Questioned the range of alternatives considered to address the violation in the export stress hour case?
- Because selected Alternative Project is very costly, believe this issue should be revisited in the next planning cycle, including interregional coordination, to ascertain whether other alternative solutions may be more efficient or cost-effective



Next Steps/Approval Process



Pre-Qualification Process for Project Sponsor[s] Seeking Cost Allocation





QUESTIONS?

NTTG Cost Allocation Committee Overview

NTTG Quarter 7 Stakeholder Meeting

Bozeman, MT
September 19, 2015



Order No. 1000 Cost Allocation Implementation

- Project Sponsor submittal evaluations
- Cost Allocation Study Plan
- Cost Allocation Scenarios
- Methodology to assess cost allocation
- Cost Allocation Study and Results
- Plan development and stakeholder comment processes



2014-2015 Biennial Cycle Successes / Lessons Learned

- Successfully completed cost allocation for the first biennial transmission planning cycle under Order 1000
- Lessons Learned
 - Timing of cost allocation scenario development during Q2
 - Clarification needed of planning vs. cost allocation committee roles / responsibilities
 - Review of Attachment K as needed

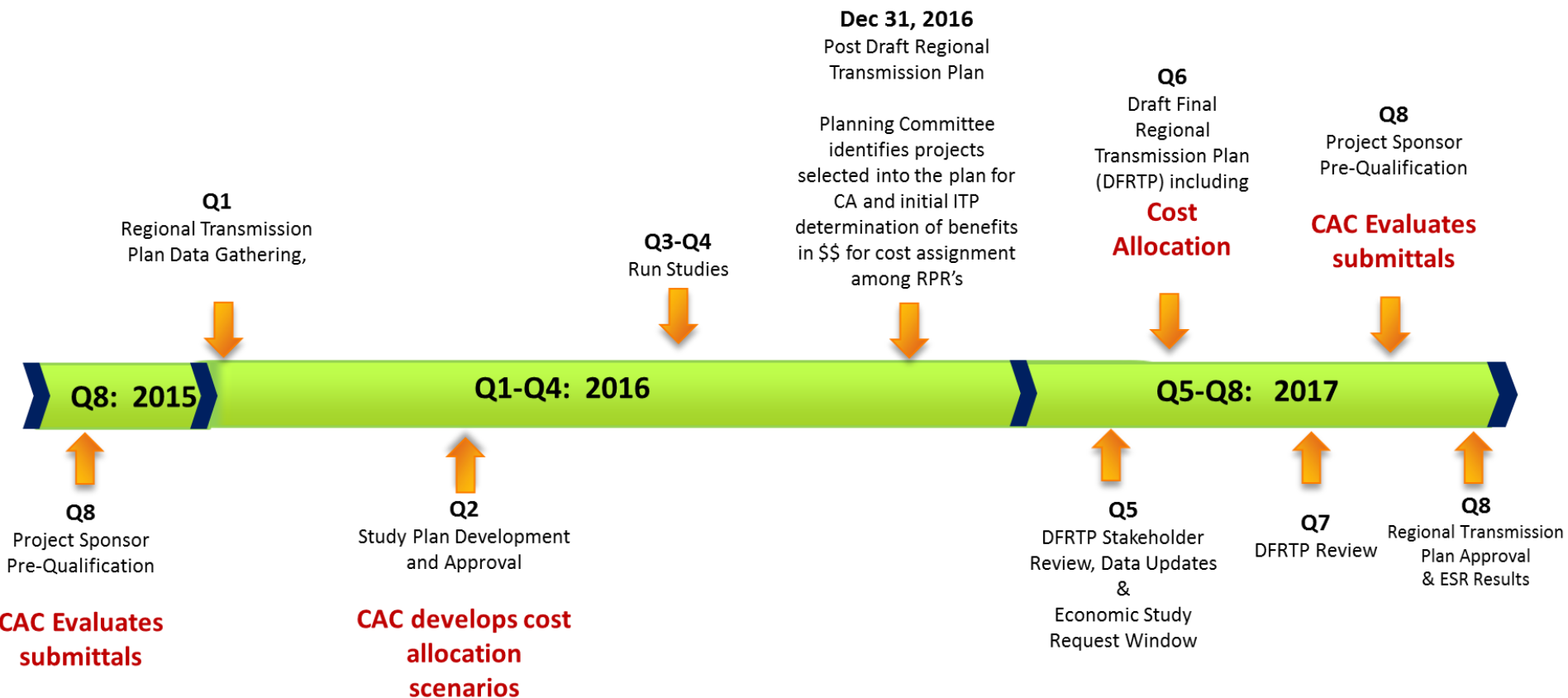


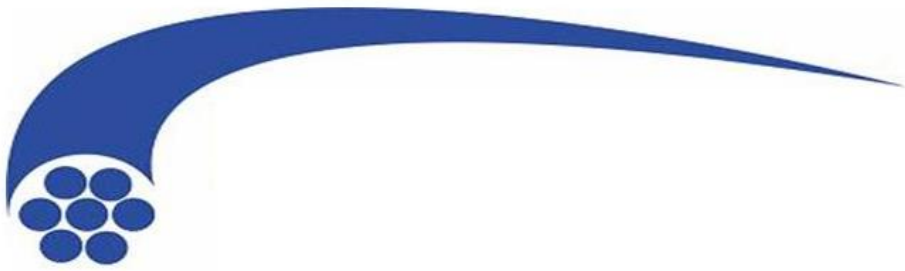
NTTG 2014-2015 Regional Transmission Plan

- Summarized cost allocation approach and results for Alternative Project
- Alternative Project deemed ineligible for cost allocation; will be considered in next planning cycle



2016-2017 Biennial Cycle





QUESTIONS?

LUNCH BREAK

Interregional Order 1000 Coordination

NTTG Quarter 7 Stakeholder Meeting

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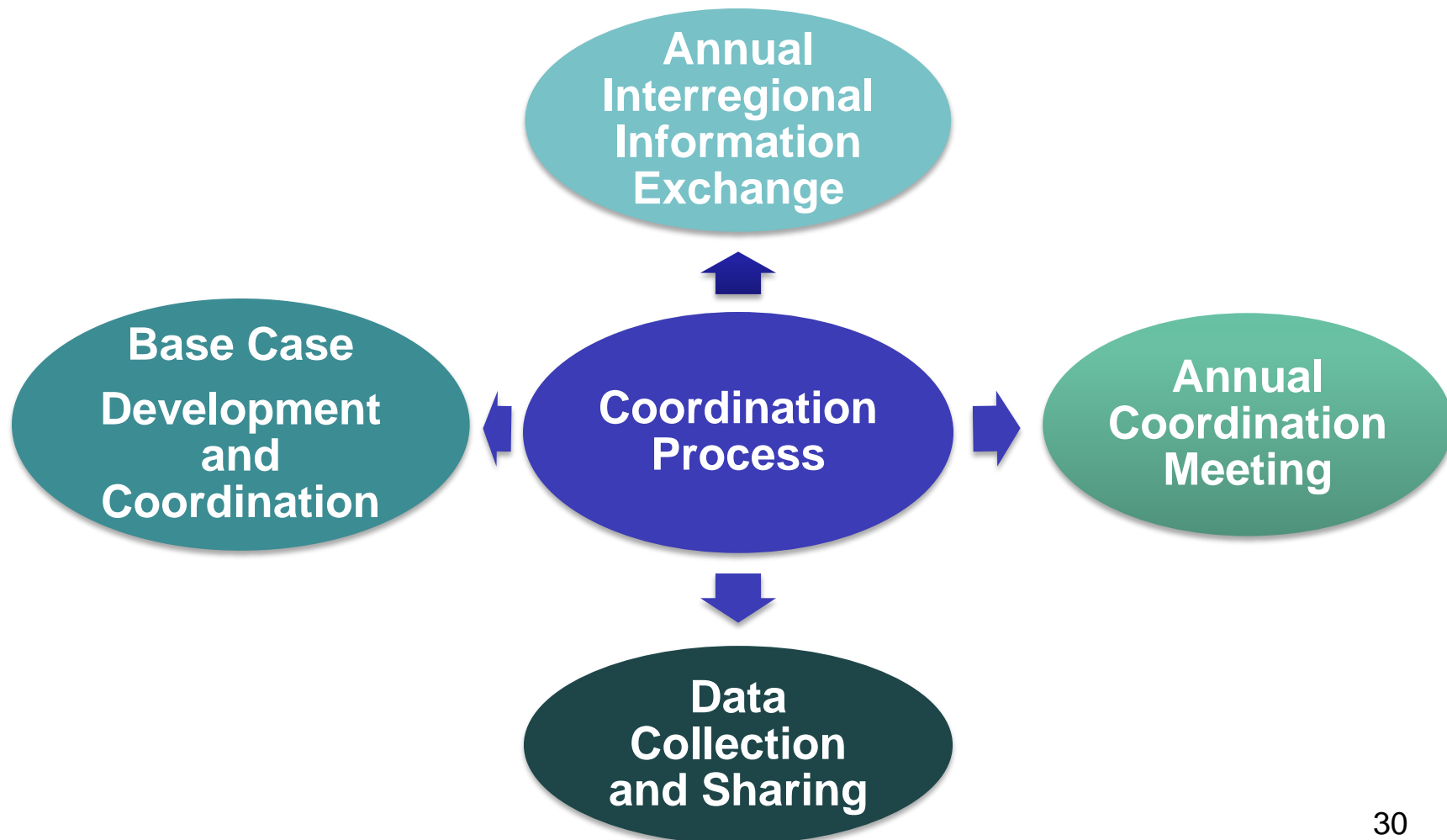


ORDER 1000 Interregional Coordination

- The Common Tariff Language for the four western regions was accepted by FERC on June 1, 2015
 - NTTG, CAISO, ColumbiaGrid and WestConnect
- NTTG, CAISO and WestConnect have an effective date of October 1, 2015
- ColumbiaGrid's effective date is January 1, 2015

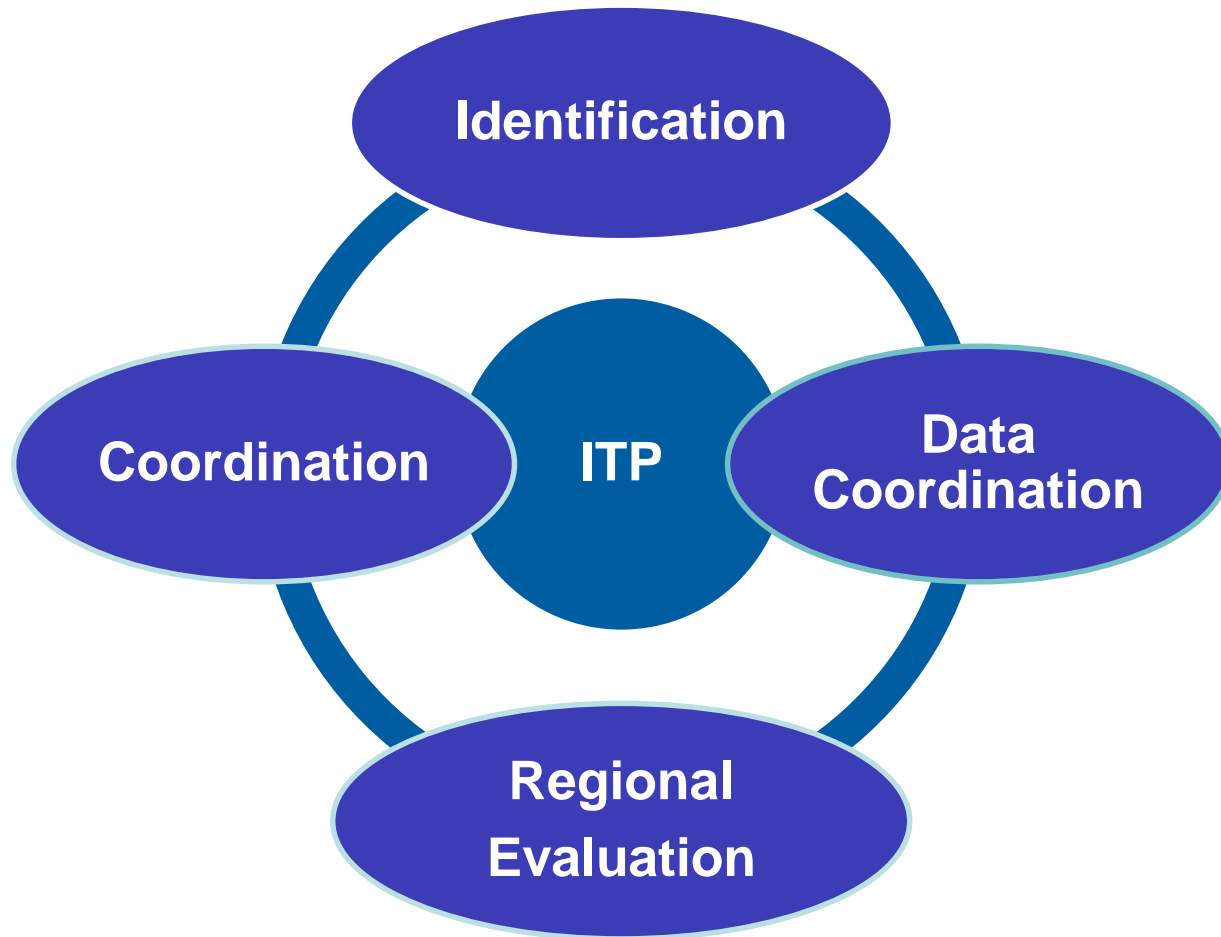


Western Planning Regions (WPR) Interregional Coordination Process



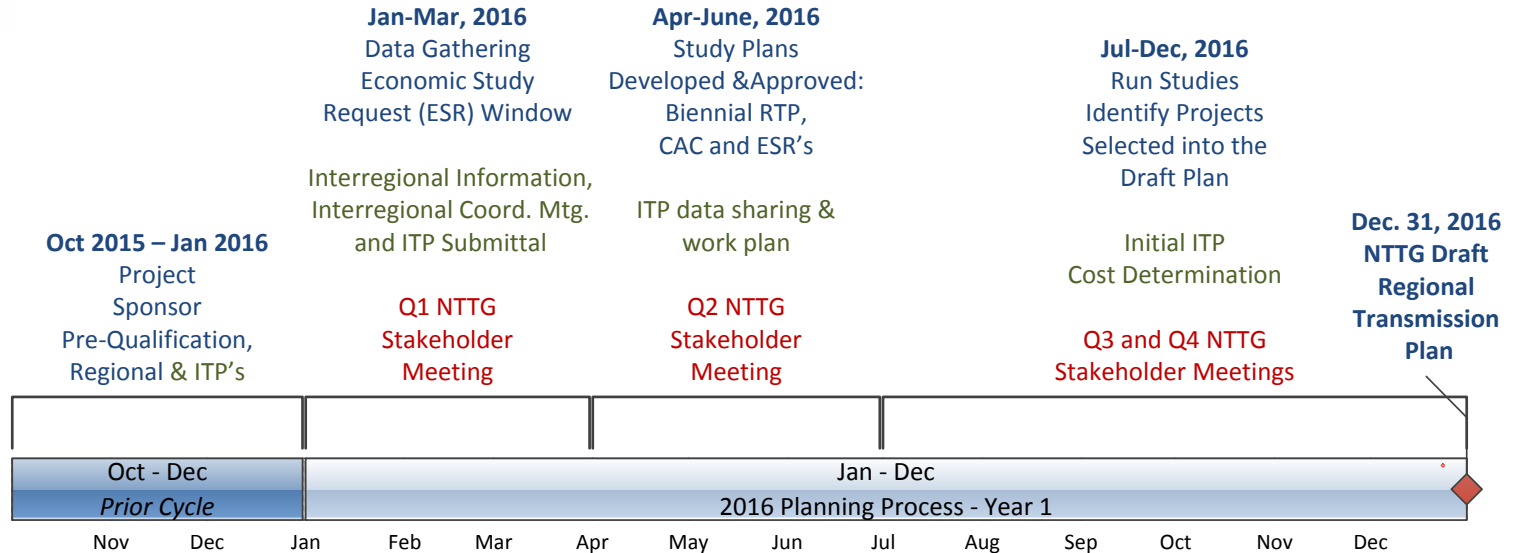


Interregional Transmission Project (ITP)

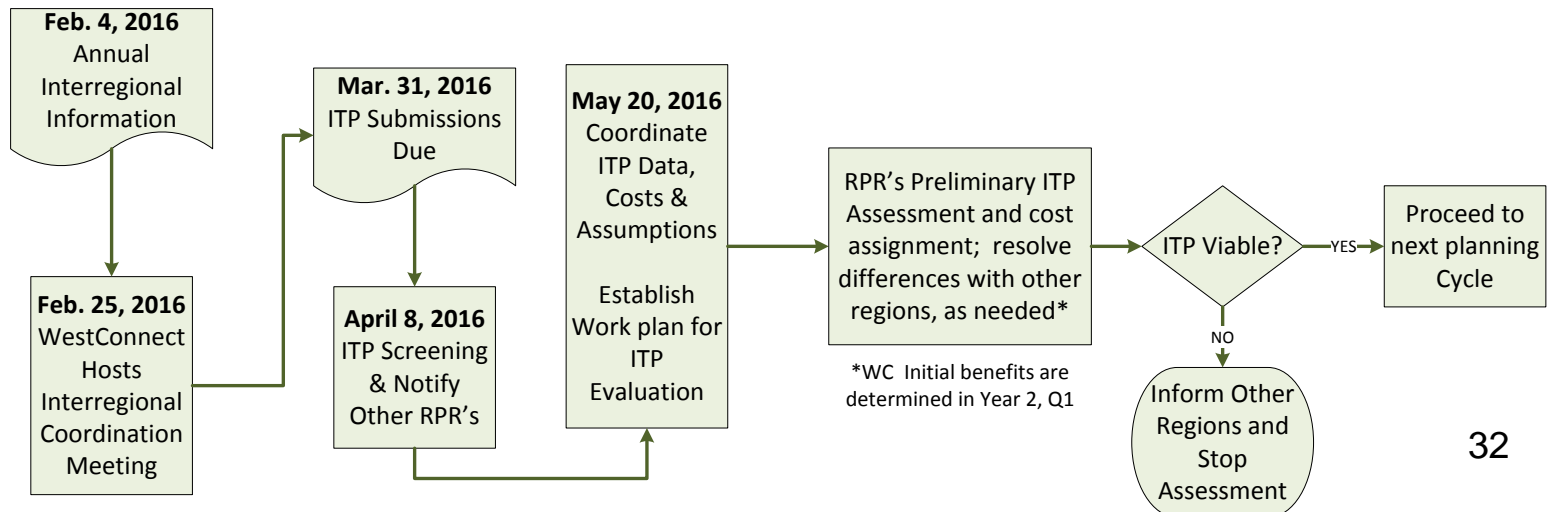


NTTG Regional and Interregional Process Overview: Year One

NTTG REGIONAL TRANSMISSION PLAN DEVELOPMENT



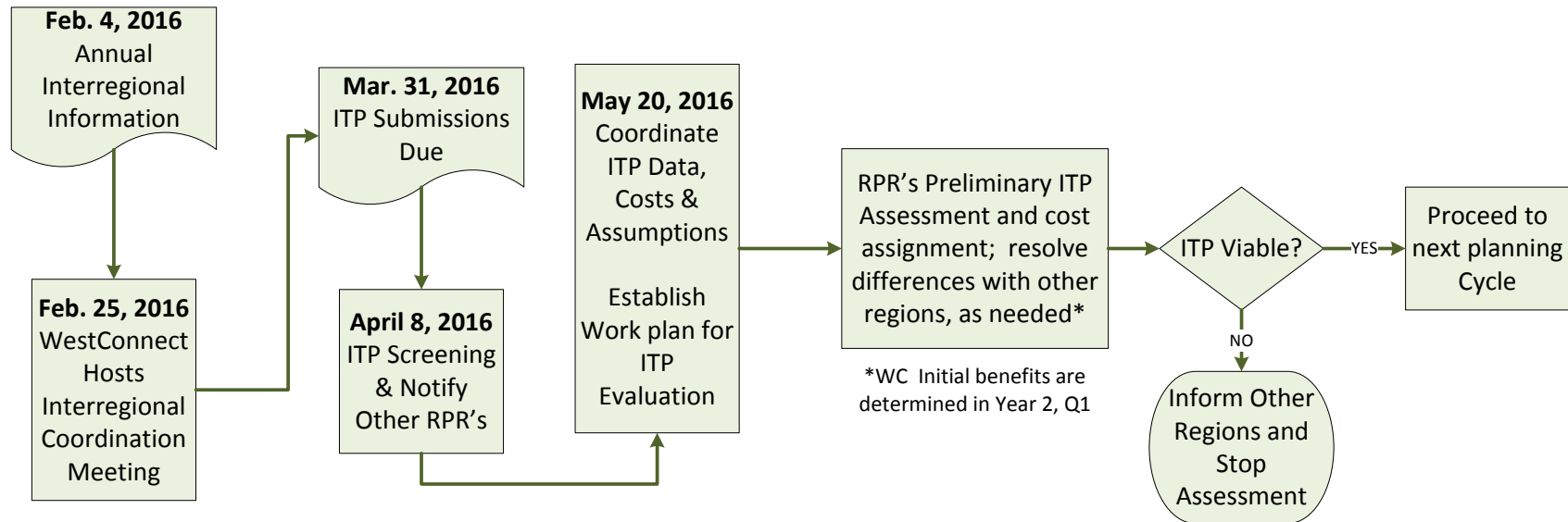
INTERREGIONAL COORDINATION PROCESS





Interregional Coordination Process Overview: Year One

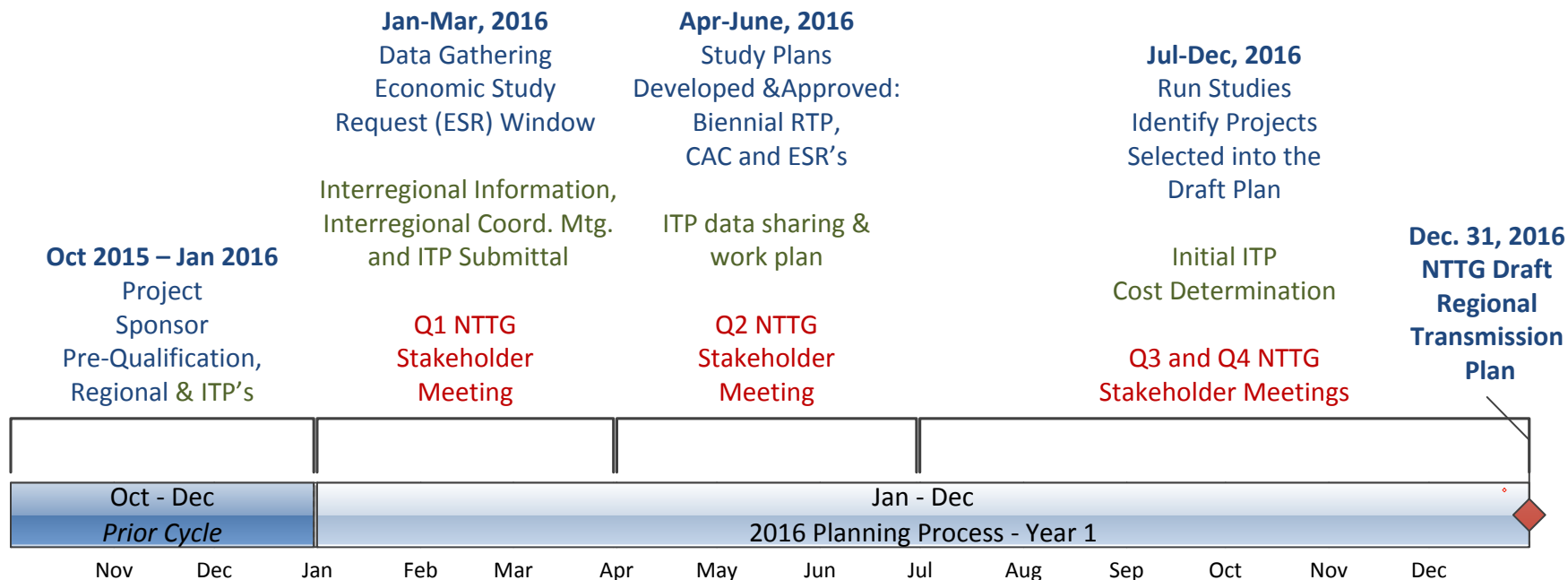
INTERREGIONAL COORDINATION
PROCESS





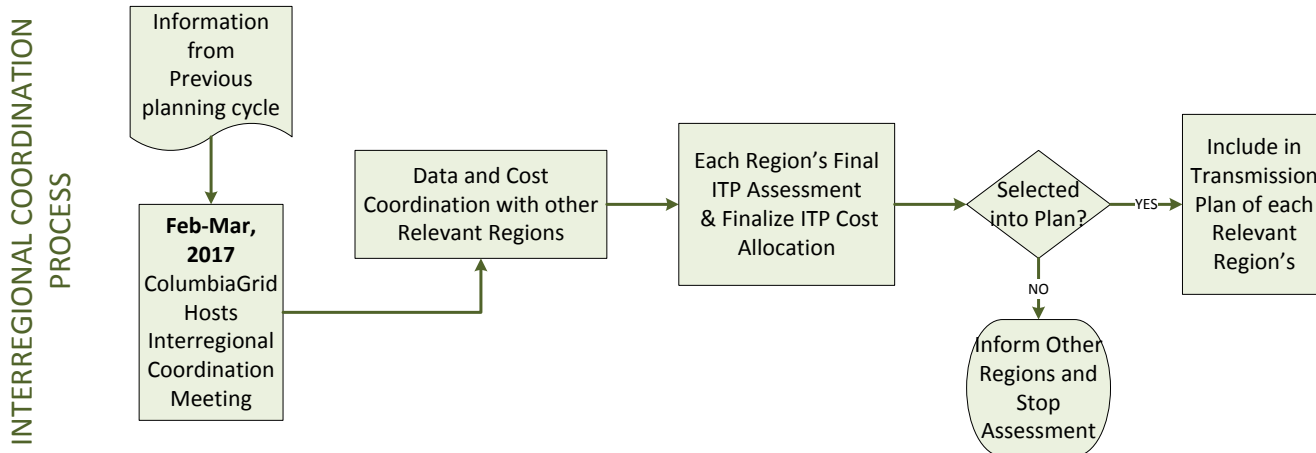
NTTG Regional / Interregional Process Overview: Year One

NTTG REGIONAL TRANSMISSION
PLAN DEVELOPMENT





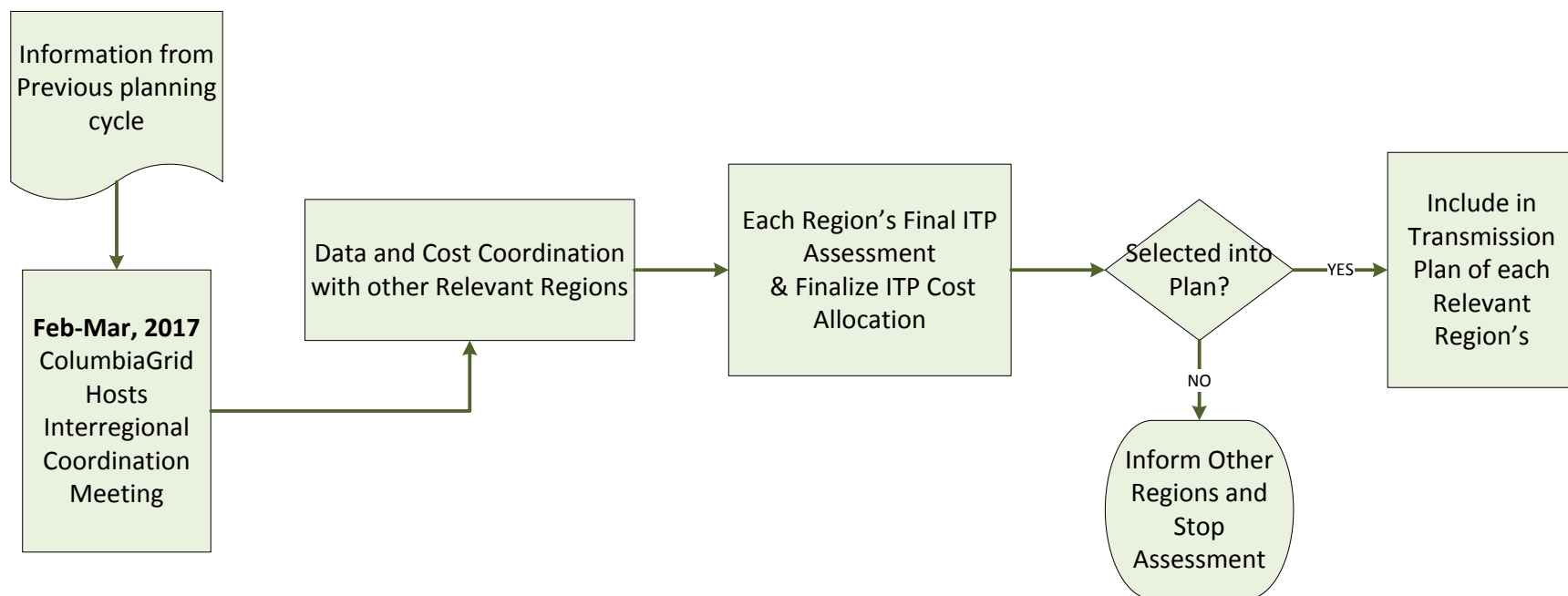
NTTG Regional and Interregional Process Overview: Year Two





NTTG Regional Process Overview: Year Two

INTERREGIONAL COORDINATION PROCESS





NTTG Regional / Interregional Process Overview: Year Two

NTTG REGIONAL TRANSMISSION PLAN
DEVELOPMENT





Order 1000 (O1K) Interregional Coordination Summary

- Interregional coordination builds upon the regional transmission planning processes of each participating planning region
- Each region has open and transparent stakeholder processes for evaluating benefits of an ITP
- The regions are committed to continue to coordinate and identify potential process improvements as they work through the initial implementation



Key Upcoming Milestones

- **October 31, 2015** – Deadline for Project Sponsors seeking NTTG cost allocation to submit pre-qualification data
- **December, 2015** – NTTG Q4 Stakeholder Meeting (Date and Location TBD)
- **February 25, 2016** – Annual Interregional Coordination Meeting (Location TBD – target is Phoenix)
- **March 31, 2016** – NTTG data and project submittal window closes (regional and interregional)



QUESTIONS?

Regional Updates

CAISO

ColumbiaGrid

WestConnect

WECC/TEPPC Update



Stakeholder Comments/Round Table

Adjourn