



MINUTES OF THE
NORTHERN TIER STEERING COMMITTEE

A meeting of the Northern Tier Transmission Group (“NTTG”) Steering Committee was held in Salt Lake City, Utah on the 11th day of March, 2014 at 11:00 a.m. (MPT). Participation via web and phone conference was also available.

The following members and designated alternates were present at the meeting, constituted a quorum and did not object to notice:

- Frank Afranji, (proxy for Bill Nicholson), Portland General Electric,
- Michele Beck, Utah Office of Consumer Services,
- Ray Brush, NTTG Utility Co-Chair/NorthWestern Energy Corporation,
- David Clark, NTTG State Vice-Chair/Utah Public Service Commission,
- Brian Fritz, (proxy for Rick Vail), PacifiCorp,
- Dax Gray (proxy for Marshall Empey), UAMPS,
- Travis Kavulla, NTTG State Co-Chair /Montana Public Service Commission,
- Larry Nordell, Montana Consumer Counsel,
- Adam Richins, Idaho Power Company,
- Marsha Smith, Idaho Public Utilities Commission, and
- Curt Winterfeld, NTTG Utility Vice-Chair/Deseret Power Electric Cooperative, Inc.

Bill Russell, Wyoming Public Service Commission, and John Savage, Public Utility Commission of Oregon were absent and did not designate a proxy.

The following guests were present:

- Dave Angell, Idaho Power Company,
- Rich Bayless, Northern Tier Transmission Group,
- Johanna Bell, Idaho Public Utilities Commission,
- Gil Coulam, Northern Tier Transmission Group,
- Bob Decker, Montana Public Service Commission,
- Pam Greensky, Northern Tier Transmission Group,
- Sharon Helms, Northern Tier Transmission Group,

Carl Monroe, Southwest Power Pool,
Gayle Nansel, WAPA,
Ron Schellberg, Idaho Power Company,
Jamie Stamatson, Montana Consumer Counsel,
Bela Vestag, Utah Office of Consumer Services,
Amy Wachsnicht, Northern Tier Transmission Group, and
Dan Williams, Portland General and NWPP MC Lead.

The meeting agenda was reviewed and approved. A motion by Larry Nordell to approve the minutes of the December 3, 2013 NTTG Steering Committee was seconded by Travis Kavulla and **approved**. The minutes will be posted on Northern Tier's website.

RESOLUTIONS

Annual Election of NTTG State Co-Chair and State Vice-Chair

RESOLVED: A motion by Marsha Smith to nominate Commissioner Travis Kavulla as the NTTG State Co-Chair was seconded by Commissioner David Clark. The motion was ADOPTED by unanimous vote of the members.

RESOLVED: A motion by Commissioner Travis Kavulla to nominate Commissioner David Clark as the NTTG State Vice-Chair was seconded by Michelle Beck. The motion was ADOPTED by unanimous vote of the members.

Annual Election of NTTG Utility Co-Chair and Utility Vice-Chair

RESOLVED: A motion by Curt Winterfeld to nominate Ray Brush as the NTTG Utility Co-Chair was seconded by Brian Fritz. The motion was ADOPTED by unanimous vote of the members.

RESOLVED: A motion by Ray Brush to nominate Rick Vail as the NTTG Utility Vice-Chair was seconded by Frank Afranji. The motion was ADOPTED by unanimous vote of the members.

REPORT

Northwest Power Pool ("NWPP") Members' Market Assessment and Coordination Committee ("MC") Initiative

Dan Williams, Portland General and NWPP MC Lead, reported on the NWPP Members MC Initiative, including the NWPP MC objectives, and a summary of Phase 1 and Phase 2

key outcomes. Starting in 2014, The MC Initiative is shifting into Phase 3 where the focus is on building a comprehensive solution for the Pacific Northwest, including improving operational efficiencies and data integrity across multiple time horizons. This includes a combination of providing better and more granular generation and in-hour schedule data for study assumptions and developing a set of tools that will provide more reliable links between resources and load and offer transmission providers and balancing authorities more insight into adjacent systems and critically congested paths.

While working towards enhancements to the regional infrastructure, the policy and market design work will continue including looking at options for how a security constrained economic dispatch could be layered on in the future. A market operator Request for Proposal is scheduled to be released in July with responses due by the end of summer and a market design proposal available for executive review by the end of the year. Regardless of the decision on the market design, funding will continue for tools and data sharing in 2015.

For the 2014 work \$4.3M has been approved through January 2015. Dan noted that the initiative has 75 or more high level subject matter experts engaged in the work groups, the initiative is set-up for success and they are looking forward to what can be accomplished in 2014.

REPORT

Western Area Power Administration (“Western”) Facilities adjacent to NTTG and included in the Southwest Power Pool (“SPP”) Tariff

Ray Brush introduced Carl Monroe, Executive Vice President and Chief Operating Officer for the SPP. Carl was invited to discuss the Western Upper Great Plains Region (“UPGR”) facilities that are part of the Integrated System (“IS”) located in both the Mid-Continent Area Power Pool (“MAPP”) and the Western Electric Coordinating Council (“WECC”) regions. Western currently utilizes MAPP as its planning region, but is under negotiations to join the SPP Regional Transmission Organization. At this point it is unclear which planning region these facilities will be part of, and given the uncertainty, it seemed pertinent to have a discussion regarding the potential interregional planning and seams implications for NTTG.

Prior to discussing the facilities in question, Mr. Monroe reviewed with members the SPP mission, its’ footprint and the major services provided including a high level overview of its’ planning processes for the near-term, 10-year, and the 20-year planning horizon.

Following this overview Mr. Monroe reported on its’ discussions with the IS and Western facilities noting that the SPP had been working with the IS for the past 2.5 years and the IS just recently announced its intention to pursue more diligently joining the SPP. Presently the SPP is working with the IS parties to determine how best to integrate the SPP, including assisting with

proposed modifications to governing documents, such as bylaws and tariff revisions, required to integrate the IS into the SPP organization as members.

These IS facilities in the Western Interconnect that are currently operated as a Balancing Authority (“BA”) under Western UPGR, but under the reliability coordination of WECC will likely require seams coordination of some form with NTTG. Western would like to have these facilities under the SPP rate design and zone, but at the same time does not believe they can put the facilities in SPP as a member. Subsequently, discussions are underway about maintaining the rate structure and tariff services as if under one tariff, although those facilities would not be under SPP’s BA reliability coordination. Additionally, discussions are still underway and a decision has not been made as to which organization will be the planning authority. Even if SPP is not the planning authority, NTTG and SPP will need to talk about seams arrangements for the tariff administration.

Mr. Monroe indicated that the goal is to complete the stakeholder process by the end of April. A decision by the SPP Board and members as to whether it is acceptable to make changes to integrate these facilities, file with FERC and execute the membership agreement, contingent upon acceptance by FERC, is targeted for the end of July. They will then transition to the integration phase with the goal of full integration into the day-ahead and real-time markets by October, 2015.

REPORT

NTTG Planning Committee Update

Dave Angell reviewed the current and near term planning committee deliverables and deadlines, noting that March 30th and 31st are the deadlines for economic study requests and project and cost allocation data submissions, with the cure for any data deficiencies to be resolved by April 15th. Mr. Angell reviewed the load and resource data that was submitted by the January 31st deadline as well as the variances from the prior cycle’s submittal. It was noted that the WECC data submittal deadline is March 31st and PacifiCorp will submit updated data concurrent with that deadline.

The requests for public policy consideration submitted by the Renewable Northwest Project and the Northwest Energy Coalition were discussed. These requests will be reviewed with the Planning Committee, in consultation with stakeholders, to determine if additional if NTTG studies will included in the NTTG Draft Biennial Study Plan. Studies to assess the possible affect of public policy considerations are informational only and inform but will not affect the plan.

Nominations for the NTTG Technical Workgroup have been sent out and a kick off meeting will be scheduled in early April. The Technical Workgroup, with Planning Committee and

Stakeholder input, is responsible for developing the study plan that will be presented to the Steering Committee for approval in June.

Stakeholder Comment Period


The floor was opened to the public for comment and none were received.

Round Table/Other Business

The next NTTG Steering Committee meeting will be in Salt Lake City, Utah on June 24th. Participation via phone and web conference will be available as well. A key topic for the June meeting will be the Steering Committee vote to approve or remand the *Draft NTTG Draft Biennial Study Plan*.

There being no further action, the meeting adjourned.

By: 
Sharon Helms, NTTG Project Manager

Approved: 
Ray Brush, NTTG Utility Co-Chair

Approved: 
Travis Kavulla, NTTG State Co-Chair