



APPROVED MINUTES OF THE  
NORTHERN TIER STEERING COMMITTEE

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A meeting of the Northern Tier Transmission Group (“NTTG”) Steering Committee was held in Salt Lake City, Utah on the 2<sup>nd</sup> day of December, 2014 at 8:30 a.m. (MPT). Participation via web and phone conference was also available.

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

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

The following guests were present:

Frank Afranji, Portland General  
Dave Angell, Idaho Power Company,  
Rich Bayless, Northern Tier Transmission Group,  
Johanna Bell, Idaho Public Utilities Commission,  
Gil Coulam, Northern Tier Transmission Group,  
Sharon Helms, Northern Tier Transmission Group,  
John Leland, Northern Tier Transmission Group,  
Craig Quist, PacifiCorp, and  
Amy Wachsnicht, Northern Tier Transmission Group.

The meeting agenda was reviewed and revised to tee up the NTTG Draft Regional Transmission Plan update following the discussion on WECC's new strategic direction and impacts to regional planning.

A motion by Ray Brush to approve the minutes of the September 10, 2014 NTTG Steering Committee was seconded by Dave Clark and **approved**. The minutes will be posted on Northern Tier's website.

A resolution for NTTG to join with the other Western Planning Regions in requesting the Western Electricity Coordinating Council ("WECC") defer action on adoption of its Interconnection Wide Transmission Plan was presented for consideration. Following a formal presentation and after thorough discussion, on motion duly made by Curt Winterfeld and seconded by Ray Brush, the following modified resolution was adopted, with PacifiCorp opposing:

#### **RESOLUTION**

##### **NTTG Input on WECC Direction and Impacts to Regional Transmission Planning**

**RESOLVED:** That NTTG join with the other western Planning Regions at the December 9<sup>th</sup>, 2014, Transmission Expansion Planning Policy Committee ("TEPPC") meeting and request that WECC defer any further action on Option 4, adopting WECC's Interconnection-Wide Transmission Plan, until late February 2015. This request is to allow the four Planning Regions with Orders Nos. 890 and 1000 obligations an opportunity to develop a coordinated position with regard to the review and testing of interconnection wide resource plans and how coordination between WECC and the four Planning Regions could be undertaken. Additionally, this process is limited to the interim period between now and when FERC issues a final rule on the Regional and Interregional Order No. 1000.

Further, WECC's work on the proposed 111(d) regulation of carbon emissions from power plants is useful, particularly for state regulators, and a request to delay should not be construed as a request to stop or delay the scenario analysis that is ongoing.

#### **REPORT**

##### **NTTG Draft Regional Transmission Plan: Process and Key Findings**

Dave Angell, NTTG Planning Committee Chair, reported on the development of the Draft Regional Transmission Plan ("DRTP"), reminding members that the goal of the DRTP is to select projects into the plan that result in a more efficient or cost effective plan than the Initial Regional Plan. Project selection is accomplished through reliability analysis to ensure the plan

meets the NTTG load and resource requirements ten years out and through benefit analysis that considers the effectiveness and efficiencies of the system.

Mr. Angell walked through the approach used by the Technical Workgroup (“TWG”) to create base cases, powerflow cases and efforts to resolve technical issues encountered with the production cost dataset that were necessary to complete the evaluation of the Initial Regional Plan. Mr. Angell also provided an update on data submissions, reliability analysis and evaluation of economic metrics completed on Committed and Alternative Projects.

The results of the TWG’s analysis showed no significant reliability problems with the existing transmission system. However, Mr. Angell informed members that as this is NTTG’s first run through Order No. 1000 transmission planning, two areas of improvement have been identified; 1) the process did not include a methodology to consider contractual transmission service obligations, and 2) loads do not match future expected resources incorporated in Transmission Provider(s) Integrated Resource Plans. As a result, the NTTG 2014-2015 Study Plan will be revised to incorporate these adjustments and the appropriate approvals will be requested prior to completing additional studies and development of the Draft Final Regional Transmission Plan.

Mr. Angell also facilitated a discussion on uncommitted projects and the decision to allow the Project Sponsor to define the project (e.g. Energy Gateway has several segments that each satisfy different needs and the Project Sponsor requested that Energy Gateway be evaluated as all in our all out). After discussion, it was suggested that an approach for future consideration would be for the Planning Committee to submit an analogous project, with segments that would be similar to the Sponsored Project, and evaluate why individual segments could or could not be disassembled from the project.

In concluding his update, Mr. Angell reported that the study plan for the Public Policy Consideration analysis has been drafted and will be reviewed with the requestor prior to submittal to the Planning Committee for approval and proceeding with the analysis in Quarter 5.

## **REPORT**

### **Cost Allocation Committee Update**

Curt Winterfeld, outgoing Cost Allocation Committee Chair, informed members that Sarah Edmonds was recently elected as the Cost Allocation Committee Chair with Amy Light as the Vice Chair. Ms. Edmonds was unable to participate in today’s meeting, and Mr. Winterfeld provided members with an update on the status of the Cost Allocation Committee activities in her absence.

Mr. Winterfeld reminded members that the Transmission Providers’ Attachment K requires that the Committee look at scenarios that will ‘likely effect total benefits and their distribution among Beneficiaries’, including parameters such as load levels, fuel prices, etc. The

NTTG cost allocation methodology acknowledges that allocation of significant cost and the distribution of benefits may be highly uncertain and dependent on key assumptions. Since under Order No. 1000 cost allocation is not adapted over time to reflect actual usage and is potentially permanent, basing projections on a range of likely scenarios is an important aspect of NTTG's cost allocation methodology.

Mr. Winterfeld informed members that while it appears unlikely a project that requested cost allocation will be selected into the Draft Regional Transmission Plan, the Committee would like to proceed with as much of the cost allocation process as possible, as next cycle may require that the Committee complete cost allocation on one or more projects. He also explained that while the original assumption had been that the Cost Allocation Implementation Workgroup ("CAIWG") could rely on scenarios previously developed by TEPPC, it has been determined, through joint discussions with NTTG's TWG and the CAIWG, that this would likely result in a lot of additional work for the TWG. Subsequently, the decision was made to target changes in the base case scenario to develop cost allocation scenarios rather than wholesale adoption of different scenarios based on TEPPC or other sources. Mr. Winterfeld described the potential draft load and resource alternative scenarios were developed by the CAIWG and will be presented to stakeholders for input on December 18.

Following the stakeholder meeting, the CAIWG will consider the practical implications in terms of TWG and Planning Committee workload requirements to modify base cases, develop alternative scenarios and determine next steps.

#### **Stakeholder Comment Period**

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

#### **Round Table/Other Business**

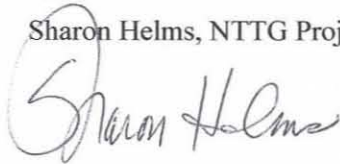
Commissioner Travis Kavulla announced that this would be the last Steering Committee meeting for two of NTTG's prominent Steering Committee members, Commissioner Marsha Smith and Curt Winterfeld. On behalf of the state regulators, Commissioner Kavulla thanked Marsha for her leadership and acknowledged the key role that Commissioner Smith played during her tenure, both in NTTG and WECC forums. Mr. Brush recognized Mr. Winterfeld and thanked him for his role as Cost Allocation Committee and Vice Chair for the NTTG Steering Committee, noting Mr. Winterfeld's leadership was instrumental in the development of NTTG's Order No. 1000 cost allocation methodologies.

The next NTTG Steering Committee meeting will be tentatively scheduled to coincide with the WECC Board Meeting in March, 2015. Sharon Helms will coordinate a final date and location.

There being no further action, the meeting adjourned.

By:

Sharon Helms, NTTG Project Manager

A handwritten signature in cursive script that reads "Sharon Helms".

Approved:

Ray Brush, NTTG Utility Co-Chair

A handwritten signature in cursive script that reads "Ray W. Brush II".

Approved:

Travis Kavulla, NTTG State Co-Chair

A handwritten signature in cursive script that reads "Travis Kavulla".