



Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	December 15, 2008
Meeting Minutes Prepared By:	Lynn Jesus-Olhausen
Approved for Posting:	January 12, 2009

Attendee List: Rich Bayless, Brian DeKiep, Marshall Empey, Lynn Jesus-Olhausen, Sam Liu, Natalie McIntire, Matt Muldoon, Marcy Norby, Larry Nordell, Lou Ann Westerfield, Curt Winterfeld, Joni Zenger

Not in Attendance: Bryce Freeman, Marc Hellman, Sharon Helms, Jim Logan, Darrell Zlomke

1. Agenda:

- Approval of December 8th, 2008 Meeting Notes
- Updates from Planning Committee and Transmission Use Committee
- Continued Discussion on Right Sizing
- Next Steps

2. Decisions / Discussions:

Discussion: Approval of December 8th, 2008 Meeting Notes

- Approved as-is for posting to website

Discussion: Updates from Planning Committee and Transmission Use Committee

- Planning Committee
 - Work is being completed on the base cases. There were some voltage issues due to problems from WECC data carried over from the original WECC base cases that needed to be resolved.
- Transmission Use Committee
 - Continuing to refine data for January deliverables.

Discussion: ColumbiaGrid Biennial Draft Transmission Plan

- ColumbiaGrid released their draft plan for public comment.
- ColumbiaGrid only gets involved in the cost allocation process if parties involved in the project have disagreement with reliability or economic addition.
- ColumbiaGrid does a system assessment involving firm contractual loads and firm load projection. They currently do not follow the Order 890 conceptual study. If problems arise from the study results, they create a study team to resolve issues.

Discussion: AWEA/RNP, Guest: Natalie McIntire

- AWEA/RNP is concerned with what they see as a lack of clarity in the Attachment K filings as to whether or not a project would be considered as open season or not. How is that decision made? Also, while there are clear NTTG cost allocation principles documented it seems to that those can be more guidelines and do not mean that the ultimate cost allocation agreement would follow those directly.
 - NTTG's structure is unique. The Steering Committee is comprised half of industry participants and half of state commissioners.
 - The cost allocation principles are meant to be flexible to allow for parties to cooperate and come to agreement and to try to encourage parties to use an open season process in order to attract investors and/or interested parties. Cooperation is strongly encouraged.
 - AWEA/RNP acknowledges that there can be some disconnect between FERC's requirements and ability of individual transmission providers to meet requirements.

- The cost allocation principles are aimed at taking a more literal view that there should be a correlation between usage and assignment of allocation costs, consistent with rate making procedures.
- Often it is difficult to distinguish between cost allocation and cost recovery.
- AWEA/RNP is looking to participate in NTTG's meetings so they can grow to understand the goals and processes of NTTG.
 - NTTG wanted to make participation easier, so the cost allocation meetings are open and public meetings.

Discussion: Continued Discussion on Right Sizing

- Lou Ann will draft a white paper on the pros and cons of the right sizing issue and send it to committee members for review and input. This paper will be quite general in nature. It will take a more 'big picture' angle rather than a technical angle.

Decision: Due to the upcoming holidays, the Dec 22nd and Dec 29th Cost Allocation meetings will be canceled.

3. Assignments:

Item #	Assignment	Owner	Target Date	Status
1.	Draft white paper on right sizing topic and send to committee members for review and input.	Lou Ann Westerfield	12/19/08	

Next Meeting: Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for January 5, 2009 at 1:00PM Pacific.

- Voice Conference Mtg. **503-813-5600** (toll free #800-503-3360)
- Meeting ID **688484** and password **123456**