



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 17th day of December, 2015 at 9:00 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,
Ray Brush, NTTG Utility Co-Chair/NorthWestern Energy Corporation,
David Clark, NTTG State Vice-Chair/Utah Public Service Commission,
Marshall Empey, UAMPS,
Travis Kavulla, NTTG State Co-Chair /Montana Public Service Commission and proxy for
John Savage, Public Utility Commission of Oregon,
Amy Light, proxy for Larry Bekkedahl, Portland General Electric,
Larry Nordell, Montana Consumer Counsel,
Craig Quist, proxy for Rick Vail, NTTG Utility Vice-Chair, PacifiCorp,
Adam Richins, Idaho Power Company,
Bill Russell, Wyoming Public Service Commission, and
Jim Tucker, proxy for Phil Solomon, Deseret Power Electric Cooperative, Inc.

Paul Kjellander, Idaho Public Utilities Commission, was absent and did not designate a proxy.

The following guests were present:

Dave Angell, Idaho Power Company,
Jamie Austin, PacifiCorp,
Rich Bayless, Northern Tier Transmission Group,
Johanna Bell, Idaho Public Utilities Commission,
Gil Coulam, Northern Tier Transmission Group,

Sarah Edmonds, Vice President & General Counsel, PacifiCorp Transmission,
Sharon Helms, Northern Tier Transmission Group,
Bill Hosie, TransCanada
Shay LaBray, PacifiCorp
John Leland, Northern Tier Transmission Group,
Bela Vestag, Utah Office of Consumer Services,
David Walker, Wyoming Public Service Commission, and
Amy Wachsicht, Northern Tier Transmission Group.

Ray Brush reviewed the meeting agenda. The agenda was approved.

A motion by Craig Quist to approve the minutes of the July 8, 2015, NTTG Steering Committee was seconded by David Clark and approved. The minutes will be posted on Northern Tier's website.

REPORT

2014-2015 NTTG Regional Transmission Plan Update and Steering Committee Approval

Dave Angell, NTTG's Planning Committee Chair, acknowledged the work of the NTTG Technical Workgroup in preparing this cycle's NTTG Regional Transmission Plan (RPT). He also thanked Gil Coulam who is retiring and welcomed Ron Schellberg who will be stepping into the Project Manager role for the Technical Workgroup. Mr. Angell reported that during the December Planning Committee meeting elections for the 2016-17 cycle were conducted and Craig Quist of PacifiCorp will be the new Planning Committee Chair, and Chelsea Loomis, Northwestern Energy, the new Planning Committee Vice Chair.

Mr. Angell reviewed, at a high level, the steps taken to develop the 2014-2015 Regional Transmission Plan, including selection of the stressed hours, analyzing the plan with and without uncommitted projects, the reliability analysis, benefit and robustness analysis. The analysis results showed that the one Sponsored Project, Boardman to Hemingway, and the Alternative Project, a grouping of four transmission elements in Idaho, Utah and Wyoming, produced a more efficient or cost effective plan than the Initial Regional Transmission Plan. A Draft Final Regional Transmission Plan was posted for stakeholder review and comments. Mr. Angell walked through the comments that were submitted, noting that they did not change the structure of the plan. In conclusion, Mr. Angell reviewed the successes and lessons learned during the development of this cycle's RTP, including the commendation from FERC staff on NTTG's processes and teeing up the possible need to reevaluate the project selection metrics.

RESOLUTION

Approval of the 2014-2015 NTTG Regional Transmission Plan

RESOLVED: A motion by Craig Quist to approve the 2014-2015 NTTG Regional Transmission Plan as presented, was seconded by Adam Richins. The motion was ADOPTED by unanimous vote of the members.

RESOLUTION

Distribution of the 2014-2015 NTTG Regional Transmission Plan

RESOLVED: Adam Richins motioned that the 2014-2015 NTTG Regional Transmission Plan, along with a transmittal letter describing NTTG's membership, and process for developing the plan and key findings, be distributed to commission representatives, governors, neighboring planning entities and other appropriate state energy and siting offices, approve the 2014-2015 NTTG Regional Transmission Plan as presented. The motion was seconded by Michele Beck and unanimously APPROVED.

Report

Interregional Order No. 1000 Update

Sharon Helms, NTTG's Program Manager, briefed members on the Pro Form Interregional Order No. 1000 Coordination Procedures that were jointly developed by NTTG, CAISO and WestConnect. The procedures are intended to document how the regions will coordinate regional planning data and information with the other Western Planning Regions and focus on the Annual Interregional Coordination Meeting, planning data and information exchange, and communication among the Planning Regions. Amy Light raised a concern that while legal had reviewed and recommended a process for implementation of the procedures, the procedures had not been reviewed by legal. Ms. Helms described how the procedures were developed, i.e., in coordination with the other planning regions, and with input from NTTG's team comprised of representation from Funding and regulatory members. Following additional dialogue, it was agreed that the NTTG Funding members would review and approve the procedures prior to requesting the Planning and Cost Allocation Committees adopt them.

RESOLUTION

Implementation of Interregional Coordination Procedures

RESOLVED: That the NTTG Steering Committee assign responsibility for implementation of any interregional coordination procedures of Attachment K, as approved by the

Full Funders, to the Planning and Cost Allocation Committees of NTTG. A motion by Larry Nordell was seconded by Craig Quist and unanimously **APPROVED**.

REPORT

Energy Imbalance Market update and PacifiCorp's benefit analysis of full participation in a regional ISO

Sarah Edmonds, Vice President & General Counsel for PacifiCorp Transmission, presented an update on PacifiCorp's participation in the CAISO Energy Imbalance Market and potential benefit analysis of full participation in a regional ISO. Ms. Edmonds reported that the total estimated benefit to the EIM footprint since November 1, 2014 is \$33.41M, consistent with 2013 projected annual benefits study. These benefits provide a positive indication of what might be expected as others consider joining. The best way to fully obtain benefits is to offer resource capacity into the market. Commissioner Clark encouraged PacifiCorp to consider evaluating alternative options for achieving these benefits, and to explore whether they could be obtained via less costly means.

Ms. Edmonds briefed members on the status of the development of a regional ISO. On April 2015, PacifiCorp and the California ISO executed a Memorandum of Understanding to explore potential benefits and costs of creating a regional ISO. Drivers include reducing customer costs, reducing emissions, enhancing regional planning and expansion and facilitating renewable energy resource integration. On October 7, 2015, the California SB 350 was signed into law establishing a pathway for regional ISO expansion and governance. Next steps include modifications to the current set of rules and laws that are required to establish independent governance and establish a new RTO that is regional in nature. PacifiCorp is targeting making state filings with all six states where it serves retail customers in 2016 and early 2017. Turning over operational control of assets will require FERC approval. The target go-live date is January 1, 2019.

REPORT

Regional Planning Organizations and Restructuring Discussions

Ray Brush briefed members on the efforts to review the potential benefits associated with replacing the NTTG and ColumbiaGrid planning organizations with one planning entity. Three workgroups have been formed to focus on policy, legal and technical aspects. At the end of March,

2016, the decision will be teed up to determine if there is sufficient information to go forward, with the remainder of 2016 finalizing the process and 2017 focused on tariff changes. Mr. Brush reported that this is an option that entities wanted to consider regardless of PacifiCorp's decision on joining the CAISO as a participating Transmission Owner.

Stakeholder Comment Period

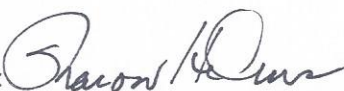
No additional comments or topics were offered.

Round Table/Other Business

Sharon Helms provided an update on MATL's filing an Attachment K with FERC and seeking to become a Full Funder of NTTG.

Michele Beck inquired as to whether NTTG is participating in the WECC TEPPC review process. John Leland stated that he is participating as the representative for the four western planning regions (NTTG, CAISO, ColumbiaGrid and WestConnect). Dave Angell is participating as the Planning Coordination Committee Vice-Chair, representing Idaho Power. The taskforce is in the initial stages of development. Discussions on this topic will be brought forward to the NTTG Management Committee. Ms. Beck requested if the Management Committee develops a position, that it be brought forward to Steering.

There being no further action, the meeting adjourned.

By: 

Sharon Helms, NTTG Program Manager



Approved:

Ray Brush, NTTG Utility Co-Chair



Approved:

Travis Kavulla, NTTG State Co-Chair