



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 2nd day of August 2017 at 8:30 am (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:

- Travis Allen, MATL LLP,
- Larry Bekkedahl, Portland General Electric,
- Ray Brush, NorthWestern Energy Corporation,
- David Clark, NTTG State Vice-Chair/Utah Public Service Commission,
- Marshall Empey, UAMPS,
- Bryce Freeman, Wyoming Office of Consumer Advocates,
- Brian Fritz, PacifiCorp, NTTG Utility Co-Chair,
- Lisa Hardie, Oregon PUC,
- Dave Joerger, Idaho Power Company,
- Travis Kavulla, NTTG State Co-Chair/Montana Public Service Commission,
- Paul Kjellander, Idaho Public Utilities Commission,
- Larry Nordell, Montana Consumer Counsel,
- Nathan Powell, proxy for Phil Solomon, Deseret Power Electric Cooperative, Inc.,
- Bill Russell, Wyoming Public Service Commission, and
- Bela Vastag, proxy for Michelle Beck, Utah Office of Consumer Services,

The following guests were present:

- Frank Afranji, Portland General,
- Dave Angell, Idaho Power,
- Rich Bayless, CPS for NTTG,
- Justin Bieber, UAEU,
- Michael Cashell, Northwestern Energy

Bob Decker, MT PSC,
Jared Ellsworth, Idaho Power,
Shaun Foster, PGE,
Laura Hatfield, Puget Sound Energy,
Sharon Helms, CPS for NTTG,
Julia Hilton, Idaho Power,
Bill Hosie, TransCanada,
Steve Johnson, WUTC,
Mark Kline, Montana Sun,
John Leland, CPS for NTTG,
Chelsea Loomis, Northwestern Energy,
George Marshall, Puget Sound Energy,
Regina McCormack, Invenergy, LLC,
Malcolm McLellan, Van Ness Feldman, LLP,
Craig Quist, PacifiCorp,
Ron Schellberg, CPS for NTTG, and
Amy Wachslicht, CPS for NTTG.

A motion by Paul Kjellander to approve the minutes of the April 20, 2017 NTTG Steering Committee was seconded by Bill Russell. Ray Brush made note of two corrections to the minutes. The minutes, as revised, were approved. The approved minutes will be posted on the NTTG website.

REPORT

PUBLIC POLICY CONSIDERATION STUDY (PPC) UPDATE

Chelsea Loomis, NTTG Planning Committee Vice Chair, provided an overview of the Public Policy Consideration study conducted by the NTTG Technical Workgroup to understand the transmission and reliability impacts associated with replacing approximately 1500 MW of coal from the retirement of Colstrip units 1, 2 and 3 with wind at Broadview. The results of this study, which was limited in scope, suggest that it may be feasible to replace coal with wind or a combination of wind and gas. The Draft Public Policy Consideration Study was posted for public comment during April and comments were submitted by the Northwest Energy Coalition and Utility System Efficiencies. Ms. Loomis reviewed the [comments, NTTG's responses, and the resulting report revisions](#). The Public Policy Consideration Report will be incorporated as an

Appendix into the NTTG 2016-2017 Draft Final Regional Transmission Plan that will be presented to Steering for approval in December 2017.

REPORT

QUARTER 6 STUDY PLAN REVISIONS

Craig Quist, NTTG Planning Committee Chair, reviewed the updates to [data assumptions that were submitted during Quarter 5 and the resulting modifications to the NTTG Study Plan](#). Following a brief discussion and clarification that the Planning Committee does not act as a gatekeeper and accepts that its members' submissions as reasonable, the Steering Committee voted to approve the revised study plan.

RESOLUTION

APPROVAL OF THE REVISED NTTG 2016-2017 STUDY PLAN

RESOLVED: A motion by Travis Kavulla to approve the [Amended Quarter 6 2016-2017 Study Plan](#) was seconded by Bill Russell and unanimously APPROVED.

REPORT

QUARTER 6 ANALYSIS RESULTS AND REVISIONS TO THE PLAN

Mr. Quist walked members through the Quarter 6 study work that was required as a result of updated load and resource assumptions received during Quarter 5. Questions regarding wind dispatch assumptions were addressed and it was confirmed that due to time constraints, robustness testing was not done this cycle.

REPORT

WECC RELIABILITY ASSESSMENT COMMITTEE (RAC) UPDATE

Dave Angell, chair of the Western Electricity Coordinating Council (WECC) Reliability Assessment Committee (RAC), presented an overview on structure of the RAC, its [subcommittees](#) and the roles and responsibilities of the committees. He reported that the charters are currently posted for public comment and will ultimately be approved by the WECC Board. Mr. Angell also provided a high-level overview on the purpose of the Anchor Data Set (ADS) and implementation timeline. The ADS Task Force (ADSTF) is in the process of getting established and will include representation from each of the Planning Regions and six representatives from RAC. The focus of the ADSTF this year will be on ADS implementation and identifying improvements for next cycle.

REPORT

NTTG 101 OVERVIEW

Malcolm McLellan with Van Ness Feldman, outside counsel for NTTG funders since the inception of NTTG, provided members, many of which are relatively new to NTTG, with an overview of NTTG's structure, governance and planning process for FERC compliance. Mr. McLellan noted that NTTG is not an entity, but an association of the Transmission Provider's using NTTG to solve their Order 1000 planning obligations. NTTG has four committees which each have a charter that governs their activities. FERC action is needed to change these charters. NTTG's funding occurs through the Funding Agreement that is approved by FERC. Each funders obligation is recovered in utility rates as an administrative cost.

Mr. McLellan provided background on the evolution of planning efforts between 1999 and 2006 that included RTO-West and Grid West, among others. In October of 2006 the Northern Tier Initiative was started by "like minded" members of Grid West, which included Funders, state officials and stakeholders working together. Some of the key attributes of NTTG included the ability to quickly implement needed transmission projects and initiatives and prevent the time-consuming and delaying processes that plagued RTO development.

Today NTTG's planning process is an eight-quarter biennial planning cycle that culminates in establishing a regional transmission plan that evaluates whether transmission needs within the NTTG footprint may be satisfied on a regional or interregional basis more efficiently or cost effectively than through the local planning process. Order 1000 requires allocation of costs to identified beneficiaries of each project that has been selected into the plan for purposes of cost allocation. Mr. McLellan noted that while cost allocation decisions are binding, it is unclear what binding cost allocation means and walked through the differences between cost allocation, construction decisions and cost recovery.

Mr. McLellan's presentation concluded with a summary of NTTG's key accomplishments including the development of five regional transmission plans and engagement in interregional coordination and cost allocation.

REPORT

POTENTIAL NEW REGIONAL TRANSMISSION PLANNING ORGANIZATION

UPDATE

Larry Bekkedahl, Portland General Electric, briefed members on the discussions between ColumbiaGrid and NTTG funding members to form a new Regional Planning Organization

(RPO) in the Northwest. Efforts were initiated in 2015 and potential benefits include cost savings, enhancing regional planning with a “one-utility” approach and optimizing economies of scale by doubling the organization’s membership.

The business model contemplates two preferred options, an outsourced model, or an in-house model with an estimated budget of approximately \$2 million per year. Governance structure consists of three committees including an Executive, Planning and Order 1000 Cost Allocation Committee. Membership includes 15 funding members with voting privileges and a non-voting class that includes regulators and stakeholders.

In June 2017 the participants voted on whether there was enough interest to move forward and to proceed with developing charters and agreements. Most members support combining the two existing RPO’s and voted to commit additional legal and subject matter experts to complete documentation and a transition plan. A final decision is expected later in 2017, with implementation in 2018 or possibly 2019.

Parties are currently considering how to establish an Advisory Committee and what that could look like. A separate discussion focused on regulatory participation and proposed options will be held immediately following the conclusion of today’s Steering Committee meeting.

STAKEHOLDER COMMENT PERIOD

No additional comments or topics were offered.

ROUND TABLE/OTHER BUSINESS

No additional comments or topics were offered. There being no further action, the meeting adjourned.



By:

Sharon Helms, NTTG Project Manager



Approved:

Brian Fritz, NTTG Utility Co-Chair



Approved:

Travis Kavulla, NTTG State Co-Chair