



MINUTES OF THE
NORTHERN TIER STEERING COMMITTEE

A meeting of the Northern Tier Transmission Group (“NTTG”) Steering Committee was held in Boise, Idaho on the 8th day of July, 2015 at 10:30 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:

- Frank Afranji, proxy for 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,
- 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,
- Phil Solomon, Deseret Power Electric Cooperative, Inc.,
- Rick Vail, NTTG Utility Vice-Chair, PacifiCorp, and
- Bela Vastag, proxy for Michele Beck, Utah Office of Consumer Services.

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,

Maury Galbraith, Western Interstate Energy Board,
Sharon Helms, Northern Tier Transmission Group,
Bill Hosie, TransCanada
Shay LaBray, PacifiCorp
John Leland, Northern Tier Transmission Group,
Amy Light, Portland General,
Clay MacArthur, Deseret Power Electric Cooperative, Inc.
Craig Quist, PacifiCorp,
Jamie Stamatson, Montana Consumer Counsel,
Jim Tucker, Deseret Power Electric Cooperative, Inc., and
Amy Wachsicht, Northern Tier Transmission Group.

Ray Brush reviewed the meeting agenda and requested a discussion on the impacts to NTTG if PacifiCorp decides to join the California Independent System Operator (CAISO) as a Participating Transmission Owner be added to the agenda. The agenda was modified, and this topic was added as the last item, following the Interregional Order No. 1000 Coordination Update. The revised agenda was approved.

A motion by Bill Russell to approve the minutes of the March 9, 2015, NTTG Steering Committee was seconded by Travis Kavulla and approved. The minutes will be posted on Northern Tier's website.

RESOLUTIONS

NTTG Election of Steering Committee Officers

RESOLVED: A motion by Phil Solomon to nominate Commissioner Travis Kavulla as the NTTG State Co-Chair, Commissioner David Clark as the NTTG State Vice-Chair, Ray Brush as the NTTG Utility Co-Chair, and Rick Vail as the NTTG Utility Vice-Chair was seconded by Adam Richins. The motion was ADOPTED by unanimous vote of the members.

REPORT

NTTG Draft Final Regional Transmission Plan Update

Dave Angell, NTTG's Planning Committee Chair, provided an overview of the NTTG Order 1000 planning process, the Quarter 5 updated submissions, and the resulting transmission needs and modifications that were made to the Draft Final Regional Transmission Plan that was posted on June 30, 2015. Mr. Angell reported on lessons learned, including issues with the

timing of the TEPPC data, concerns that reliability analysis is insufficient and capacity analysis is also required, and potential process improvement areas related to NTTG's determination of benefits and beneficiaries.

Mr. Angell also reported on the process for finalizing the 2014-2015 Regional Transmission Plan, noting that the Draft Final Regional Transmission Plan is open for stakeholder comments that will be considered and modifications incorporated, as appropriate. A technical writer will be utilized to compile the 2014-2015 Draft Regional Transmission Plan and the Draft Final Regional Transmission Plan into one comprehensive report designed to provide stakeholders with an easy-to-understand overview of the planning process and results. This plan will be presented to Steering for approval in December, 2015.

Report
Cost Allocation Update

Shay LaBray, NTTG's Cost Allocation Committee Chair briefed members on the Order No. 1000 cost allocation eligibility requirements, the project that requested cost allocation but was not selected into the Draft Final Regional Transmission Plan and was ineligible for cost allocation, the Southwest Intertie Project (SWIP) North transmission project and the Alternative Project that was identified by NTTG in the planning process and selected in the Regional Transmission Plan for purposes of cost allocation.

John Leland, NTTG Planning Consultant, described how NTTG utilized cost allocation scenarios to identify a possible range of future conditions that would likely affect the amount of total benefits of a project and their distribution among beneficiaries. Mr. Leland further described the four allocation scenarios that were used for by NTTG's technical workgroup for robustness analyses on the Draft Final Regional Transmission Plan and for cost allocation analysis. Mr. Leland walked the committee through the step-by-step processes used by the Cost Allocation Committee to apply the analysis results and allocate the costs of the Alternative Project to its beneficiaries. This allocation process resulted in \$986M of costs that could not be allocated to beneficiaries. Since all project costs could not be allocated to beneficiaries, the Alternative Project was not eligible for cost allocation.

REPORT
Interregional Order 1000 Coordination Update

Dave Angell reported on the June 2015 meeting with representatives from the Western Planning Regions and the Western Electricity Coordinating Council (WECC). Jim Robb,

WECC's Chief Executive Officer stated that a meeting objectives was to seek information so that WECC could define clear boundaries between its role and regions responsibilities and avoid duplication. WECC reported that they wanted to focus only on being a reliability insurer, not a reliability entity.

WECC requested input from the regions on how the WECC bases cases could be of higher quality and more useful to the regions. The regions provided feedback to WECC describing how the WECC cases are utilized and addressed some misconceptions about how the regions plan, including the fact that all the regions utilize the WECC base cases for contingency analysis to look at system outages and ensure western system reliability. WECC was encouraged to incorporate the regions plans into the WECC base cases. Participants also acknowledged that WECC staff are helpful in the coordinating the development of the base cases, but the capabilities to develop the cases, run the analysis, find the problems and determine solutions for those problems reside with the transmission providers that make up the regions.

Mr. Angell also provided members with a high level overview of the Western Planning Region's interregional coordination process and procedures for joint evaluation of an Interregional Transmission Project that had been properly submitted into more than one planning region. Members discussed concerns regarding dispute resolution and how regions would resolve differences. Mr. Angell reported that decision making ultimately lies with each regions process.

REPORT

PacifiCorp Discussion Regarding Possible Joining of CAISO Planning Region

Due to time constraints, the discussion on the potential implications to Northern Tier if PacifiCorp joins the CAISO planning region were deferred to the next meeting.

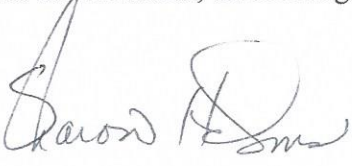
Stakeholder Comment Period

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

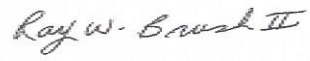
Round Table/Other Business

No additional comments or topics were offered. The next NTTG Steering Committee meeting will be in December, 2015. Sharon Helms will coordinate a final date and location.

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