



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 9th day of March, 2015 at 11:00 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,
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,
Paul Kjellander, Idaho Public Utilities Commission
Larry Nordell, Montana Consumer Counsel,
Adam Richins, Idaho Power Company,
Bill Russell, Wyoming Public Service Commission,
Phil Solomon, Deseret Power Electric Cooperative, Inc., and
Rick Vail, NTTG Utility Vice-Chair, PacifiCorp

The following guests were present:

Frank Afranji, Portland General
Dave Angell, Idaho Power Company,
Rich Bayless, Northern Tier Transmission Group,
Gil Coulam, Northern Tier Transmission Group,
Sarah Edmonds, PacifiCorp,
Sharon Helms, Northern Tier Transmission Group,
Fred Heutte, NW Energy Coalition,
Katie Kaplan, Exelon,
John Leland, Northern Tier Transmission Group,

Amy Light, Portland General,
Chelsea Loomis, NorthWestern Energy,
Craig Quist, PacifiCorp,
Jamie Stamatson, Montana Consumer Counsel,
Jim Tucker, Deseret Power Electric Cooperative, Inc.,
Amy Wachsnicht, Northern Tier Transmission Group, and
Dan Williams, NWPP and Portland General.

The meeting agenda was reviewed and approved.

Ray Brush noted that the December 2nd, 2014 Steering Committee minutes incorrectly reflected John Leland's affiliation as Northwestern Energy rather than Northern Tier Transmission Group. The minutes will be modified to correct the error. A motion by Travis Kavulla to approve the revised minutes was seconded by Dave Clark and **approved**. The approved minutes will be posted on Northern Tier's website.

Ray Brush reminded members that the NTTG Steering Committee Charter requires an election of officers be conducted on an annual basis coinciding with the first meeting in each calendar year. In order to allow members interested in submitting their names for nomination it was concluded that the election would be deferred to the next meeting.

REPORT

NTTG Planning Committee Report

Dave Angell, NTTG Planning Committee Chair, updated members on the development of the Draft Regional Transmission Plan ("DRTP"), reminding them 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. Mr. Angell reported that the DRTP had been posted for stakeholder review, with some comments submitted and subsequent modifications reviewed by the Planning Committee and incorporated into the DRTP.

He also reported that with implementation of the first Order 1000 planning process, the Technical Workgroup recognized a shortcoming that the NTTG 2014-2015 Study Plan had not been written to include the evaluation of transmission needs. This has led to the re-write of the Study Plan to include the evaluation of available transmission capability against the identified transmission needs. The Revised Study Plan was submitted for stakeholder comments and none were submitted for consideration. Since this change results in modifications to the planning process, and not limited to data updates, approval by the Steering Committee is requested.

Following additional discussion, the resolution set forth below was presented for consideration. After thorough discussion, on motion duly made by Commissioner Travis Kavulla and seconded by Michelle Beck, the following resolution was **ADOPTED** by unanimous consent of the members.

RESOLUTION

Approval of the Revised 2014-2015 Biennial Study Plan

RESOLVED: That the NTTG Steering Committee approves the Revised 2014-2015 Biennial Study Plan.

Mr. Angell continued his update on the development of the DRTP and reported that any updated Quarter 1 information that would likely lead to a material change in the Draft Regional Transmission Plan should be submitted by March 31, 2015. Mr. Angell also reported that the window for accepting Regional Economic Study Requests closes on March 30, 2015. To date, no Economic Study Requests have been submitted.

Chelsea Loomis, updated members on the NTTG Public Policy Considerations Study request to evaluate the results of retiring Colstrip Units 1 and 2 in the year 2020, and replace the energy with equal amounts of wind in Montana. Members were reminded that Public Policy Considerations are defined in the NTTG members' tariff as those public policy considerations that are not established by local, state, or federal laws or regulations. The results are intended to inform, but will not result in the inclusion of additional projects in the Regional Transmission Plan.

Ms. Loomis described the steady state power flow evaluations that were completed and the results, noting that the N-0 and N-1 substitution of wind at Broadview for coal at Colstrip caused no violations; N-2 contingencies were generally comparable and did not produce a different conclusion. The results suggest that with remedial action, wind and coal can be replaced without requiring a new transmission component in order for this substitution to occur. It was emphasized, however, more detailed work is required and a dynamic assessment of wind vs. coal could not be made without undertaking a dynamic study.

REPORT

Northwest Power Pool (“NWPP”) Market Coordination (“MC”) Report

Dan Williams, NWPP MC Leadership Committee Chair, briefed members on the current status of the NWPP MC Initiative, including an overview of the membership, schedule and approach to deliver near and long-term benefits to the NWPP MC members and their customers. He noted that bids had been submitted from the Southwest Power Pool (“SPP”) and the California Independent System Operator (“CAISO”) to perform Security-constrained Economic Dispatch (“SCED”) Market Operator functions. The MC Members are continuing due diligence activity, including working with the SPP to identify areas the NWPP could leverage (e.g. software, staffing, etc.) to drive down costs, as well as continuing its dialog with the CAISO on design and governance issues.

Mr. Williams, also took the opportunity to provide a statement on behalf of Portland General, and its’ intent to conduct a Comparative Energy Imbalance Market (“EIM”) Study assessing the quantitative and qualitative net benefits and risks between CAISO and NWPP MC solutions. Portland General is targeting a decision by late 2015 in order to make a decision on next steps.

REPORT

PacifiCorp (“PAC”) /CAISO EIM

Sarah Edmonds, Director of Transmission for PacifiCorp, gave members a briefing and high level overview on the status of the PAC/CAISO EIM. Ms. Edmonds stated that since the November 1, 2014 go live date, some pricing difficulties had been experienced associated with the ability for the market to find reasonable solutions. The issue is that the model does not always recognize operational reality of real time operational circumstances. Timely communication of outage information, when PAC undergoes manual dispatch, etc. all need to be communicated to the market. PacifiCorp and the ISO are making continuous improvements to fine-tune coordinated EIM operations, including provision of timely and accurate data to the market models. Requests have been submitted to the Federal Energy Regulatory Commission (“FERC”) requesting various pricing mitigations and to allow for a 12-month transition period for new EIM Entities.

REPORT

Interregional Coordination

Dave Angell walked through the coordination obligations defined in the Interregional Order No. 1000 filings that were submitted by the NTTG Transmission Providers and subsequently approved by FERC, with minor revisions required of the CAISO and WestConnect. It was noted that coordination with the other western planning regions has been initiated with the

objective of developing a procedures document that fully describes how the regions will work with each other to 1) coordinate and share the results of each region's regional transmission plan and identify possible interregional transmission facilities that could address regional transmission needs more efficiently or cost effectively than separate regional transmission facilities; 2) identify and jointly evaluate transmission facilities that are proposed to be located in both Relevant Regions; 3) exchange, at least annually, planning data and information, and 4) maintain a website or email list for communication of information for related to the coordinated planning process.

On February 26th the four regions conducted a stakeholder meeting that was well received. Stakeholder comments are due March 20th. Additional stakeholder meetings will be scheduled as the regions flesh out further details on the coordinated procedures.

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 June, 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