



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 19th day of September 2016 at 10:00 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,
- Michelle Beck, Utah Office of Consumer Services,
- Bob Decker, proxy for Travis Kavulla, NTTG State Co-Chair /Montana Public Service Commission,
- Marshall Empey, UAMPS,
- Ray Brush, NTTG Utility Co-Chair/NorthWestern Energy Corporation,
- Jerry Maio, proxy for David Clark, NTTG State Vice-Chair/Utah Public Service Commission,
- Brian Fritz, PacifiCorp,
- Amy Light, proxy for Larry Bekkedahl, Portland General Electric,
- Larry Nordell, Montana Consumer Counsel,
- Nathan Powell, proxy for Phil Solomon, Deseret Power Electric Cooperative, Inc.
- Adam Richins, Idaho Power Company,
- Bill Russell, Wyoming Public Service Commission, and

Paul Kjellander, Idaho Public Utilities Commission and John Savage, Public Utility Commission of Oregon were not in attendance and did not appoint a proxy.

The following guests were present:

- Dave Angell, Idaho Power,
- Johanna Bell, Idaho Public Utilities Commission,

Sara Edmonds, PacifiCorp,
Kelly Francone, Energy Strategies,
Sharon Helms, Comprehensive Power Solutions (“CPS”) for NTTG,
Bill Hosie, TransCanada,
John Leland, CPS for NTTG,
Chelsea Loomis, Northwestern Energy,
Ron Schellberg, CPS for NTTG,
David Smith, TransWest Express,
Bela Vestag, Utah Office of Consumer Services, and
Amy Wachsnicht, CPS for NTTG.

Ray Brush reviewed the meeting agenda and on a motion by Adam Richins and second by Larry Nordell, the agenda was approved. A motion by Marshall Empey to approve the minutes of the July 20, 2016 NTTG Steering Committee was seconded by Jerry Maio and approved. The minutes will be posted on the NTTG website.

RESOLUTION

NTTG UTILITY VICE-CHAIR ELECTION

On August 3, 2016, Rick Vail submitted his resignation as PacifiCorp’s representative on the NTTG Steering Committee and as the NTTG Utility Vice Chair. Nominations were solicited to fill the resulting NTTG Steering Committee Utility Vice Chair vacancy. Marshall Empey nominated Brian Fritz. No other nominations were put forth. A motion by Adam Richs to elect Brian Fritz as the NTTG Utility Vice Chair was seconded by Marshall Empey. A vote by class was conducted and the motion was **UNANIMOUSLY** adopted.

REPORT

Regional ISO Update

Sarah Edmonds, PacifiCorp Transmission Vice President and General Counsel, kicked off her update with a report on PacifiCorp’s participation in the Energy Imbalance Market (EIM), noting that with the addition of NV Energy, EIM benefits for the 2014-2016 timeframe are expected to be in the range of \$88M.

Ms. Edmonds then provided an update on the development of the proposed Regional ISO and the Senate Bill 350 that defines the pathway for approvals of revised legislation that will be more regional in nature. Ms. Edmonds reported on the efforts between June and July to develop

governance proposals and principles for the California legislative body to act on, that instead culminated in a letter issued on August 8th by California's Governor Brown stating concerns that too many of the details had not been addressed by these principles for the legislature to act on now. Instead, the letter laid out an alternative pathway that aligns with the January 2017 legislative session. Currently there is no publicly available information on what the California ISO, the California Legislature or stakeholders are planning for next steps, but that information should be available next month. When questioned on the effects of this delay to the estimated timeline for PacifiCorp's moving forward with joining a Regional ISO, Ms. Edmonds responded that there are too many unknowns to determine if PacifiCorp will proceed, but at this stage and assuming everything is favorable, it will likely be beyond 2019.

Ms. Edmonds briefed members on PacifiCorp's near term efforts which have been on several initiatives including the Transmission Access Charge Options initiative that focuses on how to allocate costs associated with owning, operating and maintaining high voltage transmission facilities (i.e., facilities rated above 200 kV) placed under ISO operational control by participating transmission owners (PTOs), should the ISO expand its balancing authority area by integrating a new PTO with a load service territory. A second revised straw proposal will be published on September 28, with stakeholder comments due October 21.

PacifiCorp is also focused on the development of a third revised straw proposal that will provide further details on all aspects of the proposed revisions to the ISO's resource adequacy provisions for an expanded balancing authority area. The proposal is slated to be published on September 29th with stakeholder comments due October 20th. A draft final proposal and stakeholder meeting is planned for December 2016.

Ms. Edmonds also briefly touched on other regional initiatives that PacifiCorp has been engaged in, including Metering Rules Enhancements, Greenhouse Gas and the Grid Management Charge, the associated schedules and milestones.

REPORT

ALTERNATIVE REGIONAL TRANSMISSION PLANNING ORGANIZATION ASSESSMENT

Ray Brush, Regional Transmission Policy Manager, Northwestern Energy, briefed members on the efforts of the NTTG funding members and signatories to the ColumbiaGrid PEFA and Order 1000 Agreement to assess the potential benefits of a single planning organization in the west that would replace ColumbiaGrid and NTTG. Drivers for restructuring

the planning regions include reducing seams issues and costs. Mr. Brush also provided an update on the governance concerns currently being addressed such as how entities like UAMPS and NTTG's regulatory members would participate. He noted that there is not yet agreement on a governance structure, by-laws have not been drafted and the group has not agreed upon a decision-making process. Generally, there is consensus by the jurisdictional entities that an independent board is not something that they are interested in paying for, however, some entities feel strongly that an independent board is necessary for dispute resolution.

Steps have been initiated to hire a facilitator to help move the process forward. A go or no-go decision is now targeted for the end of 2016.

PROPOSAL FOR MODIFICATIONS TO NTTG'S REGIONAL ATTACHMENT K

Ray Brush, NTTG Steering Committee's Utility Chair, briefed members on the proposed revisions to the NTTG Transmission Providers Attachment Ks. He noted that the primary driver for making the filing was to include MATL as a NTTG Funding member, however, the Transmission Providers were taking this opportunity to make other clarifying and administrative changes. Potential modifications that were more substantive in nature, such as revising the definition for a Committed Project or adding other metrics to the planning process, were deferred to allow time for additional discussion and stakeholder comments prior to filing.

Following discussion, it was requested that the proposed revised Attachment K, with red-line revisions, be distributed to all steering members for review. Members were requested to submit any concerns by Friday, September 23. If none were received, the transmission providers would proceed with the filing on September 30th.

RESOLUTION

STEERING COMMITTEE CHARTER REVISIONS

Ray Brush informed members that due to the Attachment K review, clarifying modifications to the NTTG Steering Committee Charter had also been identified. The proposed changes are intended to make clear that regulators seeking to join the NTTG Steering Committee must satisfy Class 2 requirements and request membership by submitting a letter to the NTTG Steering Committee.

On a motion by Marshall Empey and second by Nathan Powell, the Steering Committee **UNANIMOUSLY** adopted the following resolution:

RESOLVED, that the revisions to the draft NTTG Steering Committee Charter dated September 19, 2016, be **ADOPTED**.

REPORT

2016-2017 NTTG DRAFT REGIONAL TRANSMISSION PLAN: Q3 UPDATE

Ron Schellberg, NTTG's Technical Workgroup (TWG) Project Manager, briefed members on the development of the NTTG 2016-2017 Draft Regional Transmission Plan.

Mr. Schellberg discussed the status of the development of the base cases that will be used for the NTTG 2016-2017 analysis, the issues that were experienced and efforts taken by NTTG to ensure that Northern Tier's deadlines and compliance obligations are met. Some of the major impediments have been overcome and on September 9th, power flow cases were successfully extracted and solved for use by the TWG. Next steps include tuning the cases, assessing potential scenario change cases, seeking stakeholder input and final selection of change cases that will be used to identify reliability performance and deficiencies.

Mr. Schellberg updated members on the interregional data coordination efforts that are underway, including the establishment of a small group of subject matter experts that are sharing data assumptions and discussing how each of the regions will be evaluating the Interregional Transmission Projects (ITPs) that were submitted for consideration. The groups will continue to meet on a bi-weekly basis to advance discussions necessary to identify and agree on common ITP interfaces for evaluation of the ITPs.

REPORT

WECC ANCHOR DATA SET DEVELOPMENT REPORT

John Leland, NTTG's Technical Advisor, updated members on the development of the Western Electricity Coordinating Council (WECC) Transmission Expansion Planning Policy Committee (TEPPC) Anchor Data Set (ADS) that is intended to provide a common starting point with consistent data assumptions for all production cost model and powerflow model datasets used by TEPPC, the Planning Coordination Committee (PCC) and each of the four Western Planning Regions. Mr. Leland reviewed the history and issues that led up to the development of the ADS, noting a recognition by the regions and WECC for the development of consistent and accurate data for both production cost and power flow modeling. Mr. Leland stressed that WECC has a formal data submission process and ADS will try to use that process and avoid creating a new process.

Mr. Leland walked through the ADS accomplishments and progress to date and the proposed milestones and schedule for development and implementation of the ADS by October 2017. The proposal will go to the WECC Board for approval in December 2016.

REPORT
WECC RELIABILITY ASSESSMENT PROPOSAL

Dave Angell, Idaho Power and TEPPC PCC Vice Chair, provided an overview of the Joint PCC-TEPPC Review Taskforce that is tasked with assessing the structure of the committees developing a recommendation that ensures efficiencies between TEPPC and PPC. The recommendation, that is currently under review, is to create a Reliability Assessment Committee (RAC) and consolidate TEPPC and PCC functions into this new committee. Mr. Angell stressed that many of the concepts under consideration are in the early stages of review within the Joint PCC-TEPPC Review Task Force and with stakeholders.


Mr. Angell walked through the potential benefits associated with the recommendation, noting that the comment period on the draft proposal recently closed and the stakeholder comments and recommendations are under review. He noted that the original schedule called for the draft recommendation at the June Board meeting and final approval of the charter and protocol at the September Board meeting. The revised schedule incorporates opportunities for stakeholder comments and review is still very aggressive. All meetings and calls are announced on the WECC website and are open to all. The new schedule calls for formal approval by the PCC and informal approval by TEPPC in October 2016. The WECC Board will consider recommendations during the December Board meeting.

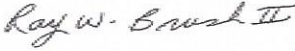
STAKEHOLDER COMMENT PERIOD


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: 
Ray Brush, NTTG Utility Co-Chair

Approved: 
Travis Kavulla, NTTG State Co-Chair