

September 6, 2019

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: *PacifiCorp*
NorthernGrid Attachment K
Docket No. ER19-_____

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ Part 35 of the regulations of the Federal Energy Regulatory Commission (the “Commission”),² and Order Nos. 890 and 1000, PacifiCorp (“Applicant”) submits a revised Attachment K to its Open Access Transmission Tariff (“Tariff”). Applicant owns and operates electric transmission facilities in the United States portion of the Western Interconnection and is subject to the jurisdiction of the Commission.

The revised Attachment K creates a new transmission planning process for the NorthernGrid Enrolled Region.³ Applicant respectfully requests that its revised Attachment K be approved contemporaneously with related Attachment Ks⁴ to allow NorthernGrid to commence its Planning Cycle on January 1, 2020. Applicant, therefore, requests that the Commission accept its revised Attachment K with an effective date of January 1, 2020. To the extent the Commission determines that any aspect of this filing is inconsistent with its requirements, Applicant respectfully requests that the Commission accept this filing, subject to a further compliance filing.

I. BACKGROUND

This filing is the product of a four-year effort to replace ColumbiaGrid and Northern Tier with a single regional transmission planning region—NorthernGrid. Applicant is currently enrolled in the Northern Tier transmission planning region (as defined in Applicant’s current

¹ 16 U.S.C. § 824e.

² 18 C.F.R. § 35.13(a)(2)(iii) (2019).

³ Capitalized terms are defined in the revised Attachment K unless the context suggests otherwise.

⁴ A similar Attachment K is being submitted by each public utility enrolling in NorthernGrid: Avista Corporation (“Avista”), Idaho Power Company (“Idaho Power”), MATL, LLP (“MATL”), NorthWestern Corporation (“NorthWestern”), PacifiCorp, Portland General Electric Company (“Portland General”), and Puget Sound Energy, Inc. (“Puget”) (collectively, the “Enrolled Parties”). Citations to specific sections of Attachment K below refer to PacifiCorp’s Attachment K.

Attachment K). Several non-jurisdictional utilities,⁵ including the Bonneville Power Administration, own and operate portions of the transmission facilities that interconnect and are intertwined with the transmission systems of the Enrolled Parties. To enable transmission planning with non-jurisdictional utilities that do not enroll in the NorthernGrid Enrolled Region through Attachment K, a separate planning agreement has been created. The planning agreement enables joint planning by and between public utilities and non-jurisdictional utilities in a manner that is substantially similar to the planning that occurs within Attachment K, but excludes the cost allocation provisions that are problematic for non-jurisdictional utilities.⁶ The transmission planning process in the planning agreement are independent and in addition to the planning process in Attachment K.

The proposed structure—i.e., an Attachment K that fully complies with the Commission’s transmission planning requirements for those entities that are required (or elect) to enroll in the NorthernGrid Enrolled Region and a separate planning agreement to provide coordinated planning with those non-jurisdictional transmission providers that do not elect to enroll—provides for efficient and effective transmission planning. The Enrolled Region consists only of those entities that are required (or elect) to enroll. Accordingly, costs can be allocated to all Enrolled Party Beneficiaries in the Enrolled Region in a manner that is roughly commensurate with their Benefits. Non-jurisdictional entities that are outside of that Enrolled Region may voluntarily accept costs but cannot be required to accept an involuntary cost allocation. This approach is consistent with the Commission’s Cost Allocation Principle 4.⁷

II. DESCRIPTION OF THE ATTACHMENT K REGIONAL TRANSMISSION PLANNING PROCESS

Applicant’s Attachment K defines the local and regional transmission planning processes. The regional transmission planning process occurs over a two-year planning cycle beginning on January 1, 2020, and each even numbered year thereafter.⁸ A schedule for the regional transmission planning process is intended to be posted for informational purposes on the NorthernGrid Website at the beginning of each Planning Cycle. Attachment 1 to this letter is illustrative of the anticipated process timeline.

The NorthernGrid Planning Cycle begins by gathering data from Enrolled Parties and from others who wish to participate or propose projects for consideration, including stakeholders, non-incumbent transmission developers, ITP Proponents and merchant transmission developers.⁹

⁵ In this context, “non-jurisdictional” refers to entities that meet the provisions of 16 U.S.C. § 824(f) (2018) (“United States, State, political subdivision of a State, or agency or instrumentality thereof exempt”).

⁶ Concerns of non-jurisdictional utilities with involuntary cost allocation are described in a number of dockets and filings which include but are not limited to Petition of the Northwest Governmental Utilities for Rehearing of the Commission’s Order of June 20, 2013, on the Order No. 1000 Compliance Filings of Members of ColumbiaGrid, *Avista Corp. et al*, Docket Nos. ER13-93-000, ER13-94-000, ER13-98-000, ER13-99-000, ER13-836-000, NJ13-1-000 (unconsolidated) (July 22, 2013) and Bonneville Power Administration Request for Clarification or in the Alternative Rehearing, *Avista Corp. et al*, Docket Nos. ER13-93-000, ER13-94-000, ER13-98-000, ER13-99-000, ER13-836-000, NJ13-1-000 (unconsolidated) (July 22, 2013).

⁷ Order No. 1000 at P 657.

⁸ Attachment K at section 1.53 Planning Cycle.

⁹ *Id.* at section 5 Data Gathering/Study Scope Inputs.

Once the information is gathered at the end of the Submittal Window¹⁰ (March 31st of the first year of the Planning Cycle),¹¹ a Study Scope will be created that describes: (a) projects submitted and data gathered; (b) any Committed Projects; (c) a detailed study methodology; (d) reliability criteria to be considered; (e) Enrolled Party Needs, including such needs driven by Public Policy Requirements; (f) study assumptions; (g) Baseline Projects of Enrolled Parties; (h) Alternative Projects to be considered; (i) databases to be utilized; and (j) evaluation scenarios.¹² Comments provided by the Enrolled Parties and States Committee and by stakeholders will be evaluated to finalize the Study Scope.

The Study Scope will be utilized to analyze (i) combinations of transmission projects the Enrolled Parties intend to implement to satisfy their local transmission needs (referred to as “Baseline Projects”), (ii) projects submitted into the Planning Cycle (referred to as “Alternative Projects”), and (iii) projects developed from data submitted during the planning process (referred to as “Alternative Projects” and “Conceptual Solutions”) to identify whether there may be one or more regional combinations that satisfy Enrolled Party Needs¹³ and is thereby identified for inclusion in the Draft Regional Transmission Plan. Comments provided by the Enrolled Parties and States Committee and by stakeholders will be considered and may prompt modifications to the Draft Regional Transmission Plan.¹⁴

After comments are addressed, the cost allocation process will begin, if cost allocation has been requested for an identified project (referred to as “Project for Cost Allocation Consideration.”).¹⁵ As discussed further in Section 4(d) below, the NorthernGrid cost allocation process is similar to ColumbiaGrid’s process. The process will begin by determining the Estimated Cost of the project and confirming that it exceeds \$20 million,¹⁶ followed by consideration of whether the project is a more efficient or a cost-effective solution to an Enrolled Party Need¹⁷ which will be performed by considering a number of factors.¹⁸ A selected project is then referred to as an “Eligible Cost Allocation Project” with the analysis and results documented in the Draft Regional Transmission Plan.¹⁹

The cost allocation process will identify the project’s beneficiaries by considering the ability of the project to result in Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability²⁰ for each Enrolled Party Beneficiary. The sum of the identified

¹⁰ *Id.* at section 5.2.4 Submittal Form and Due Date.

¹¹ *Id.* at section 1.71 Submittal Window.

¹² *Id.* at section 6.1 Study Scope Development.

¹³ *Id.* at section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

¹⁴ *Id.* at section 6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan.

¹⁵ *Id.* at section 8.1 Projects Eligible for Cost Allocation Consideration.

¹⁶ *Id.* at section 8.1 Projects Eligible for Cost Allocation Consideration; *id.* at section 8.2 Cost of Projects for Cost Allocation Consideration.

¹⁷ *Id.* at section 8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.* at section 8.4 Benefits of An Eligible Cost Allocation Project.

benefits will be divided by the project's Costs. In the event the calculation result is at least 1.25 times greater than the project's Costs,²¹ the project's Costs will be allocated to its Beneficiaries based upon the ratio of the benefits received by each Beneficiary.²² Prior to finalizing the cost allocation, the project sponsor and beneficiaries have an opportunity to engage with other entities that might be willing to accept a voluntary allocation of a project's Costs.²³ The final cost allocation results will be documented in the Draft Regional Transmission Plan.²⁴

After identifying regional projects, any interregional projects, and completing cost allocation, the analysis and results will be gathered into the Draft Final Regional Transmission Plan. Upon the consideration of comments from the Enrolled Parties and States Committee and by stakeholders, the Regional Transmission Plan will be issued by the end of the 2-year Planning Cycle.²⁵

III. DEMONSTRATION OF COMPLIANCE

Applicant's Attachment K satisfies the Commission's requirements for a regional transmission planning organization. The demonstration of compliance below generally tracks the discussion of Order No. 1000's requirements as expressed in the Commission's compliance orders for Northern Tier.²⁶ In the context of cost allocation, Applicant's Attachment K is more similar to the ColumbiaGrid process rather than Northern Tier.²⁷

1. COMPLIANCE WITH ORGANIZATIONAL REQUIREMENTS - ENROLLMENT PROCESS, REGION, LIST OF ENROLLED ENTITIES; EXISTING PLANNING CYCLE

²¹ *Id.* at section 8.5.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan.

²² *Id.* at section 8.5.3 Allocation of Costs to Enrolled Party Beneficiaries. As explained in Section 5(a) below, this method allocates costs in a manner that is "roughly commensurate" with the benefits received. *See, e.g.* Second NTTG Order at P 163 (internal citations omitted).

²³ Attachment K at section 8.5.4 Acceptance of Costs; Removal from Cost Allocation. This process cannot result in Beneficiaries being involuntarily allocated a greater allocation of a Project's Costs.

²⁴ *Id.* at section 8.5.5. Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan.

²⁵ *Id.* at section 9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.

²⁶ Order on Compliance Filing, *PacifiCorp, et al*, 143 FERC ¶ 61,151 at P 21 (May 17, 2013) ("First NTTG Order"); Order on Compliance Filings, *PacifiCorp, et al*, 147 FERC ¶ 61,057 at P 155 (April 17, 2014) ("Second NTTG Order"); Order on Compliance Filings, *PacifiCorp, et al*, 149 FERC ¶ 61,214 at P16 (Dec. 8, 2014) ("Third NTTG Order"); Letter Order, *Portland General Electric Co.*, Docket No. ER13-68-003 (March 24, 2015) ("Fourth NTTG Order").

²⁷ *See, e.g.* *Avista Corp. et al.*, 143 FERC ¶ 61,255 (2013) (First ColumbiaGrid Order); *Avista Corp. et al.*, 148 FERC ¶ 61,212 (2014) (Second ColumbiaGrid Order); *Avista Corp. et al.*, 151 FERC ¶ 61,127 (2015) (Third ColumbiaGrid Order); *Avista Corp. et al.*, 153 FERC ¶ 61,079 (2015) (Fourth ColumbiaGrid Order); *Avista Corp. et al.*, 154 FERC ¶ 61,165 (2016) (Fifth ColumbiaGrid Order); *Letter Order, Avista Corp. et al.*, Docket Nos. ER13-94 et al. (May 12, 2016) (Sixth ColumbiaGrid Order).

a. Region

The Commission states in its first Northern Tier compliance order that “[i]n Order No. 1000, the Commission recognized that every public utility transmission provider has already included itself in a region for purposes of complying with Order No. 890 and that the existing regional processes should guide public utility transmission providers in formulating transmission planning regions to comply with the requirements of Order No. 1000.”²⁸

The Commission accepted the regions of Northern Tier²⁹ and ColumbiaGrid³⁰ which were based upon the transmission systems of each region’s enrolled parties. Similarly, the Enrolled Region of NorthernGrid is based upon transmission systems of its enrolled parties,³¹ which are the combined enrolled parties of Northern Tier and ColumbiaGrid, excluding Utah Associated Municipal Power Systems and Deseret Generation & Transmission Co-operative, Inc. which are not enrolling. Since Applicant’s Attachment K merely combines the Northern Tier and ColumbiaGrid regions, the Enrolled Parties Region satisfies the Commission’s requirements.

b. Enrollment Process and List of Enrolled Entities

Order No. 1000-A requires Attachment K to provide a “clear enrollment process” that defines how entities may become part of the transmission planning region, and to include “a list of all the public utility and non-public utility transmission providers that have enrolled as transmission providers in its transmission planning region.”³²

Applicant’s Attachment K satisfies the Commission’s requirements. Attachment K provides eligibility requirements to enroll,³³ the process to enroll,³⁴ and a list of all Enrolled Parties.³⁵ These are consistent with the provisions the Commission accepted for Northern Tier and ColumbiaGrid.³⁶

c. Coordination with Existing Planning Cycle

The Commission requires Attachment K to: “(1) identify to which transmission facilities within Filing Parties’ existing local and regional transmission planning processes the proposed OATT revisions will apply as of the effective date of Filing Parties’ compliance filings; and (2) explain how Filing Parties will evaluate those transmission projects currently under consideration in those existing transmission planning processes.”³⁷

²⁸ First NTTG Order at P 21 (citing Order No. 1000, FERC Stats & Regs. 31, 323 at P 160).

²⁹ First NTTG Order at P 21.

³⁰ Second ColumbiaGrid Order at PP 38, 41.

³¹ Attachment K at section 1.32 definition of Enrolled Region.

³² First NTTG Order at P 22 (internal citations omitted); Order No. 1000-A at P 275.

³³ Attachment K at section 4.2.1 Eligibility.

³⁴ *Id.* at section 4.2.2 Process to Become an Enrolled Party.

³⁵ *Id.* at section 4.1.1 Identification.

³⁶ Third NTTG Order at P 16; Second ColumbiaGrid Order at PP 38, 43.

³⁷ First NTTG Order at P24 (internal citations omitted).

Applicant's Attachment K satisfies the Commission's requirements. Applicant's Attachment K provides, with regard to a project identified in the prior regional transmission plan for which cost allocation was not requested, that:

"Any Sponsored Project included in the prior Regional Transmission Plan for which the Project Sponsor does not intend to request Cost Allocation in the current Planning Cycle must be re-submitted as a Sponsored Project within the Submittal Window, along with updates to the information required by Table A, to be considered in the then-current Planning Cycle."³⁸

As to a project selected as Cost Allocation Project by either ColumbiaGrid or Northern Tier, Attachment K provides that:

"The previously Qualified Developer of any Cost Allocation Project selected in the prior Regional Transmission Plan must again qualify in the current Planning Cycle as a Qualified Developer under 7.1.2 by submitting, within the Submittal Window, updates to the information required by Table B, until such Cost Allocation Project either (i) is no longer to be included in a Regional Transmission Plan or (ii) has been demonstrated by the Qualified Developer to be a Committed Project."³⁹

However, there are no cost allocation projects under consideration within the current ColumbiaGrid and Northern Tier Planning Cycles that will need to be reevaluated within the first NorthernGrid Planning Cycle.

2. COMPLIANCE WITH ORDER NO. 890

Order No. 1000 requires that each public utility transmission provider participate in a regional transmission planning process that complies with the Order No. 890 transmission planning principles: coordination, openness, transparency, information exchange, comparability, dispute resolution, and economic planning studies.⁴⁰ The discussion below demonstrates that Applicant's Attachment K satisfies these requirements.

a. Coordination

The Commission requires that Attachment K "provide customers and other stakeholders with the opportunity to participate fully in the planning process. ... The planning process must provide for the timely and meaningful input and participation of customers and other stakeholders regarding the development of transmission plans, allowing customers and other stakeholders to participate in the early stages of development."⁴¹

³⁸ Attachment K at section 5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan.

³⁹ *Id.* at section 5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan.

⁴⁰ Order No. 1000 at PP 146, 151, 152, and n.141.

⁴¹ First NTTG Order at P 26 (internal citations omitted).

Applicant's Attachment K provides for public meetings open to all stakeholders, including transmission customers⁴² and interconnected neighbors, and a minimum of one annual interregional coordination meeting.⁴³ Thus, Attachment K satisfies the Commission's coordination requirements.

b. Openness

The Commission requires that Attachment K provide that transmission planning meetings be open to all affected parties and include mechanisms to manage confidentiality and Critical Energy Infrastructure Information.⁴⁴

Applicant's Attachment K provides for stakeholder meetings and comment periods at each milestone during the process. Specifically, Attachment K provides for public meetings to review the draft study scope,⁴⁵ to review the regional projects selected into the Draft Regional Transmission Plan,⁴⁶ to review the results of the cost allocation process selected into the Draft Regional Transmission Plan,⁴⁷ and to review the Draft Final Regional Transmission Plan.⁴⁸ Notice of the public meetings will be posted on the NorthernGrid Website at least seven days in advance of these meetings.⁴⁹ The Commission previously accepted seven days' advance notice provided by website posting in the context of Northern Tier.⁵⁰

Furthermore, both Enrolled Party Planning Committee⁵¹ and, Enrolled Parties and States Committee meetings are open to stakeholder participation.⁵²

Finally, Attachment K also provides that any person may request information and such information will be provided consistent with the defined Critical Energy Infrastructure Information and confidentiality requirements.⁵³ Thus, Attachment K satisfies the Commission's openness requirement.

⁴² Attachment K at section 4.5 Stakeholder Participation; section 6.2 Review and Comment; Consideration of Comments; Update Study Scope; 6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan; section 9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.

⁴³ *Id.* at section 10.3 Annual Interregional Coordination Meeting.

⁴⁴ First NTTG Order at P 31.

⁴⁵ Attachment K at section 6.2 Review and Comment; Consideration of Comments; Update Study Scope.

⁴⁶ *Id.* at section 6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan.

⁴⁷ *Id.* at section 8.4.5 Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan.

⁴⁸ *Id.* at section 9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.

⁴⁹ First NTTG Order at P 37 (Attachment K must "provide the length of time that notice will be posted in advance of public meetings to ensure that stakeholders are provided adequate advance notice of meetings.").

⁵⁰ Third NTTG Order at P 27.

⁵¹ Attachment K at Exhibit B Enrolled Parties Planning Committee Charter, section 2.3 Stakeholder Participation; Eligibility to Vote.

⁵² *Id.* at Exhibit C Enrolled Parties and States Committee Charter, section 2.3 Stakeholder Participation; Eligibility to Vote.

⁵³ *Id.* at section 4.7.2 Requesting and Processing Information Requests; First NTTG Order at P37.

c. Transparency

The Commission requires that Attachment K define “the basic methodology, criteria, and processes used to develop transmission plans To that end, each public utility transmission provider must describe in its planning process the method(s) it will use to disclose the criteria, assumptions and data that underlie its transmission system plans. The transparency principle requires that sufficient information be made available to enable customers, other stakeholders, and independent third parties to replicate the results of planning studies and thereby reduce the incidence of after-the-fact disputes regarding whether planning has been conducted in an unduly discriminatory fashion.”⁵⁴

Applicant’s Attachment K provides that the Enrolled Parties Planning Committee will post the Study Scope on the NorthernGrid Website.⁵⁵ The Study Scope will include:

- a. “Projects submitted, and data gathered in accordance with Section 5.2;
- b. Any Committed Projects (If any project included in the prior Regional Transmission Plan is determined by the Enrolled Parties Planning Committee to be a Committed Project, such project shall be included in the Draft Regional Transmission Plan as a Committed Project and shall not be subject to further evaluation in this Planning Cycle);
- c. The detailed study methodology;
- d. Reliability criteria to be considered;
- e. Enrolled Party Needs, including needs driven by Public Policy Requirements;
- f. Assumptions (including loads, resources, desired flows, constraints);
- g. Baseline Projects of Enrolled Parties;
- h. Each Alternative Project to be considered;
- i. Each Non-Transmission Alternative to be considered;
- j. Databases to be utilized; and
- k. Evaluation scenarios.”⁵⁶

This information is substantially similar to the information the Commission accepted in satisfaction of the transparency requirement for Northern Tier.⁵⁷ Thus, Attachment K satisfies the Commission’s requirements.

⁵⁴ First NTTG Order at P 42.

⁵⁵ Attachment K at section 6.2 Review and Comment; Consideration of Comments; Update Study Scope.

⁵⁶ *Id.* at section 6.1 Study Scope Development.

⁵⁷ First NTTG Order at P 47.

d. Information Exchange

The Commission requires that Attachment K provide for “network customers to submit information on their projected loads and resources on a comparable basis (e.g., planning horizon and format) as used by public utility transmission providers in planning for their native load. Point-to-point customers are required to submit their projections for need of service over the planning horizon and at what receipt and delivery points. To the extent applicable, transmission customers should also provide information on existing and planned demand resources and their impact on demand and peak demand. In addition, stakeholders should provide proposed demand response resources if they wish to have them considered in the regional transmission planning process. Public utility transmission providers, in consultation with their customers and other stakeholders, are to develop guidelines and a schedule for the submittal of such customer information.”⁵⁸

Applicant’s Attachment K requires Enrolled Parties to provide (during the Submittal Window, which is defined to begin January 1 and run through March 31 of even numbered years in each Planning Cycle⁵⁹):

- (i) “Its Local Transmission Plan, and the data required by Section 5.2.3.5 for any local project that is to be evaluated by the Enrolled Parties Planning Committee;
- (ii) Any local project it is identifying and submitting appropriate evidence for, such that it may be evaluated by the Enrolled Parties Planning Committee for possible classification as a Committed Project;
- (iii) Data used to develop its Local Transmission Plan, including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources;
- (iv) Updates to previously submitted data;
- (v) Enrolled Party Needs, including such needs driven by Public Policy Requirements; and
- (vi) Any other project that such Enrolled Party intends to propose for evaluation in the Planning Cycle, including any Non-Transmission Alternatives or Conceptual Solutions.”⁶⁰

This information is substantially similar to the information the Commission accepted in satisfaction of the Information Exchange requirement for Northern Tier.⁶¹ Thus, Attachment K satisfies the Commission’s requirements.

⁵⁸ First NTTG Order at P 50 (internal citations omitted).

⁵⁹ Attachment K at section 1.71 Submittal Window.

⁶⁰ *Id.* at section 5.2.2 Enrolled Party Information.

e. Comparability

The Commission requires that Attachment K provide for the development of a “transmission system plan that meets the specific service requests of their transmission customers and otherwise treats similarly-situated customers (e.g., network and retail native load) comparably in transmission system planning. ... [that] treat[s] resources on a comparable basis, and ... identify how they will evaluate and select from competing solutions and resources such that all types of resources are considered on a comparable basis.”⁶²

Applicant’s Attachment K provides that the Enrolled Parties Planning Committee evaluate “combinations of Baseline Projects of Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs.”⁶³ This is consistent with the Northern Tier process of evaluating change cases. In the context of NorthernGrid, costs are primarily considered during cost allocation phase. The Cost Allocation Task Force evaluates Projects for Cost Allocation Consideration to determine whether any such projects are a more efficient or cost-effective solution to an Enrolled Party Need.⁶⁴ In doing so, the Cost Allocation Task Force considers “Cost, effectiveness in meeting the Enrolled Party Need, and feasibility.”⁶⁵ This is consistent with ColumbiaGrid.⁶⁶ Thus, Attachment K satisfies the Commission’s comparability requirements for comparability.

f. Dispute Resolution

The Commission requires that Attachment K “identify a process to manage disputes that arise from the regional planning process. In order to facilitate resolution of all disputes related to planning activities, a public utility transmission provider’s dispute resolution process must be available to address both procedural and substantive planning issues.”⁶⁷

Applicant’s Attachment K provides a dispute resolution process that addresses both procedural and substantive disputes related to Attachment K.⁶⁸ Thus, Attachment K satisfies the Commission’s requirements on the topic of dispute resolution.

⁶¹ Second NTTG Order at P 34.

⁶² First NTTG Order at P 55 (internal citations omitted).

⁶³ Attachment K at section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

⁶⁴ *Id.* at section 8.2 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.

⁶⁵ *Id.* at section 8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.

⁶⁶ For example, refer to Avista’s Attachment K at Part IV “The ColumbiaGrid Transmission Planning Process”, section 4.4 “Order 1000 Proposed Staff Solutions and Their Development by Study Teams.” Section 4.4 contains a pointer back to section 4.3 Scope of Study Team Activities, which states that the assessment must consider the factors described in section 2.3 “Order 1000 Solution Evaluation Factors.” These factors are similar to NorthernGrid’s but NorthernGrid uses a term “Costs” that includes a number of factors that are individually identified in the ColumbiaGrid process.

⁶⁷ First NTTG Order at P 60 (internal citations omitted); Order No. 1000 at PP 330, 750 and n306.

⁶⁸ Attachment K at section 13 Dispute Resolution.

g. Economic Planning Studies

The Commission requires that Attachment K “account for economic, as well as reliability, considerations in the transmission planning process. ... [T]he scope of economic studies should not be limited to individual requests for transmission service. Customers must be given the opportunity to obtain studies that evaluate potential upgrades or other investments that could reduce congestion or integrate new resources and loads on an aggregated or regional basis.”⁶⁹

Applicant’s Attachment K provides for the performance of up to one Regional Economic Study and one Local Economic Study for free, during each year of the two-year Planning Cycle.⁷⁰ Additional studies may be performed at the cost of the requestor.⁷¹ When requesting a study, requestors must submit data in their possession.⁷² At the regional level, the Enrolled Parties Planning Committee, whose meetings are open to the public,⁷³ will develop the appropriate studies based on the study requests, which expressly includes aggregation and clustering of the requests, if appropriate.⁷⁴ The study prioritization and studies will be made available through the NorthernGrid Website.⁷⁵ The regional economic study process implemented in Attachment K is substantially similar to the process the Commission accepted in the context of the New England Independent System Operator.⁷⁶ The NE-ISO process was used as a model by NorthernGrid due to its clarity. The regional economic study process was adapted to the local transmission planning process by limiting the scope of the local study to the “Transmission Provider’s Transmission System.”⁷⁷ As described further in Section 8, *infra*, changes have been made to Applicant’s Local Transmission Planning Process to, among other things, conform to the above-noted provisions regarding the economic study process.

3. REQUIREMENT TO PLAN ON A REGIONAL BASIS TO IDENTIFY MORE EFFICIENT OR COST-EFFECTIVE TRANSMISSION SOLUTIONS

Order No. 1000 requires that Attachment K satisfy certain general requirements. The discussion below demonstrates that the Applicant’s Attachment K satisfies these requirements.

a. Affirmative Obligation to Plan

The Commission requires that Attachment K “set forth the affirmative obligation to identify transmission solutions that more efficiently or cost-effectively meet reliability requirements, address economic considerations, and meet transmission needs driven by public

⁶⁹ First NTTG Order at P 66 (internal citations omitted); Order 890 at PP 542, 544, 546, 547, and 550.

⁷⁰ Attachment K at section 12.1 Performance of Economic Studies.

⁷¹ *Id.* at section 12.3 Submission, Consideration and Prioritization of Economic Study Requests.

⁷² *Id.* at section 12.3(b).

⁷³ *Id.* at Exhibit B Enrolled Parties Planning Committee Charter, section 4.1 Open Meetings and Limitations.

⁷⁴ *Id.* at section 12.3(c).

⁷⁵ *Id.* at section 12.3(f) and section 12.5 Publication of Economic Study Report.

⁷⁶ ISO New England OATT Section II, Attachment K, §§ 2.2, 4.1, *available at* https://www.iso-ne.com/static-assets/documents/regulatory/tariff/sect_2/oatt/sect_ii.pdf.

⁷⁷ Attachment K at section 12.2.2 Local.

policy requirements”⁷⁸ and explain how the “regional transmission planning process will perform an analysis to identify transmission solutions outside of those proposed and sponsored by a potential developer that may be more efficient or cost-effective.”⁷⁹

Applicant’s Attachment K sets forth a detailed process by which NorthernGrid will analyze and identify regional transmission projects, including projects identified by the Enrolled Parties Planning Committee.⁸⁰ Specifically, the term “Alternative Project”⁸¹ and “Conceptual Solutions”⁸² includes unsponsored projects identified by the Enrolled Parties Planning Committee. The Study Scope describes the evaluation that will be performed to identify any regional transmission solution that satisfies Enrolled Party Needs.⁸³ The Study Scope will then be used to evaluate combinations of the Baseline Projects of the Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs.⁸⁴ The more efficient or cost-effective standard is applied in the event cost allocation is requested,⁸⁵ which is consistent with the process utilized in ColumbiaGrid.⁸⁶ Thus, Attachment K makes clear Applicant’s affirmative obligation to plan and thus, satisfies the Commission’s requirements.

b. Planning Horizon

Attachment K utilizes a ten year planning horizon,⁸⁷ which is the same planning horizon that was accepted by the Commission for Northern Tier.⁸⁸

c. Governance Structure

In Order No. 1000-A, the Commission held that “[i]f public utility transmission providers in a transmission planning region, in consultation with stakeholders, decide to establish formal stakeholder governance procedures, such as voting measures, they should include these in their Order No. 1000 compliance filings.”⁸⁹

Applicant’s Attachment K provides for two committees that hold public meetings: Enrolled Parties Planning Committee and Enrolled Parties and States Committee. Each committee’s responsibilities are defined throughout Attachment K. Each committee’s charter defines its membership rules and the manner in which the members of the committee make

⁷⁸ First NTTG Order at P 87.

⁷⁹ Third NTTG Order at P 19.

⁸⁰ Attachment K at section 6 Development of Draft Regional Transmission Plan.

⁸¹ *Id.* at section 1.2 Alternative Project.

⁸² *Id.* at section 1.11 Conceptual Solutions.

⁸³ *Id.* at section 6.1 Study Scope Development

⁸⁴ *Id.* at section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

⁸⁵ *Id.* at section 8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan

⁸⁶ Avista Attachment K, Pt IV §§ 4.3, 5.3; Third ColumbiaGrid Order at PP 78, 81.

⁸⁷ *Id.* at section 1.65 Regional Planning Horizon.

⁸⁸ First NTTG Order at P 91.

⁸⁹ *Id.* at P 100, quoting Order No. 1000-A, 139 FERC ¶ 61,132 at P 269.

decisions. The two committee charters are incorporated into Attachment K.⁹⁰ There is also a Cost Allocation Taskforce whose charter is also incorporated into Attachment K.⁹¹ Thus Attachment K satisfies the Commission's requirements.

The provisions for state involvement in the Enrolled Parties and Planning Committee and the Cost Allocation Task Force are substantially similar to the state involvement accepted by the Commission in Northern Tier.⁹² In Northern Tier, state representatives were voting members of the Steering Committee and the Cost Allocation Committee.

d. Merchant Transmission Developers

The Commission requires that Attachment K provide for merchant transmission developers to "provide adequate information and data to allow public utility transmission providers in the transmission planning region to assess the potential reliability and operational impacts of the merchant transmission developer's proposed transmission facilities on systems in the region; it does not require that merchant transmission developers propose their project for the regional transmission plan. . . .The information requirements . . . project location, voltage level, structure type, conductor type and configuration, project terminal facilities, project development schedule, current project development phase, and in-service date would be appropriate to apply to merchant transmission developers because they are related to the operational and reliability impacts of the merchant transmission project."⁹³

Applicant's Attachment K provides for merchant transmission developers to participate in the Planning Cycle.⁹⁴ It provides that a Merchant Transmission Developer must execute either the Funding Agreement or the Non-Enrolled Developer Agreement that includes a study fee of \$10,000. The Non-Enrolled Developer Agreement is incorporated into Attachment K as an exhibit.⁹⁵ Applicant's Attachment K defines the process for the submission of a Merchant Transmission Project.⁹⁶ Specifically, a Merchant Transmission Developer is required to submit the data identified in Table A of Attachment K in the Merchant Transmission Developer column that is marked with a "Y."⁹⁷ Where information is optional, it is identified as "optional." Where information is not required, it is marked with an "N." These requirements are substantially similar to the information requirements the Commission accepted for Northern Tier.⁹⁸ Thus, Attachment K satisfies the Commission's requirements with regard to Merchant Transmission Developers.

⁹⁰ Attachment K at section 1.28 Enrolled Parties Planning Committee Charter; *id.* at section 1.26 Enrolled Parties and States Committee Charter.

⁹¹ *Id.* at section 1.16 Cost Allocation Task Force Charter.

⁹² Second NTTG Order at P 62.

⁹³ First NTTG Order at P 103 (The Commission also specifies at P 104 the information that is optional).

⁹⁴ Attachment K at section 4.4 Participation by Merchant Transmission Developer.

⁹⁵ *Id.* at section 1.46 definition of Non-Enrolled Developer Agreement.

⁹⁶ *Id.* at section 5.2.3.4 Merchant Transmission Projects.

⁹⁷ *Id.* at section 5.2.3.5 Minimum Data Submittal Requirements.

⁹⁸ Second NTTG Order at P 66.

e. Consideration of Transmission Needs Driven by Public Policy Requirements

The Commission requires that Attachment K “include procedures for the consideration of transmission needs driven by Public Policy Requirements in both the local and regional transmission planning processes. Public Policy Requirements are requirements established by local, state or federal laws or regulations (i.e., enacted statutes passed by the legislature and signed by the executive and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level).”⁹⁹ Additionally, Attachment K must “give all stakeholders a meaningful opportunity to provide input and to offer proposals regarding what they believe are transmission needs driven by Public Policy Requirements. ... explain how it will determine at both the local and regional level, the transmission needs driven by Public Policy Requirements for which solutions will be evaluated and must post on its website an explanation of: (1) those transmission needs driven by Public Policy Requirements that were identified for evaluation for potential solutions in the local and regional transmission planning processes and (2) why other proposed transmission needs driven by Public Policy Requirements were not selected for further evaluation.”¹⁰⁰

Regional Transmission Planning Process: Consistent with Commission precedent, Applicant’s Attachment K defines Public Policy Requirements as statutes and regulations established by federal, state, and local governmental entities.¹⁰¹ During the Submittal Window Attachment K provides for stakeholders to submit transmission needs driven by Public Policy Requirements,¹⁰² and for Enrolled Parties to submit their transmission needs, including such needs driven by Public Policy Requirements.¹⁰³ Developers of a Sponsored Project are also asked to identify whether the project is intended to address transmission needs driven by Public Policy Requirements.¹⁰⁴ With the received data, the Enrolled Parties Planning Committee, which is open to stakeholders, develops the Study Scope. The Study Scope will describe the transmission needs driven by Public Policy Requirements that will be evaluated.¹⁰⁵ The Enrolled Parties Planning Committee will document in the Draft Regional Transmission Plan its rationale for selecting and excluding various transmission needs driven by Public Policy Requirements.¹⁰⁶ Stakeholders then review and comment on the draft Study Plan.¹⁰⁷ The definition of Public Policy Requirements and the evaluation process is substantially similar to the definition and process the Commission accepted for Northern Tier.¹⁰⁸ Thus, Attachment K satisfies the Commission’s requirements.

⁹⁹ *Id.* at P 72 (internal citations omitted).

¹⁰⁰ *Id.* at P 73 (internal citations omitted); *see also, id.* at P 74.

¹⁰¹ Attachment K at section 1.59 Public Policy Requirement(s); *see also* Second NTTG Order at P 72, *id.* at n.115.

¹⁰² *Id.* at section 5.2.1 General from Stakeholders.

¹⁰³ *Id.* at section 5.2.2(v) Enrolled Party Information.

¹⁰⁴ *Id.* at section 5.2.3.5 Minimum Data Submittal Requirements, row D.

¹⁰⁵ *Id.* at section 6.1(e) Study Scope Development.

¹⁰⁶ *Id.* at section 6.2 Review and Comment; Consideration of Comments; Update Study Scope.

¹⁰⁷ *Id.*

¹⁰⁸ Second NTTG Order at P 82.

Local Transmission Planning Process: Any modifications to Applicant's local transmission process are discussed in Section 8 below.

4. NONINCUMBENT TRANSMISSION DEVELOPER REFORMS

a. Federal Right of First Refusal

The Commission directed public utility transmission providers "to eliminate provisions in Commission-jurisdictional tariffs and agreements that establish a federal right of first refusal for an incumbent transmission provider with respect to transmission facilities selected in a regional transmission plan for purposes of cost allocation."¹⁰⁹ "If a public utility transmission provider's tariff or other Commission-jurisdictional agreements do not contain a federal right of first refusal provision, a public utility transmission provider should state this in its compliance filing."¹¹⁰

Applicant asserts that to the best of its knowledge its Tariff and other Commission-jurisdictional agreements continue to not contain provisions granting a federal right of first refusal to construct transmission facilities selected in the NorthernGrid regional transmission plan for purposes of cost allocation.¹¹¹ Thus, Applicant satisfies the Commission's requirements.

b. Qualification Criteria

The Commission requires that Attachment K "establish appropriate qualification criteria for determining an entity's eligibility to propose a transmission project for selection in the regional transmission plan for purposes of cost allocation. These criteria must not be unduly discriminatory or preferential when applied to either an incumbent transmission provider or a nonincumbent transmission developer. In addition, public utility transmission providers must adopt procedures for timely notifying transmission developers of whether they satisfy the region's qualification criteria and allowing them to remedy any deficiencies."¹¹² The Commission "clarified that it would be an impermissible barrier to entry to require a transmission developer to demonstrate, as part of the qualification criteria, that it has, or can obtain, state approvals necessary to operate in a state to be eligible to propose a transmission facility."¹¹³

Applicant's Attachment K defines criteria that must be satisfied when a Project Sponsor intends to develop a Sponsored Project for which it will request cost allocation.¹¹⁴ Attachment K identifies the information that must be submitted to qualify to develop a project, when the information must be submitted, and how the information must be submitted.¹¹⁵ Per the Attachment K, the Cost Allocation Task Force is to review the submitted information for

¹⁰⁹ Order No. 1000 at P 313.

¹¹⁰ First NTTG Order at P 142 (citing Order No. 1000 at P314 n.294).

¹¹¹ *Id.* at P 147; First ColumbiaGrid Order at P 164.

¹¹² Second NTTG Order at P 94 (internal citations omitted).

¹¹³ *Id.* at P 95 (internal citations omitted).

¹¹⁴ *Id.* at section 7.1.1 Qualification to Request Cost Allocation.

¹¹⁵ *Id.* at section 7.1.2 Qualification Process. *See also*, section 1.61 Qualified Sponsor.

sufficiency and notify the Project Sponsor of any deficiencies,¹¹⁶ and allow the Project Sponsor to cure the deficiencies.¹¹⁷ In subsequent Planning Cycles, a previously qualified developer must demonstrate that it continues to satisfy the qualification criteria.¹¹⁸ This process is substantially similar to what the Commission accepted in the context of Northern Tier.¹¹⁹ Thus, Attachment K satisfies the Commission's requirements.

c. Information Requirements

The Commission requires that Attachment K identify "information that a prospective transmission developer must submit in support of a transmission project proposed in the regional transmission planning process. ... [including] ...the date by which a transmission developer must submit information on a proposed transmission project to be considered in a given transmission planning cycle."¹²⁰

With respect to unsponsored projects, Applicant's Attachment K enables stakeholders to submit information, including projects, into the planning process.¹²¹ Stakeholders are required to use the data submittal form that will be found on the NorthernGrid Website, and are encouraged to use Table A, Minimum Data Submittal Requirements, as guidance for the types of data to be submitted.¹²² The information must be submitted during the Submittal Window. Submitted information will be reviewed by the Enrolled Parties Planning Committee with an opportunity to cure deficiencies.¹²³ Applicant's Attachment K states that "[p]rojects submitted by stakeholders as well as Conceptual Solutions derived from stakeholder information may become Sponsored Projects that may be submitted for evaluation and/or cost allocation pursuant to Section 5.2.3.1 or 5.2.3.2, or they may be submitted for evaluation and cost allocation pursuant to Section 5.2.3.3."¹²⁴

Applicant's Attachment K provides that an Enrolled Party, Non-Incumbent Transmission Developer, and an ITP Proponent may submit a Sponsored Project,¹²⁵ including a request for cost allocation.¹²⁶ Table A, Minimum Data Submittal Requirements identifies the information that must be provided for all projects,¹²⁷ and Section 5.2.3.6 sets out additional information

¹¹⁶ *Id.* at section 7.1.3 Evaluation of Project Sponsor Submissions.

¹¹⁷ *Id.* at section 7.1.4 Opportunity to Cure Deficiencies and Failure to Cure.

¹¹⁸ *Id.* at section 5.2.3.8 Updating Previous Cost Allocation Projects included in the Prior Regional Transmission Plan.

¹¹⁹ First NTTG Order at P 157 (qualification criteria); Second NTTG Order at P 109 (eligibility to request cost allocation; application of qualification criteria), *id.* at P 111 (qualification criteria), *id.* at P 112 (cure deficiencies.).

¹²⁰ Second NTTG Order at P 116 (internal citations omitted), P 115 (must remain qualified in subsequent cycles).

¹²¹ Attachment K at section 5.2.1 General from Stakeholders.

¹²² *Id.*

¹²³ *Id.* at section 5.3 Review of Submitted Information and section 5.4 Untimely or Improperly Submitted Requests or Submittals of Information.

¹²⁴ *Id.* at section 5.2.1 General from Stakeholders. As described in Section 4(f) below, this is substantially similar to the process that the Commission accepted for ColumbiaGrid. *Infra* n. 171.

¹²⁵ *Id.* at section 5.2.3.1 New Sponsored Projects.

¹²⁶ *Id.* at section 5.2.3.2 Request for Cost Allocation – Sponsored Project.

¹²⁷ *Id.* at section 5.2.3.2 Request for Cost Allocation – Sponsored Project and 5.2.3.3 Request for Cost Allocation – Unsponsored Project.

requirements for projects for which cost allocation will be requested. A data submittal form found on the NorthernGrid Website is available for the submission of information.¹²⁸ Information must be submitted during the Submittal Window.¹²⁹ The information must be updated for projects included in a prior regional transmission plan.¹³⁰ Submitted information will be reviewed by the Enrolled Parties committee with an opportunity to cure deficiencies.¹³¹ These information requirements are substantially similar to the requirements that the Commission accepted in the context of Northern Tier.¹³² Thus, Attachment K satisfies the Commission's requirements.

d. Evaluation Process for Transmission Proposals for Selection in the Regional Transmission Plan for Purposes of Cost Allocation

The Commission requires that Attachment K “describe a transparent and not unduly discriminatory process for evaluating whether to select a proposed transmission facility in the regional transmission plan for purposes of cost allocation. The evaluation process must ensure transparency and provide the opportunity for stakeholder coordination. In addition, the evaluation process must culminate in a determination that is sufficiently detailed for stakeholders to understand why a particular transmission project was selected or not selected in the regional transmission plan for purposes of cost allocation.”¹³³

Applicant's Attachment K provides that the Enrolled Parties Planning Committee will develop the draft Study Scope.¹³⁴ The contents of the Study Scope are described above.¹³⁵ The draft Study Scope will be subject to review and comment by the Enrolled Parties and States Committee and by stakeholders.¹³⁶ Upon consideration of comments and appropriate edits based on comments, the Enrolled Parties Planning Committee will post the final Study Scope on the NorthernGrid Website.¹³⁷ The process of developing the Study Scope and the contents of the Study Scope are substantially similar to the requirements that the Commission accepted in the context of Northern Tier.¹³⁸

¹²⁸ *Id.* at section 5.2.4 Submittal Form and Due Date.

¹²⁹ *Id.* at section 5.2.4 Submittal Form and Due Date and section 1.71 definition of Submittal Window.

¹³⁰ *Id.* at section 5.2.3.7 Submission and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan and Section 5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan.

¹³¹ *Id.* at section 5.3 Review of Submitted Information and section 5.4 Untimely or Improperly Submitted Requests or Submittals of Information.

¹³² First NTTG Order at P 168; Second NTTG Order at PP 124 – 126; Third NTTG Order at P 26; Fourth NTTG Order at P 26; Fifth NTTG Order.

¹³³ Second NTTG Order at P 127 (internal citations omitted).

¹³⁴ Attachment K at section 6.1 Study Scope Development.

¹³⁵ *Supra*, n. 56.

¹³⁶ Attachment K at section 6.2 Review and Comment; Consideration of Comments; Update Study Scope.

¹³⁷ *Id.*

¹³⁸ Second NTTG Order at P 144.

With the Study Scope completed, the Enrolled Parties Planning Committee performs analysis in accordance with the Study Scope to identify regional transmission projects.¹³⁹ Specifically, the Enrolled Parties Planning Committee evaluates combinations of the Baseline Projects of the Enrolled Parties (these are the Enrolled Parties Local Transmission plans plus the projects included in the prior Regional Transmission Plan that are being reevaluated¹⁴⁰) and Alternative Projects (these are the Sponsored Projects, Interregional Transmission Projects, merchant projects and unsponsored projects, both those proposed and those developed by the Enrolled Parties Planning Committee¹⁴¹) to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs.¹⁴² Included in this analysis is consideration of Material Adverse Impacts that a project has on a Neighboring System.¹⁴³ Material Adverse Impacts of a Sponsored Project must be addressed by the Project Sponsor with the mitigation solutions reported back to the Enrolled Parties Planning Committee.¹⁴⁴ Material Adverse Impacts of an unsponsored project will be addressed by the Enrolled Parties Planning Committee.¹⁴⁵ The Enrolled Parties Planning Committee will document its analysis and study results in the Draft Regional Transmission Plan.¹⁴⁶ The Draft Regional Transmission Plan will be subject to review and comment first by the Enrolled Parties and States Committee and then by stakeholders.¹⁴⁷ Upon consideration of comments and appropriate modifications based on comments, the Enrolled Parties Planning Committee will post an updated Draft Regional Transmission Plan on the NorthernGrid Website.¹⁴⁸ The analysis of Baseline Projects of the Enrolled Parties and Alternative Projects to identify regional projects is substantially similar to the requirements that the Commission accepted in the context of Northern Tier.¹⁴⁹

With regional transmission projects identified, the Cost Allocation Task Force performs the cost allocation analysis on the identified regional transmission projects for which cost allocation is requested¹⁵⁰ whether the project is sponsored or unsponsored. The separation of these steps--identification of regional transmission projects and cost allocation analysis enable the separate planning processes to be performed concurrently under Attachment K and the planning agreement and is substantially similar to the requirements that the Commission accepted in the context of ColumbiaGrid.¹⁵¹

¹³⁹ Attachment K at section 6.2 Review and Comment; Consideration of Comments; Update Study Scope and section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

¹⁴⁰ *Id.* at section 1.6 Baseline Projects of Enrolled Parties.

¹⁴¹ *Id.* at section 1.2 Alternative Project.

¹⁴² *Id.* at section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

¹⁴³ *Id.*

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*

¹⁴⁶ *Id.*

¹⁴⁷ *Id.* at section 6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan.

¹⁴⁸ *Id.*

¹⁴⁹ Second NTTG Order at P 144.

¹⁵⁰ Attachment K at section 8 Cost Allocation.

¹⁵¹ Avista Attachment K, Pt IV §§ 4.3 Scope of Study Team Activities and 4.4 Order 1000 Proposed Staff Solutions and Their Development by Study Teams; Sixth ColumbiaGrid Order.

The Cost Allocation Task Force begins by confirming the project has an Estimated Cost greater than \$20 million,¹⁵² a threshold previously accepted by the Commission in the context of Northern Tier.¹⁵³ Then, the Cost Allocation Task Force will establish the Cost of the project based upon the elements identified in Attachment K.¹⁵⁴ The Cost Allocation Task Force then evaluates the project to determine whether it is a more efficient or a cost-effective solution to Enrolled Party Needs.¹⁵⁵ This is performed by evaluating specific factors identified in Attachment K.¹⁵⁶ These are substantively similar to the criteria accepted in ColumbiaGrid.¹⁵⁷ After determining a project is more efficient or cost-effective, the Attachment K then identifies Enrolled Party Beneficiaries based upon three benefits¹⁵⁸ and allocates costs to the Enrolled Party Beneficiaries in proportion to benefits.¹⁵⁹ The analysis and results are to be documented in the Draft Regional Transmission Plan,¹⁶⁰ which is subject to stakeholder review and comment.¹⁶¹ Thus, Attachment K satisfies the Commission's requirements.

e. Reevaluation Process for Transmission Proposal for Selection in the Regional Transmission Plan for Purposes of Cost Allocation

The Commission requires that Attachment K “ensure the incumbent transmission provider can meet its reliability needs or service obligations, ... [and] describe the circumstances and procedures for reevaluating the regional transmission plan to determine if alternative transmission solutions must be evaluated as a result of delays in the development of a transmission facility selected in a regional transmission plan for purposes of cost allocation. If an evaluation of alternatives is needed, the regional transmission planning process must allow the incumbent transmission provider to propose solutions that it would implement within its retail distribution service territory or footprint, and if that solution is a transmission facility, then the proposed transmission facility should be evaluated for possible selection in the regional transmission plan for purposes of cost allocation.”¹⁶²

¹⁵² Attachment K at section 8.1 Projects Eligible for Cost Allocation Analysis.

¹⁵³ Second NTTG Order at P 201.

¹⁵⁴ Attachment K at section 8.2 Cost of Projects for Cost Allocation Consideration.

¹⁵⁵ *Id.* at section 8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.

¹⁵⁶ *Id.*

¹⁵⁷ Avista Attachment K, Pt IV section 2.3 Order 1000 Solution Evaluation Factors.

¹⁵⁸ Attachment K at section 8.4 Benefits of An Eligible Cost Allocation Project which specifies three criteria: Deferred Costs, Avoided Capital Costs and Increased Useful Available Transfer Capability. In ColumbiaGrid, Order 1000 Benefits are identified based upon avoided costs of deferred transmission facilities, avoided costs of eliminated transmission facilities, and increased useful available transfer capability. Avista Attachment K, App. A (definition of Order 1000 Benefits); Avista Attachment K, Pt IV § 6.2.2; Third ColumbiaGrid Order at PP 78, 81.

¹⁵⁹ Attachment K at section 8.5 Allocation of Project Costs to Enrolled Party Beneficiaries; Avista Attachment K, Pt IV § 6.3.1 Allocation of Projected Costs; Fourth ColumbiaGrid Order.

¹⁶⁰ *Id.* at section 8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.

¹⁶¹ *Id.* at section 9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.

¹⁶² Second NTTG Order at P 147 (internal citations omitted).

Applicant's Attachment K provides for the reevaluation of transmission projects in the current planning cycle that were included in the prior regional transmission plan using any updated information.¹⁶³ A project included in the prior regional transmission plan, for which cost allocation is not requested, will be reevaluated.¹⁶⁴ Such project will not be included in the Regional Transmission Plan for the current Planning Cycle if: (1) the sponsor withdraws the project; (2) the project no longer satisfies an Enrolled Party's need. Cost Allocation Projects that were in a previous Regional Transmission Plan will also be reevaluated in each Planning Cycle. Such projects will not be included in the Regional Transmission Plan for the current Planning Cycle if: (1) all who originally submitted a Request for Cost Allocation for such project no longer satisfy the criteria to be Qualified Developers; (2) such project no longer satisfies an Enrolled Party Need, (3) all Requests for Cost Allocation for such project have been withdrawn, (4) the project is no longer determined to be a more efficient or cost-effective solution to an Enrolled Party Need, or (5) the project has been in the plan for three consecutive biennial Planning Cycles without becoming a Committed Project (i.e., having obtained all permits and rights-of-way required for construction, by the beginning of the Planning Cycle).¹⁶⁵ The Commission previously accepted the concept of non-committed transmission facilities being reevaluated each Planning Cycle for purposes of cost allocation.¹⁶⁶ Thus, Attachment K satisfies the Commission's requirements.

f. Cost Allocation for Transmission Projects Selected in the Regional Transmission Plan for Purposes of Cost Allocation

The Commission requires that Attachment K "provides nonincumbent transmission developers and incumbent transmission developers the same eligibility to use a regional cost allocation method or methods for any transmission facility selected in the regional transmission plan for purposes of cost allocation."¹⁶⁷

As discussed above, Applicant's Attachment K provides for an Enrolled Party, a Non-Incumbent Transmission Developer and an ITP Proponent to submit a Sponsored Project with a request for cost allocation.¹⁶⁸ Although any stakeholder may submit an unsponsored project,¹⁶⁹ only an Enrolled Party, a Non-Incumbent Transmission Developer or an ITP Proponent may request cost allocation for an unsponsored project.¹⁷⁰ Similar to what the Commission accepted in the context of ColumbiaGrid,¹⁷¹ this process allows consideration of proposed solutions for

¹⁶³ Attachment K at section 5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan; *id.* at section 5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan.

¹⁶⁴ *Id.* at section 5.2.3.7 Submitting and Updating Sponsored projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan and section 5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan.

¹⁶⁵ *Id.* at section 1.10 defining Committed Project.

¹⁶⁶ Second NTTG Order at P 155.

¹⁶⁷ *Id.* at P 157 (internal citations omitted).

¹⁶⁸ Attachment K at section 5.2.3.2 Request for Cost Allocation – Sponsored Project.

¹⁶⁹ *Id.* at section 5.2.1 General from Stakeholders

¹⁷⁰ *Id.* at section 5.2.3.3 Request for Cost Allocation – Unsponsored Project.

¹⁷¹ Avista Attachment K, Pt IV § 5.2 Timely Request for Order 1000 Cost Allocation. Second ColumbiaGrid Order at P 104; *id.* at P 194 n.335 ("To the extent that no other qualified transmission developer requests regional cost

which there is no proponent, thereby allowing such projects to be appropriately considered as part of the NorthernGrid regional transmission planning process. Thus, both non-incumbent transmission developers and incumbent transmission developers have the same eligibility to use the regional cost allocation process for any transmission facility selected in the regional transmission plan for purposes of cost allocation.

5. COST ALLOCATION PRINCIPLES

The Commission requires that Attachment K contain “a method, or set of methods, for allocating the costs of any new transmission facility selected in the regional transmission plan for purposes of cost allocation.”¹⁷² Furthermore, the Commission provides: “In a non-RTO/ISO transmission planning region, each public utility transmission provider located within the region must set forth in its OATT the same language regarding the cost allocation method or methods used in its transmission planning region.”¹⁷³

a. Regional Cost Allocation Principle 1 - costs allocated in a way that is roughly commensurate with benefits

“Regional Cost Allocation Principle 1 requires that the cost of transmission facilities be allocated to those within the transmission planning region that benefit from those facilities in a manner that is at least roughly commensurate with estimated benefits. The cost allocation methods must clearly and definitively specify identifiable benefits and the class of beneficiaries, and the transmission facility costs allocated must be roughly commensurate with that benefit.”¹⁷⁴

The cost allocation process is described above. In summary, Section 8, Cost Allocation, of Applicant’s Attachment K provides for a method of allocating costs to beneficiaries in a manner that is roughly commensurate with estimated benefits. It begins by the Cost Allocation Task Force confirming Estimated Costs exceed a \$20 million threshold and then establishes project Costs.¹⁷⁵ Once the Costs are identified, the Cost Allocation Task Force examines three benefits— Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability— to identify Enrolled Party Beneficiaries.¹⁷⁶ With the beneficiaries identified, the Cost Allocation Task Force confirms that benefits are greater than or equal to 1.25 times the costs.¹⁷⁷ If yes, then the Cost Allocation Task Force will allocate Costs to Enrolled Party Beneficiaries in proportion to the benefits received by each Enrolled Party Beneficiary.¹⁷⁸ Applicant’s Attachment K then provides an opportunity for a non-Enrolled Party to accept a

allocation for an unsponsored transmission project, it would then be reasonable to remove that project from the regional transmission plan.”).

¹⁷² Second NTTG Order at P 162 (internal citations omitted).

¹⁷³ Order No. 1000 at P 558.

¹⁷⁴ Second NTTG Order at P 163 (internal citations omitted).

¹⁷⁵ Attachment K at section 8.1 Projects Eligible for Cost Allocation Consideration and section 8.2 Cost of Projects for Cost Allocation Consideration of Attachment K.

¹⁷⁶ *Id.* at Section 8.4 Benefits of An Eligible Cost Allocation Project.

¹⁷⁷ *Id.* at Section 8.5.1 Identification of Enrolled Party Beneficiaries.

¹⁷⁸ *Id.* at Section 8.5.3 Allocation of Costs to Enrolled Party Beneficiaries.

portion of that project's costs.¹⁷⁹ The Cost Allocation Task Force documents its analysis, rationale, and results into the Draft Final Regional Transmission Plan.¹⁸⁰

The criteria used to identify beneficiaries are substantially similar to the benefits the Commission accepted for ColumbiaGrid.¹⁸¹ NorthernGrid's process of allocating costs to Enrolled Party Beneficiaries is also substantially similar to the process the Commission accepted for ColumbiaGrid.¹⁸² While the Commission accepted the ability to negotiate participant funding for both Northern Tier¹⁸³ and ColumbiaGrid,¹⁸⁴ NorthernGrid's 30 days negotiation period is less than the six-month negotiation period the Commission accepted in the context of ColumbiaGrid.¹⁸⁵ Thus, Cost Allocation Principle 1 is satisfied.

b. Regional Cost Allocation Principle 2 - no involuntary allocation of costs to non-beneficiaries

"Regional Cost Allocation Principle 2 requires that those that receive no benefit from transmission facilities, either at present or in a likely future scenario, not be involuntarily allocated any of the costs of those transmission facilities."¹⁸⁶

Applicant's Attachment K provides that a project's Costs may only be allocated to Enrolled Party Beneficiaries.¹⁸⁷ Costs are not involuntarily allocated to entities that do not receive benefits. The Commission accepted allocating costs only to Enrolled Party Beneficiaries in the context of ColumbiaGrid.¹⁸⁸ Thus, Cost Allocation Principle 2 is satisfied.

c. Regional Cost Allocation Principle 3 – benefit-to-cost ratio

"Regional Cost Allocation Principle 3 specifies that, if a benefit-to-cost threshold is used to determine which transmission facilities have sufficient net benefits to be selected in a regional transmission plan for the purpose of cost allocation, the threshold must not be so high that transmission facilities with significant positive net benefits are excluded from cost allocation. Such a threshold may not include a ratio of benefits to costs that exceeds 1.25 unless the transmission planning region or public utility transmission provider justifies, and the Commission approves, a higher ratio."¹⁸⁹

¹⁷⁹ *Id.* at Section 8.5.4 Acceptance of Costs; Removal from Cost Allocation. This process cannot result in Beneficiaries receiving a greater allocation of a Project's Costs.

¹⁸⁰ *Id.* at section 8.5.5 Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan.

¹⁸¹ Avista Attachment K, App. A (definition of Order 1000 Benefits); Avista Attachment K, Pt IV § 6.2.2; Third ColumbiaGrid Order at PP 78, 81.

¹⁸² Avista Attachment K, Pt IV § 6.3.1; Fourth ColumbiaGrid Order.

¹⁸³ PacifiCorp Attachment K § 3.8.1; First ColumbiaGrid Order at P 273.

¹⁸⁴ Second ColumbiaGrid Order at P 296.

¹⁸⁵ Avista Attachment K Pt IV, § 5.4; First ColumbiaGrid Order at P 326.

¹⁸⁶ Second NTTG Order at P 164 (internal citations omitted).

¹⁸⁷ Attachment K, section 8.4 Allocation of Project Costs to Enrolled Party Beneficiaries.

¹⁸⁸ Avista Attachment K, Pt IV § 6.3.1; Fourth ColumbiaGrid Order.

¹⁸⁹ Second NTTG Order at P165 (internal citations omitted).

Applicant's Attachment K includes a 1.25 benefit-to-cost threshold.¹⁹⁰ The Commission accepted a benefit-to-cost ratio of 1.25 in the context of ColumbiaGrid.¹⁹¹ Thus, Cost Allocation Principle 3 is satisfied.

d. Regional Cost Allocation Principle 4 - allocation to be solely within transmission planning region unless those outside voluntarily assume costs

“Regional Cost Allocation Principle 4 specifies that the regional cost allocation methods must allocate costs solely within that transmission planning region unless another entity outside the region or another transmission planning region voluntarily agrees to assume a portion of those costs. In addition, each regional transmission planning process must identify consequences for other transmission planning regions, such as upgrades that may be required in another region and, if the original region agrees to bear costs associated with such upgrades, then the original region's cost allocation method or methods must include provisions for allocating the costs of the upgrades among the beneficiaries in the original region.”¹⁹²

Applicant's Attachment K allocates costs of a Project for Cost Allocation Consideration solely within the transmission planning region (the Enrolled Party Region) in which the Cost Allocation Project is located.¹⁹³ The process provides an opportunity for entities, including entities that are not in the Enrolled Party Region, (including the Project Sponsor, non-jurisdictional utilities, and entities outside the region) to voluntarily assume costs.¹⁹⁴ Furthermore, the Enrolled Parties Planning Committee will monitor for a project that may have Material Adverse Impacts on a neighboring system.¹⁹⁵ Once the Enrolled Parties Planning Committee becomes aware of a Material Adverse Impact of a project, the Project Sponsor must address the impacts. If the impacts cannot be addressed, the project will not be selected into the Draft Regional Transmission Plan. Otherwise, the costs to mitigate the Material Adverse Impacts on Neighboring Systems will be added to the cost of the project for allocation to Enrolled Party Beneficiaries.¹⁹⁶ Thus, Cost Allocation Principle 4 is satisfied.

e. Regional Cost Allocation Principle 5 - transparent method for determining benefits and identifying beneficiaries

“Regional Cost Allocation Principle 5 specifies that the cost allocation method and data requirements for determining benefits and identifying beneficiaries for a transmission facility

¹⁹⁰ Attachment K, section 8.4.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan.

¹⁹¹ Avista Attachment K, Pt IV, § 6.3.2; Second ColumbiaGrid Order at P 287.

¹⁹² Second NTTG Order at P 166 (internal citations omitted).

¹⁹³ Attachment K at section 8.1 Projects Eligible for Cost Allocation Consideration; section 8.5.3 Allocation of Costs to Enrolled Party Beneficiaries; and section 1.32 definition of Enrolled Region.

¹⁹⁴ *Id.* at section 8.5.4 Acceptance of Costs; Removal from Cost Allocation.

¹⁹⁵ *Id.* at section 6.3 Analysis; Documentation in Draft Regional Transmission Plan.

¹⁹⁶ *Id.* at section 8.2.1 Cost of A Sponsored Project. In the context of Northern Tier the Commission accepted a provision that allowed the costs of mitigation adverse impacts on a neighboring transmission planning region to be excluded from allocation within Northern Tier. NTTG April 2014 Order at PP 183 and 195. But, Order No. 1000 as quoted above allows the costs to be allocated to the “original region” which here is the NorthernGrid Enrolled Region.

must be transparent with adequate documentation to allow a stakeholder to determine how they were applied to a proposed transmission facility.”¹⁹⁷

Applicant’s Attachment K provides that the Cost of projects being evaluated for cost allocation are allocated to Enrolled Party Beneficiaries according to the benefits established by evaluating Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability.¹⁹⁸ The benefits — Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability—are substantially similar to those accepted by the Commission in the context of ColumbiaGrid.¹⁹⁹ The benefit attributes are applied to every project selected into the Draft Regional Transmission Plan that exceeds the \$20 million Estimated Cost screen and is therefore considered for cost allocation, which is similar to Northern Tier.²⁰⁰ Results from application of the cost allocation methodology for project’s sponsored by Qualified Developers²⁰¹ are included in the Draft Regional Transmission Plan, which will be posted on the NorthernGrid Website.²⁰² Thus, Cost Allocation Principle 5 is satisfied.

f. Regional Cost Allocation Principle 6 - different methods for different types of facilities

“Regional Cost Allocation Principle 6 specifies that a transmission planning region may choose to use a different cost allocation method for different types of transmission facilities in the regional transmission plan, but there can be only one cost allocation method for each type of transmission facility. If a transmission planning region chooses to use a different cost allocation method for different types of transmission facilities, each cost allocation method must be determined in advance for each type of facility. A regional cost allocation method may include voting requirements for identified beneficiaries to vote on proposed transmission facilities.”²⁰³

Applicant’s Attachment K identifies only one cost allocation method that applies to all types of transmission facilities.²⁰⁴ There is no type of transmission facility that has no regional cost allocation method applicable to it.²⁰⁵ Thus, Cost Allocation Principle 6 is satisfied. The process is substantially similar to the process accepted by the Commission in the context of Northern Tier.²⁰⁶

¹⁹⁷ Second NTTG Order at P 167 (internal citations omitted).

¹⁹⁸ Attachment K at section 8.4 Benefits of An Eligible Cost Allocation Project; *id.* at section 8.5 Allocation of Project Costs to Enrolled Party Beneficiaries.

¹⁹⁹ Avista Attachment K, App. A (definition of Order 1000 Benefits); Avista Attachment K, Pt IV § 6.2.2; Third ColumbiaGrid Order at PP 78, 81.

²⁰⁰ Second NTTG Order at P 197.

²⁰¹ Attachment K at section 1.60 definition of Qualified Developer. All other cost allocation results are provided to Qualified Sponsors. *See, id.* at 8.5.5 Results from Cost Allocation Methodology; Documentation in Draft Filing Regional Transmission Plan.

²⁰² *Id.* at section 8.5.5 Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan.

²⁰³ Second NTTG Order at P 168 (internal citations omitted).

²⁰⁴ Attachment K at section 8.5 Allocation of Project Costs to Enrolled Party Beneficiaries.

²⁰⁵ Order No. 1000 at P 690.

²⁰⁶ First NTTG Order at P 263.

6. ADDITIONAL COST ALLOCATION PROVISIONS

This section is included so the filing letter tracks the presentation of issues in the Northern Tier compliance orders as mentioned in the introduction to Section III Demonstration of Compliance above.

a. Transmission Project Eligibility for Regional Cost Allocation

In the context of Northern Tier, the Commission accepted a minimum cost threshold of \$20 million for a project to be considered for cost allocation.²⁰⁷ This requirement has carried forward into Applicant's Attachment K.²⁰⁸

b. Participant Funding

The Commission accepted participant funding as an option in the context of Northern Tier²⁰⁹ and ColumbiaGrid.²¹⁰ Applicant's Attachment K provides for the ability to negotiate participant funding.²¹¹ If not all of a project's costs are voluntarily accepted, the remainder of the project's costs will be allocated to the Enrolled Party Beneficiaries in accordance with the methodology set forth in Attachment K. This participant funding period can only result in a reduction of costs that are allocated to Enrolled Party Beneficiaries. The results and analysis will be documented in the Draft Regional Transmission Plan.

c. Ownership Rights

The concept of Ownership-Like Rights²¹² in Northern Tier did not carry forward to Applicant's Attachment K.

7. COMPLIANCE WITH ORDER NO. 1000 – INTERREGIONAL TRANSMISSION COORDINATION AND COST ALLOCATION REQUIREMENTS

The Commission requires each public utility transmission provider, through its regional transmission planning process, to establish procedures with each of its neighboring transmission planning regions for the purpose of coordinating and sharing the results of regional transmission plans to identify possible interregional transmission facilities that could address regional transmission needs more efficiently or cost-effectively than separate regional transmission facilities.²¹³

In addition to committing to share regional transmission planning information, the Commission directed each public utility transmission provider to develop and implement

²⁰⁷ Second NTTG Order at P 201.

²⁰⁸ Attachment K at section 8.1 Projects Eligible for Cost Allocation Consideration.

²⁰⁹ First NTTG Order at P 273 (participant funding is allowed at any time in the process).

²¹⁰ Avista Attachment K Pt IV, § 5.4; First ColumbiaGrid Order at P 326 (6-month negotiation period was accepted).

²¹¹ Attachment K at section 8.5.4 Acceptance of Costs; Removal from Cost Allocation (30-day negotiation period that may be shorted or extended at the sole discretion of the Project Sponsor).

²¹² Third NTTG Order at PP 34 and 35.

²¹³ Order No. 1000 at P 396.

additional procedures that provide for the sharing of information regarding the respective transmission needs of each neighboring transmission planning region, and potential solutions to those needs, as well as identifying and jointly evaluating interregional transmission alternatives to those regional needs.²¹⁴

Finally, the Commission requires each public utility transmission provider to demonstrate that its interregional cost allocation method is just and reasonable and not unduly discriminatory or preferential by demonstrating that it satisfies the following six cost allocation principles: (1) costs must be allocated in a way that is roughly commensurate with benefits; (2) there must be no involuntary allocation of costs to non-beneficiaries; (3) a benefit to cost threshold ratio cannot exceed 1.25; (4) costs must be allocated solely within the transmission planning region or pair of regions unless those outside the region or pair of regions voluntarily assume costs; (5) there must be a transparent method for determining benefits and identifying beneficiaries; and (6) there may be different methods for different types of transmission facilities.²¹⁵

Northern Tier, ColumbiaGrid, WestConnect and CAISO (the four transmission planning regions in the United States' portion of the Western Interconnection), developed common tariff language addressing the interregional transmission coordination and cost allocation planning requirements of Order No. 1000 ("Common Language").²¹⁶ The Common Language has previously been accepted by the Commission.²¹⁷ Applicant's Attachment K incorporates the Common Language²¹⁸ and the implementation procedures utilized by ColumbiaGrid²¹⁹ with only slight, non-substantive, modifications. The modifications replace ColumbiaGrid or Northern Tier with NorthernGrid. Finally, CAISO and WestConnect were each notified in advance of this filing that should Applicant's Attachment K be accepted, each will need to replace its Attachment K references to Northern Tier and ColumbiaGrid with NorthernGrid.

8. LOCAL TRANSMISSION PLANNING PROCESS AND OTHER CHANGES

Consistent with the adoption of the regional and interregional reforms described here, certain complementary and conforming revisions were made to the Applicant's Local Transmission Planning Process, as well as to the definitions in Section 1. Specifically, Applicant proposes to:

- Eliminate Section 1 definitions utilized in the previous NTTG regional transmission planning process that Applicant proposes to replace with the

²¹⁴ *Id.* at P 398.

²¹⁵ Order No. 1000 at PP 587, 603; Order No. 1000-A at P 524. These six interregional cost allocation principles only apply to "a new transmission facility that is located in two neighboring transmission planning regions and accounted for in the interregional transmission coordination procedure in an OATT." Order No. 1000 at P 603.

²¹⁶ Order No. 1000 at PP 346 and 475.

²¹⁷ Public Service Co. of New Mexico, et al, 151 FERC ¶ 61,189 (June 1, 2015).

²¹⁸ Attachment K, section 10 Interregional Coordination and Cost Allocation Process.

²¹⁹ *Id.* at section 11 ITPs, Joint Evaluation, and Interregional Cost Allocation. Order Providing Clarification and Accepting for Filing Compliance Filings, Public Service Co. of New Mexico, et al, 151 FERC ¶ 61,189 at P 14 (June 1, 2015).

NorthernGrid process. These defined terms, which are now no longer relevant to Applicant's regional transmission planning process, include: "Annual Capital-Related Costs," "Applicant," "Beneficiary," "Change Case," "Cost Allocation Committee," "Monetized Non-Financial Incremental Costs," "NTTG," "Ownership-like Rights," "Public Policy Considerations," and "Steering Committee."

- Revise certain existing Section 1 definitions that are used in Applicant's current Local Transmission Planning Process (Attachment K, Section 2) and/or the NorthernGrid process. These revised terms include: "Alternative Project," "Committed Project," "Data Submittal Form," "Demand Response Resources," "Economic Study Request," "Funding Agreement," "Local Economic Study," and "Local Transmission Plan."
- Revise the Local Transmission Planning process in Section 2 to conform with the new and revised definitions in Section 1 and the new NorthernGrid regional planning process. Such revisions include:
 - Eliminating "Congestion" from references to "Economic Studies," which complements the broad definition of "Economic Studies" in Section 12 to encompass more than congestion-related studies;
 - Incorporating much of the substance of the former "Local Transmission Plan" definition into Section 2.1.2, which discusses the scope of the local transmission planning process;
 - Eliminating references to "Public Policy Considerations," consistent with similar elimination of this term in Section 1 and to recognize that the Commission only spoke in terms of "Public Policy Requirements";
 - Revising Section 2.7 regarding Local Economic Studies to be consistent with new Section 12 while preserving important procedural steps for processing Local Economic Studies.
- Update cross-references to other sections within Attachment K, change NTTG references to references to NorthernGrid, make minor ministerial corrections such as removing hyperlinks in favor of OASIS references to ensure accuracy and facilitate updating.

IV. EFFECTIVE DATE

Applicant respectfully requests that the Commission accept its revised Attachment K to be effective January 1, 2020. A January 1, 2020 effective date allows for NorthernGrid's transmission Planning Cycle to begin as soon as practicable, while limiting disruption to the planning cycles under Applicant's existing Attachment K.²²⁰

²²⁰ First NTTG Order at P 23.

V. INFORMATION REQUIRED BY 18 C.F.R. PART 35

In accordance with 18 C.F.R. Part 35, Applicant submits this filing in the Commission's eTariff filing format, consisting of this transmittal letter and the following documents:

Attachment 1: Attachment K process and timeline;

Attachment 2: Clean Version of the Applicant's revised Attachment K; and

Attachment 3: Red-lined Version of the Applicant's revised Attachment K.

Because this filing does not involve a rate change, Applicant respectfully requests waiver of any of the filing requirements of 18 C.F.R. § 35.13 to the extent they are applicable and not otherwise provided or addressed herein.

VI. COMMUNICATIONS

Communications concerning this filing should be directed to the following representatives of the Applicant:

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VII. CONCLUSION

For the reasons set forth above, Applicant requests that the Commission accept this filing and permit the revised Attachment K to become effective January 1, 2020.

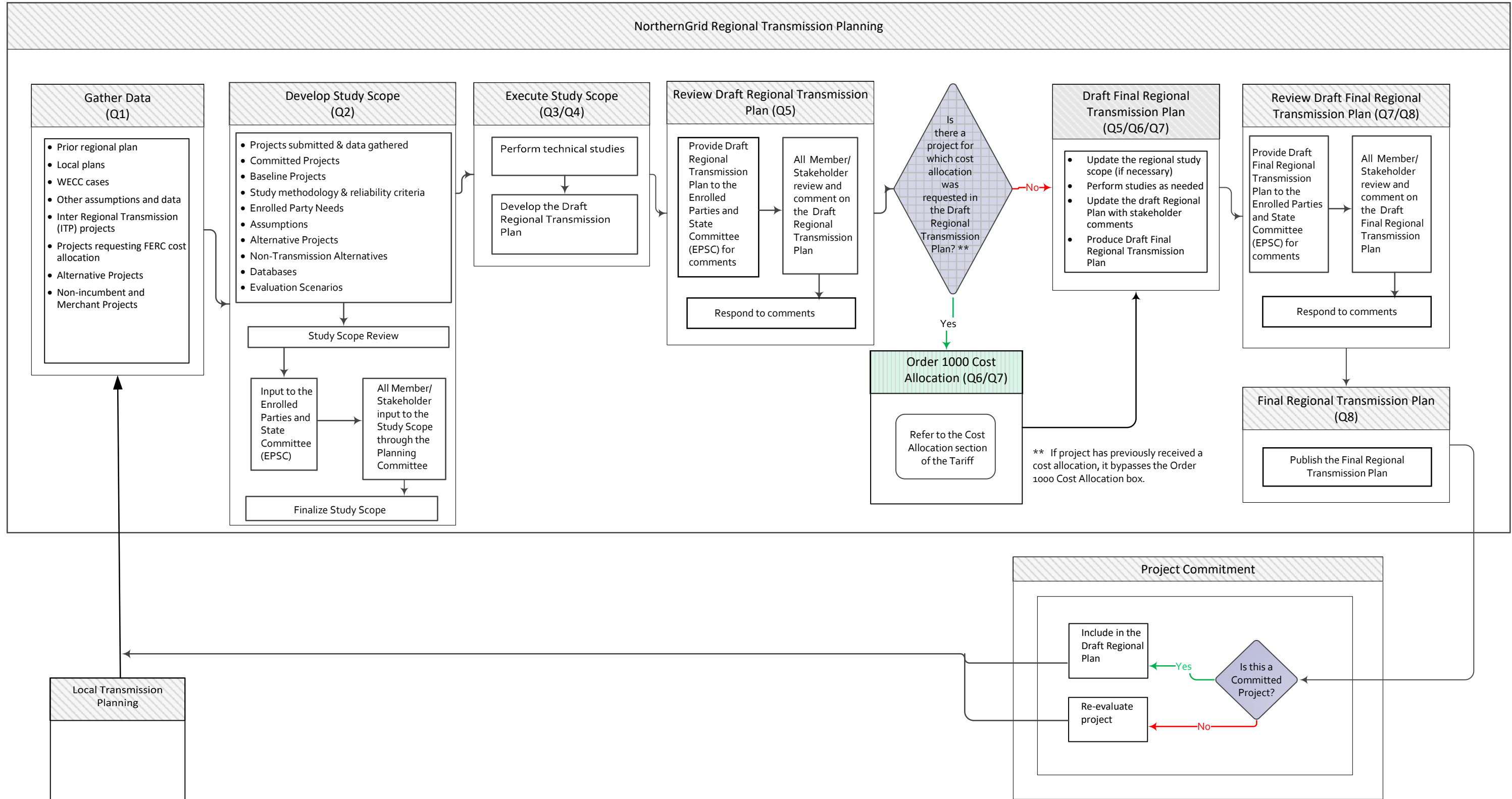
Respectfully submitted this 6th day of September, 2019.

/s/ Karen Kruse

Karen Kruse

Deputy General Counsel

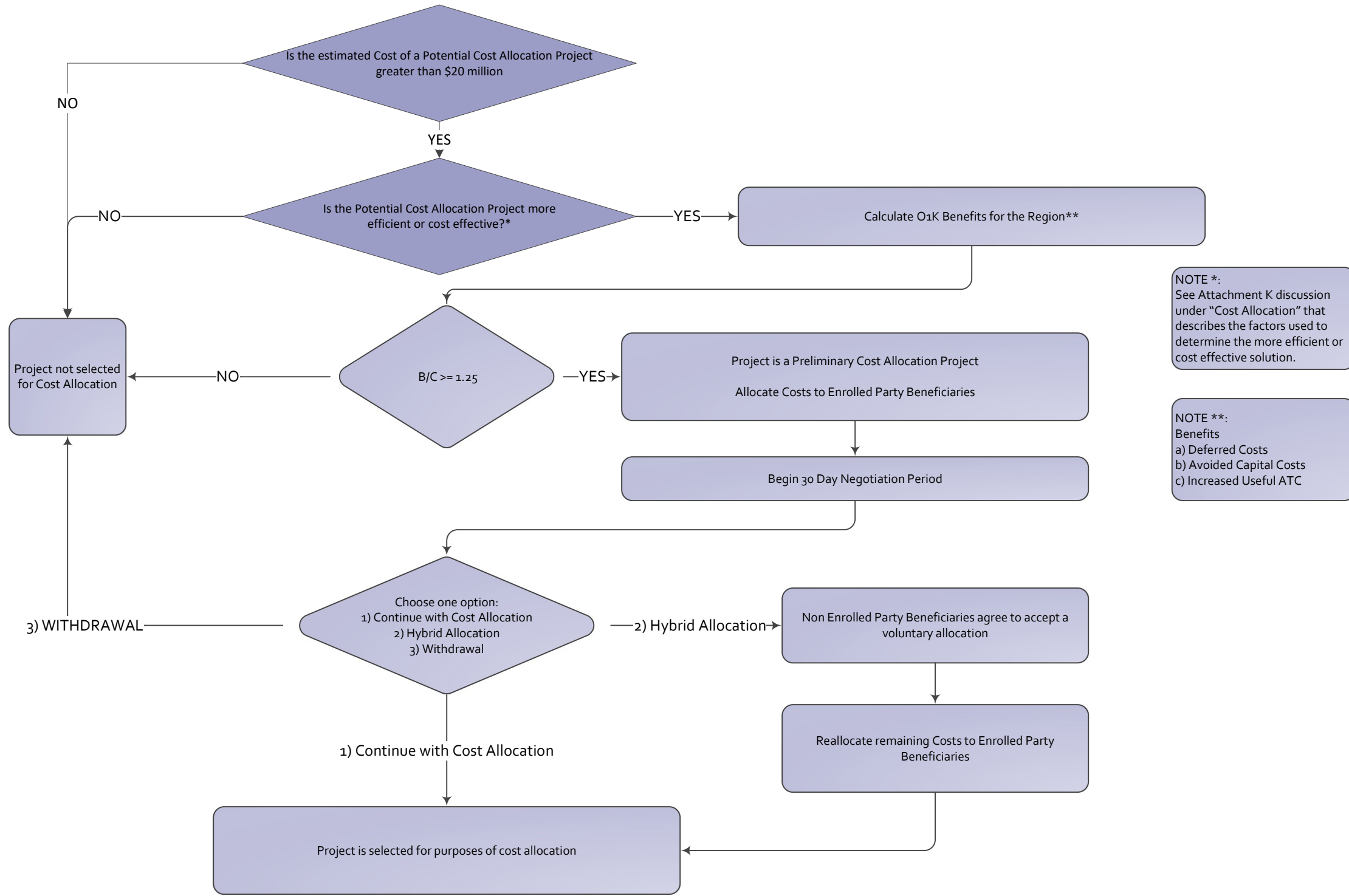
NorthernGrid Planning Process by Quarter (Illustrative)*



*Disclaimer: The identification of the quarters in which tasks may be performed is illustrative. Tasks can be performed in other quarters unless Attachment K says otherwise.

Cost Allocation

Cost Allocation



NOTE *:
See Attachment K discussion under "Cost Allocation" that describes the factors used to determine the more efficient or cost effective solution.

NOTE **: Benefits
a) Deferred Costs
b) Avoided Capital Costs
c) Increased Useful ATC

Refer to page 1/2

Update Study Scope and Final Draft Regional Plan

Refer to page 1/2

Attachment K

Transmission Planning Process

TABLE OF CONTENTS

1. Definitions..... 1

1.1 Additional Regional Costs from Interregional Cost Allocation..... 1

1.2 Alternative Project..... 1

1.3 Annual Interregional Coordination Meeting..... 1

1.4 Annual Interregional Information..... 1

1.5 Assigned Regional Costs from Interregional Cost Allocation..... 1

1.6 Baseline Projects of Enrolled Parties..... 1

1.7 Benefit..... 2

1.8 Benefit-to-Cost Ratio..... 2

1.9 Commission..... 2

1.10 Committed Project..... 2

1.11 Conceptual Solutions..... 2

1.12 Confidential Information..... 2

1.13 Cost..... 3

1.14 Cost Allocation Methodology..... 3

1.15 Cost Allocation Project..... 3

1.16 Cost Allocation Task Force..... 3

1.17 Cost Allocation Task Force Charter..... 3

1.18 Critical Energy Infrastructure Information..... 3

1.19 Data Submittal Form:..... 3

1.20 Demand Response Resources..... 4

1.21 Draft Final Regional Transmission Plan..... 4

1.22 Draft Regional Transmission Plan..... 4

1.23 Economic Study Request..... 4

1.24 Eligible Cost Allocation Project..... 4

1.25 Enrolled Parties and States Committee..... 4

1.26 Enrolled Parties and States Committee Charter..... 4

1.27 Enrolled Parties Planning Committee..... 5

1.28 Enrolled Parties Planning Committee Charter..... 5

1.29 Enrolled Party (or Enrolled Parties)..... 5

1.30 Enrolled Party Beneficiary..... 5

1.31 Enrolled Party Need..... 5

1.32 Enrolled Region..... 5

1.33 Estimated Cost..... 6

1.34 Funding Agreement..... 6

1.35 Interregional Cost Allocation..... 6

1.36 Interregional Transmission Project ("ITP")..... 6

1.37 Interregional Transmission Project Proponent..... 6

1.38 Local Economic Study..... 6

1.39 Local Transmission Plan..... 7

1.40 LTP Re-Study Request:..... 7

1.41 Material Adverse Impact..... 7

1.42 Merchant Transmission Developer..... 7

| | | |
|-------|---|----|
| 1.43 | Merchant Transmission Project..... | 7 |
| 1.44 | Mitigation Cost..... | 7 |
| 1.45 | Neighboring System..... | 7 |
| 1.46 | Non-Enrolled Developer Agreement..... | 8 |
| 1.47 | Non-Incumbent Transmission Developer..... | 8 |
| 1.48 | Non-Jurisdictional Entity..... | 8 |
| 1.49 | Non-Transmission Alternative..... | 8 |
| 1.50 | NorthernGrid..... | 8 |
| 1.51 | NorthernGrid Website..... | 8 |
| 1.52 | Person..... | 8 |
| 1.53 | Planning Cycle..... | 9 |
| 1.54 | Planning Region..... | 9 |
| 1.55 | Potential Cost Allocation Project..... | 9 |
| 1.56 | Preliminary Cost Allocation Project..... | 9 |
| 1.57 | Project for Cost Allocation Consideration..... | 9 |
| 1.58 | Project Sponsor..... | 9 |
| 1.59 | Public Policy Requirement(s)..... | 9 |
| 1.60 | Qualified Developer..... | 10 |
| 1.61 | Qualified Sponsor..... | 10 |
| 1.62 | Regional Benefits for Purposes of Interregional Cost Allocation..... | 10 |
| 1.63 | Regional Combination..... | 10 |
| 1.64 | Regional Economic Study..... | 10 |
| 1.65 | Regional Planning Horizon..... | 10 |
| 1.66 | Regional Transmission Plan..... | 11 |
| 1.67 | Relevant Planning Regions..... | 11 |
| 1.68 | Request for Cost Allocation..... | 11 |
| 1.69 | Sponsored Project..... | 11 |
| 1.70 | Study Scope..... | 11 |
| 1.71 | Submittal Window..... | 11 |
| 1.72 | Total Regional Costs from Interregional Cost Allocation..... | 11 |
| 1.73 | Transmission System..... | 12 |
| 1.74 | Western Electricity Coordinating Council ("WECC")... | 12 |
| 1.75 | Western Interconnection..... | 12 |
| 2. | Local Planning Process..... | 13 |
| 2.1 | Preparation of a Local Transmission System Plan..... | 13 |
| 2.2 | Coordination..... | 15 |
| 2.2.1 | Planning Cycle..... | 15 |
| 2.2.2 | Sequence of Events..... | 15 |
| 2.2.3 | Focus Groups..... | 23 |
| 2.2.4 | Regional Plan..... | 23 |
| 2.3 | Information Exchange..... | 24 |
| 2.3.1 | Forecasts..... | 24 |
| 2.3.2 | Participation..... | 25 |
| 2.4 | LTP Re-Study Requests..... | 25 |

| | | |
|---------|---|----|
| 2.5. | OASIS Posting Requirements..... | 26 |
| 2.6. | Cost Allocation..... | 28 |
| 2.6.1. | Individual Transmission Service Request Costs Not Considered | 29 |
| 2.6.2. | Rate Recovery..... | 29 |
| 2.6.3. | Categories of Included Costs..... | 29 |
| 2.7. | Local Economic Studies..... | 30 |
| 2.7.1. | Local Economic Study Requests..... | 30 |
| 2.7.2. | Categorization of Economic Studies..... | 31 |
| 2.7.3. | Prioritization..... | 31 |
| 2.7.4. | Requests..... | 32 |
| 2.8. | Recovery of Planning Costs..... | 33 |
| 2.9. | Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan..... | 33 |
| 2.10. | Transmission Business Practice..... | 33 |
| 2.11. | Openness 33 | |
| 2.11.1. | Participation..... | 33 |
| 2.11.2. | Critical Energy Infrastructure Information (CEII) | 34 |
| 2.11.3. | Confidential Information..... | 34 |
| 3. | Introduction..... | 35 |
| 4. | Participation and Information Access..... | 35 |
| 4.1 | Enrolled Parties..... | 35 |
| 4.1.1 | Identification | 35 |
| 4.1.2 | Updates to Enrolled Parties List | 35 |
| 4.2 | Becoming an Enrolled Party..... | 36 |
| 4.2.1 | Eligibility | 36 |
| 4.2.2 | Process to become an Enrolled Party | 36 |
| 4.2.3 | Process for Non-Incumbent Transmission Developers to Participate | 37 |
| 4.2.4 | Process for Interregional Transmission Project Proponents to Participate | 37 |
| 4.2.5 | Duration of Enrollment for Enrolled Parties | 37 |
| 4.2.6 | Expectations of an Enrolled Party | 37 |
| 4.3 | Withdrawal of Enrolled Party..... | 37 |
| 4.3.1 | Notice of Enrolled Party Withdrawal | 37 |
| 4.3.2 | Effective Date of Notice of Withdrawal | 38 |
| 4.3.3 | Deemed Withdrawal | 38 |
| 4.3.4 | Significance of Withdrawal | 38 |
| 4.4 | Participation by Merchant Transmission Developer.... | 38 |
| 4.5 | Stakeholder Participation..... | 38 |
| 4.6 | Engagement of States..... | 39 |

| | | |
|-------|---|----|
| 4.7 | Sensitive Information..... | 39 |
| 4.7.1 | Protocols for Treatment and Labeling of CEII or Confidential Information | 39 |
| 4.7.2 | Requesting and Processing Information Requests | 39 |
| 5. | Data Gathering/Study Scope Inputs..... | 40 |
| 5.1 | Responsibility..... | 40 |
| 5.2 | Data Gathering..... | 40 |
| 5.2.1 | General from Stakeholders | 40 |
| 5.2.2 | Enrolled Party Information | 40 |
| 5.2.3 | Proposing a Project | 41 |
| 5.2.4 | Submittal Form and Due Date | 49 |
| 5.2.5 | Use of Submitted Information | 49 |
| 5.3 | Review of Submitted Information..... | 49 |
| 5.4 | Untimely or Improperly Submitted Requests or Submittals of Information..... | 49 |
| 6. | Development of Draft Regional Transmission Plan..... | 49 |
| 6.1 | Study Scope Development..... | 50 |
| 6.2 | Review and Comment; Consideration of Comments; Update Study Scope..... | 50 |
| 6.3 | Analysis; Documentation in Draft Regional Transmission Plan..... | 51 |
| 6.4 | Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan..... | 52 |
| 6.5 | Comparability..... | 53 |
| 7. | Qualifying to Request Cost Allocation..... | 53 |
| 7.1 | Qualification Process for/to Submit a Project for Cost Allocation..... | 53 |
| 7.1.1 | Qualification to Request Cost Allocation | 53 |
| 7.1.2 | Qualification Process | 54 |
| 7.1.3 | Evaluation of Project Sponsor Submissions ... | 56 |
| 7.1.4 | Opportunity to Cure Deficiencies and Failure to Cure | 56 |
| 8. | Cost Allocation..... | 57 |
| 8.1 | Projects Eligible for Cost Allocation Consideration..... | 57 |
| 8.2 | Cost of Projects for Cost Allocation Consideration..... | 57 |
| 8.2.1 | Cost of a Project That Is Not an ITP | 57 |
| 8.2.2 | Cost of an ITP | 58 |
| 8.3 | Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan..... | 58 |
| 8.4 | Benefits of An Eligible Cost Allocation Project..... | 59 |

| | | |
|--------|---|----|
| 8.4.1 | Deferred Costs | 59 |
| 8.4.2 | Avoided Capital Costs | 59 |
| 8.4.3 | Increased Useful Available Transfer Capability ("ATC") | 60 |
| 8.5 | Allocation of Project Costs to Enrolled Party Beneficiaries..... | 60 |
| 8.5.1 | Identification of Enrolled Party Beneficiaries | 60 |
| 8.5.2 | Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan | 61 |
| 8.5.3 | Allocation of Costs to Enrolled Party Beneficiaries | 61 |
| 8.5.4 | Acceptance of Costs; Removal from Cost Allocation | 63 |
| 8.5.5 | Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan | 64 |
| 8.6 | Exclusions..... | 64 |
| 9. | Regional Transmission Plan..... | 64 |
| 9.1 | Preparation and Posting of Draft Final Regional Transmission Plan..... | 64 |
| 9.2 | Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan..... | 65 |
| 10. | Interregional Coordination and Cost Allocation Process... | 67 |
| 10.1 | Introduction..... | 67 |
| 10.2 | Annual Interregional Information Exchange..... | 67 |
| 10.3 | Annual Interregional Coordination Meeting..... | 68 |
| 10.4 | ITP Joint Evaluation Process..... | 69 |
| 10.4.1 | Submission Requirements | 69 |
| 10.4.2 | Joint Evaluation of an ITP | 69 |
| 10.5 | Interregional Cost Allocation Process..... | 71 |
| 10.5.1 | Submission Requirements | 71 |
| 10.5.2 | Interregional Cost Allocation Process | 71 |
| 10.6 | Application of Regional Cost Allocation Methodology to Selected ITP..... | 73 |
| 10.6.1 | Selection by All Relevant Planning Regions .. | 73 |
| 10.6.2 | Selection by at Least Two but Fewer than All Relevant Planning Regions | 73 |
| 11. | ITPs, Joint Evaluation, and Interregional Cost Allocation..... | 73 |
| 11.1 | Introduction..... | 73 |
| 11.2 | Entities That May Submit an ITP for Joint Evaluation..... | 74 |

| | | |
|--------|---|----|
| 11.3 | Confirmation from Relevant Planning Regions..... | 74 |
| 11.4 | Submit ITP Information..... | 74 |
| 11.5 | Joint Evaluation Implementation..... | 74 |
| 11.6 | Interregional Cost Allocation Process..... | 75 |
| 12. | Economic Study Requests..... | 77 |
| 12.1 | Performance of Economic Studies..... | 77 |
| 12.1.1 | Regional | 77 |
| 12.1.2 | Local | 77 |
| 12.2 | Stakeholder Requests to Perform an Economic Study... | 77 |
| 12.2.1 | Regional | 77 |
| 12.2.2 | Local | 77 |
| 12.2.3 | Study Characteristics | 78 |
| 12.2.4 | Study Report | 78 |
| 12.3 | Submission, Consideration and Prioritization of Economic Study Requests..... | 78 |
| 12.4 | Support for the Preparation of Economic Studies.... | 80 |
| 12.4.1 | Regional | 80 |
| 12.4.2 | Local | 80 |
| 12.5 | Publication of Economic Study Report..... | 81 |
| 13. | Dispute Resolution..... | 82 |
| 13.1 | Scope..... | 82 |
| 13.2 | Process..... | 82 |
| 13.3 | Timeliness..... | 83 |

Attachment K Exhibits:

Exhibit A--Cost Allocation Task Force Charter

Exhibit B--Enrolled Parties Planning Committee Charter

Exhibit C--Enrolled Parties and States Committee Charter

Exhibit D--Form of Non-Enrolled Developer Agreement

Part A. Definitions

1. Definitions

The following terms have the following definitions when used in this Attachment K. Other initially capitalized terms used in this Attachment K shall have the meanings set forth in the OATT.

1.1 Additional Regional Costs from Interregional Cost Allocation

"Additional Regional Costs from Interregional Cost Allocation" shall have the meaning set forth in Section 11.6 sub-sections (iii) and (v) of this Attachment K.

1.2 Alternative Project

"Alternative Project" refers to any Sponsored Projects or ITPs (including those carried over from a prior Regional Transmission Plan and projects submitted by Merchant Transmission Developers), and unsponsored projects (a concept that includes Non-Transmission Alternatives and Conceptual Solutions), if any, including those identified by the Enrolled Parties Planning Committee.

1.3 Annual Interregional Coordination Meeting

"Annual Interregional Coordination Meeting" means the annual meeting of the NorthernGrid Enrolled Region and other Planning Regions as set forth in Section 10.3 of this Attachment K.

1.4 Annual Interregional Information

"Annual Interregional Information" shall have the meaning set forth in Section 10.2 of this Attachment K.

1.5 Assigned Regional Costs from Interregional Cost Allocation

"Assigned Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the NorthernGrid Enrolled Region's assigned *pro rata* share of the projected costs of such ITP calculated pursuant to Section 11.6 of this Attachment K.

1.6 Baseline Projects of Enrolled Parties

"Baseline Projects of Enrolled Parties" means the transmission projects included in the Enrolled Parties' Local Transmission Plans plus those projects included in the prior Regional Transmission Plan that will be reevaluated (unless the Enrolled

Parties Planning Committee has received or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced, in which case the cancelled or replaced project will not be considered). Baseline Projects of Enrolled Parties do not include Committed Projects.

1.7 **Benefit**

"Benefit" means the benefits identified in Section 8.4 of this Attachment K that are calculated for an Enrolled Party associated with an Eligible Cost Allocation Project.

1.8 **Benefit-to-Cost Ratio**

"Benefit-to-Cost Ratio" means the ratio established in Section 8.5.2 of this Attachment K.

1.9 **Commission**

"Commission" means the Federal Energy Regulatory Commission or any successor entity.

1.10 **Committed Project**

"Committed Project" means a Sponsored Project or a local project for which the developer of such project has obtained substantially all federal, county and state permits, required for the development of the project.

1.11 **Conceptual Solutions**

"Conceptual Solutions" means projects or concepts that are developed from data or information provided in the Planning Cycle pursuant to Section 5.2 and that may be proposed pursuant to Section 5.2.3 of this Attachment K.

1.12 **Confidential Information**

"Confidential Information" means all information, regardless of the manner in which it is furnished, marked as "Confidential Information" at the time of its furnishing; *provided that* Confidential Information shall not include information: (i) in the public domain or generally available or known to the public; (ii) disclosed to a recipient by a Person who had a legal right to do so; (iii) independently developed by the receiving party or known to such party prior to its disclosure to Transmission Provider in connection with its local transmission planning process, or to NorthernGrid in connection with the regional transmission planning process; (iv) normally disclosed by

entities in the Western Interconnection without limitation; (v) disclosed in aggregate form where specific identifying information is unidentifiable; or (vi) required to be disclosed by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

1.13 Cost

"Cost" means one of the following, as determined by the Cost Allocation Task Force: the Costs of a Project that is not an ITP pursuant to Section 8.2.1 of this Attachment K; or the Cost of an ITP pursuant to Section 8.2.2 of this Attachment K.

1.14 Cost Allocation Methodology

"Cost Allocation Methodology" means the Cost Allocation Methodology set out in Section 8.5.3 of this Attachment K.

1.15 Cost Allocation Project

"Cost Allocation Project" means a project selected into the Regional Transmission Plan that received cost allocation.

1.16 Cost Allocation Task Force

"Cost Allocation Task Force" means the Task Force that carries out cost allocation tasks assigned to such Task Force in this Attachment K according to the Cost Allocation Task Force Charter.

1.17 Cost Allocation Task Force Charter

"Cost Allocation Task Force Charter" means the document attached as Exhibit A to this Attachment K that defines the manner in which the Cost Allocation Task Force carries out the tasks assigned to the Cost Allocation Task Force in this Attachment K.

1.18 Critical Energy Infrastructure Information

"Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. § 388.113(c), as may be amended from time to time.

1.19 Data Submittal Form:

1.21 "Data Submittal Form" means the form posted on the NorthernGrid Website that is to be used to submit data, including projects and project information for consideration and also updated project information, as discussed in Section 5.2 of this Attachment K.

1.20 Demand Response Resources

"Demand Response Resources" shall mean mechanisms to manage demand for power in response to supply conditions, for example, having electricity customers reduce their consumption at critical times or in response to market prices. For purposes of this Attachment K, this methodology is focused on curtailing demand to avoid the need to plan new sources of generation or transmission capacity.

1.21 Draft Final Regional Transmission Plan

"Draft Final Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 9.2 of this Attachment K.

1.22 Draft Regional Transmission Plan

"Draft Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 6.4 of this Attachment K.

1.23 Economic Study Request

"Economic Study Request" shall mean a written request for a Local Economic Study or a Regional Economic Study, submitted by an Eligible Customer or stakeholder to the Transmission Provider or NorthernGrid, as may be applicable, in accordance with Section 12.3.a. of this Attachment K.

1.24 Eligible Cost Allocation Project

"Eligible Cost Allocation Project" is defined in Section 8.3 of this Attachment K.

1.25 Enrolled Parties and States Committee

"Enrolled Parties and States Committee" means the committee that carries out the tasks assigned to such committee in this Attachment K according to the Enrolled Parties and States Committee Charter.

1.26 Enrolled Parties and States Committee Charter

"Enrolled Parties and States Committee Charter" means the document attached as Exhibit C to this Attachment K that defines

the manner in which the Enrolled Parties and the official representative of each State's government work together.

1.27 Enrolled Parties Planning Committee

"Enrolled Parties Planning Committee" means the committee, comprised of Enrolled Parties and the co-chairs of the Enrolled Parties and States Committee, that carries out transmission planning tasks assigned to such committee in this Attachment K according to the Enrolled Parties Planning Committee Charter.

1.28 Enrolled Parties Planning Committee Charter

"Enrolled Parties Planning Committee Charter" means the document attached as Exhibit B to this Attachment K that defines the manner in which the Enrolled Parties Planning Committee operates

1.29 Enrolled Party (or Enrolled Parties)

"Enrolled Party" means a Person that has satisfied the eligibility requirements set forth in Section 4.2.1 of this Attachment K and completed the process set forth in Section 4.2.2 of this Attachment K to become enrolled in NorthernGrid. "Enrolled Parties" is a collective reference to each Enrolled Party.

1.30 Enrolled Party Beneficiary

"Enrolled Party Beneficiary" shall have the meaning set forth in Section 8.5.1 of this Attachment K. For avoidance of doubt, only an Enrolled Party may be identified as Enrolled Party Beneficiary. "Enrolled Party Beneficiaries" is a collective reference to each "Enrolled Party Beneficiary."

1.31 Enrolled Party Need

"Enrolled Party Need" means any need for transmission facilities of an Enrolled Party, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. To the extent a transmission need is satisfied by a Committed Project, it shall not be considered an Enrolled Party Need.

1.32 Enrolled Region

"Enrolled Region" or "NorthernGrid Enrolled Region" is comprised of the existing or proposed transmission facilities of any Enrolled Party and any proposed transmission facilities for which a Non-Incumbent Transmission Developer has properly

submitted a Request for Cost Allocation; *provided that* the Enrolled Region specifically does not include any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

1.33 Estimated Cost

"Estimated Cost" means the estimated annualized operation and maintenance costs of a proposed project over the Regional Planning Horizon plus estimated total project cost, that are submitted pursuant to row K of the table found in Section 5.2.3.5 of this Attachment K, as they may be updated pursuant to either Section 5.2.3.8 or Section 6.4 of this Attachment K.

1.34 Funding Agreement

"Funding Agreement" means the current version of the agreement among the Persons funding the activities of NorthernGrid that is required by Section 4.2.2 of this Attachment K. The Funding Agreement is available on the NorthernGrid Website.

1.35 Interregional Cost Allocation

"Interregional Cost Allocation" means the assignment of ITP costs between or among Relevant Planning Regions as described in Section 10 of this Attachment K.

1.36 Interregional Transmission Project ("ITP")

"Interregional Transmission Project" or "ITP" means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions.

1.37 Interregional Transmission Project Proponent

"Interregional Transmission Project Proponent" or "ITP Proponent" means the entity that has signed a "Non-Enrolled Developer Agreement" in accordance with Section 4.2.4 of this Attachment K and is proposing or sponsoring an Interregional Transmission Project.

1.38 Local Economic Study

"Local Economic Study" is defined in Section 12.2.2 (c) of this Attachment K.

1.39 Local Transmission Plan

"Local Transmission Plan" means a transmission provider's plan (depending upon context, the Transmission Provider or an Enrolled Party) that identifies planned new transmission facilities and facility replacements or upgrades for such transmission provider's Transmission System.

1.40 LTP Re-Study Request:

"LTP Re-Study Request" shall mean a request by an Eligible Customer to model the ability of specific upgrades or other investments to the Transmission System or Demand Response Resources, not otherwise considered in the draft Local Transmission Plan (produced pursuant to Section 2 of Attachment K), to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its customers set forth in the Local Transmission Plan.

1.41 Material Adverse Impact

"Material Adverse Impact" means one or more significant and verifiable adverse impacts on any Neighboring System that needs to be mitigated if it reduces the transfer capability of existing transmission facilities.

1.42 Merchant Transmission Developer

"Merchant Transmission Developer" means an entity that proposes a Merchant Transmission Project.

1.43 Merchant Transmission Project

"Merchant Transmission Project" means an existing or planned project for which the costs are recovered or intended to be recovered through negotiated rates instead of cost-based rates and are therefore not eligible for cost allocation.

1.44 Mitigation Cost

"Mitigation Cost" means the estimated total cost of the solution that is identified to mitigate the Material Adverse Impact on a Neighboring System caused by a project identified in the Regional Combination, under Section 6.3 of this Attachment K.

1.45 Neighboring System

"Neighboring System" means an electrically interconnected transmission system.

1.46 Non-Enrolled Developer Agreement

"Non-Enrolled Developer Agreement" means the current version of the form agreement attached hereto as Exhibit D and entered into with the Enrolled Parties; it is intended for use by Non-Incumbent Transmission Developers, ITP Proponents, and Merchant Transmission Developers, as required in Sections 4.2.3, 4.2.4, and 4.4 respectively, of this Attachment K. The Non-Enrolled Developer Agreement form is available on the NorthernGrid Website.

1.47 Non-Incumbent Transmission Developer

"Non-Incumbent Transmission Developer" refers to two categories of transmission developer: (1) a transmission developer that does not have a retail distribution service territory or footprint; and (2) a public utility transmission provider that proposes a transmission project outside of its existing retail distribution service territory or footprint, where it is not the incumbent for purposes of that project.

1.48 Non-Jurisdictional Entity

"Non-Jurisdictional Entity" means any entity that is within the definition of 16 U.S.C. § 824(f) (and hence is not a "public utility" under Part II of the Federal Power Act).

1.49 Non-Transmission Alternative

"Non-Transmission Alternative" means a solution that is proposed for consideration, in the planning process, as an alternative to transmission facilities.

1.50 NorthernGrid

"NorthernGrid" means the association described in Section 3 of this Attachment K.

1.51 NorthernGrid Website

"NorthernGrid Website" is www.northerngrid.net.

1.52 Person

"Person" means an individual, corporation, cooperative corporation, municipal corporation, quasi-municipal corporation, joint operating entity, limited liability company, mutual association, partnership, limited partnership, limited liability partnership, association, joint stock company, trust, unincorporated organization, government entity or political

subdivision thereof (including a federal power marketing administration), tribes, or organization recognized as a legal entity by law in the United States or Canada.

1.53 Planning Cycle

"Planning Cycle" means each two-year period beginning on January 1 of even numbered years and ending on December 31 of odd numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.

1.54 Planning Region

"Planning Region" means each of the following transmission planning regions recognized by the Commission within the Western Interconnection: California Independent System Operator Corporation, NorthernGrid, and WestConnect.

1.55 Potential Cost Allocation Project

"Potential Cost Allocation Project" is defined in Section 5.2.3.2 of this Attachment K.

1.56 Preliminary Cost Allocation Project

"Preliminary Cost Allocation Project" is defined in Section 8.5.2 of this Attachment K.

1.57 Project for Cost Allocation Consideration

"Project for Cost Allocation Consideration" is defined in Section 8.1 of this Attachment K.

1.58 Project Sponsor

"Project Sponsor" has the definition contained in Section 5.2.3.1 of this Attachment K.

1.59 Public Policy Requirement(s)

"Public Policy Requirement" means any applicable public policy requirement established through one or more enacted statutes or regulations promulgated by a relevant local, state, or federal jurisdiction within the Enrolled Region. "Public Policy Requirements" is a collective reference to each "Public Policy Requirement."

1.60 Qualified Developer

"Qualified Developer" means a Person that has satisfied the requirements of Section 7.1.3 of this Attachment K and intends to develop the project for which a Request for Cost Allocation is to be submitted.

1.61 Qualified Sponsor

"Qualified Sponsor" means a Project Sponsor that intends to submit a Request for Cost Allocation but does not intend to develop the project for which such Request for Cost Allocation is intended to be submitted.

1.62 Regional Benefits for Purposes of Interregional Cost Allocation

"Regional Benefits for Purposes of Interregional Cost Allocation" means, with respect to an ITP, an amount equal to the sum of the aggregate Benefits calculated in accordance with the provisions of Sections 8.4.1, 8.4.2, and 8.4.3 of this Attachment K for any Enrolled Party Beneficiary(ies) of such ITP. For purposes of items (ii) and (c) of Section 10.5.2 of this Attachment K, Regional Benefits for Purposes of Interregional Cost Allocation is referred to as NorthernGrid's regional benefits stated in dollars resulting from the ITP.

1.63 Regional Combination

"Regional Combination" is defined in Section 6.3 of this Attachment K.

1.64 Regional Economic Study

"Regional Economic Study" is defined in Section 12.2.1 (c) of this Attachment K.

1.65 Regional Planning Horizon

"Regional Planning Horizon" means the ten-year planning horizon considered in a given Planning Cycle.

1.66 Regional Transmission Plan

"Regional Transmission Plan" or "Plan" means the regional transmission plan developed during each biennial Planning Cycle pursuant to this Attachment K.

1.67 Relevant Planning Regions

"Relevant Planning Regions" means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional transmission needs in accordance with Section 10.4.2 of this Attachment K, at which time it shall no longer be considered a Relevant Planning Region.

1.68 Request for Cost Allocation

"Request for Cost Allocation" means a request for a Sponsored Project to be considered for cost allocation that is submitted in accordance with Section 5.2.3.2 of this Attachment K.

1.69 Sponsored Project

"Sponsored Project" is defined in Section 5.2.3.1 of this Attachment K.

1.70 Study Scope

"Study Scope" means the range of items to be considered in performing analysis and studies to develop the Regional Transmission Plan as described in Section 6.1 of this Attachment K.

1.71 Submittal Window

"Submittal Window" begins on January 1 and runs through March 31 of even numbered years in each Planning Cycle.

1.72 Total Regional Costs from Interregional Cost Allocation

"Total Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the sum of the Assigned Regional Costs from Interregional Cost Allocation of such ITP plus any Additional Regional Costs from Interregional Cost Allocation of such ITP.

1.73 **Transmission System**

"Transmission System" means, for purposes of this Attachment K only, the existing or proposed transmission facilities of a transmission provider (depending upon context, the Transmission Provider or an Enrolled Party); *provided that* Transmission System specifically excludes any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

1.74 **Western Electricity Coordinating Council ("WECC")**

"Western Electricity Coordinating Council" or "WECC" refers to the Western Electricity Coordinating Council or any successor entity.

1.75 **Western Interconnection**

"Western Interconnection" refers to the western interconnected electric grid in North America. It spans 14 western states in the United States, the Canadian provinces of British Columbia and Alberta, and the northern portion of Baja California in Mexico.

Part B. Local Transmission Planning Process

2. Local Planning Process

2.1 Preparation of a Local Transmission System Plan

2.1.1. With the input of affected stakeholders, Transmission Provider shall prepare one (1) Local Transmission Plan during each two-year planning cycle. The Local Transmission Plan on its own does not effectuate any transmission service requests or designation of a future Network Resource. A request for Point-to-Point Transmission Service must be made as a separate and distinct submission by an Eligible Customer in accordance with the procedures set forth in Part II of the Tariff and posted on the Transmission Provider's OASIS. Similarly, Network Customers must submit Network Resource and Network Load additions/removals pursuant to the process described in Part III of the Tariff. The Local Transmission Plan shall study a ten (10) year planning horizon, unless an Eligible Customer's request submitted through the Tariff process specifically identifies a future new resource location on a 20 year horizon. In that case the Local Transmission Plan will be extended to 20 years.

2.1.2 The Transmission Provider shall consider the information obtained pursuant to Section 2.4 below, and transmission needs driven by Public Policy Requirements, in the preparation of the next planning cycle Local Transmission Plan. Transmission Provider may, following stakeholder input, also include results of completed Economic Studies, completed pursuant to Section 12 below, in either the draft Local Transmission Plan or the next planning cycle, depending on whether the study was requested in Quarter 1 or Quarter 5. In developing the Local Transmission Plan, Transmission Provider shall apply applicable reliability criteria, including criteria established by the Transmission Provider, WECC, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission. In developing the Local Transmission Plan, Transmission Provider shall also identify upgrades and other investments to the Transmission System and Demand

Response Resources necessary to reliably satisfy, over the planning horizon, Network Customers' resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider's resource and load growth expectations for Native Load Customers; Transmission Provider's transmission obligation for Public Policy Requirements; Transmission Provider's obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider's Point-to-Point Transmission Service Customers' projected service needs including obligations for rollover rights.

2.1.3. The Transmission Provider shall take the Local Transmission Plan into consideration, to the extent required by state law, when preparing its next state required integrated resource plan and, as appropriate, when preparing system impact studies, facilities studies and other feasibility studies.

2.1.4. The Transmission Provider may evaluate the draft Local Transmission Plan by modeling the effects of LTP Re-Study Requests timely submitted by Eligible Customers in accordance with Sections 2.2.2.4 and 2.4, below. The Transmission Provider may, at its discretion, modify the draft Local Transmission Plan before finalization to incorporate results from a LTP Re-Study.

2.1.5. The Transmission Provider shall conduct a Planning Meeting during each quarter in the planning cycle to present a status report on the Local Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and/or receive comments. The meetings shall be open to all stakeholders, including but not limited to Eligible Customers, other transmission providers, federal, state and local commissions and agencies, trade associations, and consumer advocates. The date and time of the Planning Meeting shall be posted on Transmission Provider's OASIS, and may be held on no less than ten (10) business days' notice, except where such Planning Meeting is intended to be held in

conjunction with a meeting organized or facilitated by NorthernGrid, in which case, such Planning Meeting shall be held in accordance with the notice provisions applicable to such NorthernGrid meeting. The location of the Planning Meeting shall be as selected by the Transmission Provider, or may be held telephonically or by video or internet conference.

2.1.6 The Transmission Provider shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements.

2.2 Coordination

2.2.1 Planning Cycle. Transmission Provider shall prepare the Local Transmission Plan over a two year planning cycle over eight (8) quarters. Planning cycles will commence biennially pursuant to the schedule identified in the Transmission Provider's transmission planning business practice, "Transmission Planning Practices Document," posted on Transmission Provider's OASIS.

2.2.2 Sequence of Events.

2.2.2.1. Quarter 1: Transmission Provider will gather: (1) Network Customers' projected loads and resources and load growth expectations (based on annual updates under Part III of the Tariff and other information available to the Transmission Provider); (2) Transmission Provider's projected load growth and resource needs for Native Load Customers; (3) Eligible Customers' projections of Point-to-Point Transmission Service usage at each Point of Receipt and Point of Delivery (based on information submitted by Eligible Customers to the Transmission Provider pursuant to Section 2.3.1.1 below) including projected use of rollover rights; (4) information from all Transmission and Interconnection Customers concerning existing and planned Demand Response Resources and their impacts on demand and peak demand; and (5) transmission needs driven by Public Policy Requirements submitted by all stakeholders.

The Transmission Provider shall take into consideration, to the extent known or which may be obtained from its Transmission Customers, obligations that will either commence or terminate during the planning cycle. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Local Transmission Plan, and/or the development of sensitivity analyses, including alternate solutions to the identified needs set out in prior Local Transmission Plans and transmission needs driven by Public Policy Requirements. In doing so, the stakeholder shall submit the data as specified in the Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS.

Transmission Provider shall use Point-to-Point Transmission Service usage forecasts and Demand Response Resources forecasts to determine system usage trends, and such forecasts do not obligate the Transmission Provider to construct facilities until formal requests for either Point-to-Point Transmission Service or Generator Interconnection Service requests are received pursuant to Parts II and IV of the Tariff.

Transmission Customers may submit Quarter 1 Economic Study Requests, in accordance with Section 12, by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

During the Quarter 1 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 1 Planning Meeting, Transmission Provider shall also specifically:

- Explain the planning process;
- Present proposed planning goals and discuss with stakeholders;
- Discuss data collected and discuss adequacy of data, as well as additional data required;
- Discuss priority of Economic Study Requests; and

- Discuss creation, scope, and membership of local area focus groups.

In Quarter 1, the Transmission Provider will separate the transmission needs driven by public policy into the following:

- Those needs driven by Public Policy Requirements that will be evaluated in the transmission planning process that develops the Local Transmission Plan; and
- Those needs driven by Public Policy Requirements that will be used in the development of sensitivity analyses.

Transmission Provider will post on its OASIS website an explanation of which transmission needs driven by public policy will be evaluated for potential solutions in the biennial transmission planning process and an explanation of why other suggested transmission needs driven by public policy will not be evaluated.

Once identified, the Public Policy Requirements driving transmission needs will not be revised by the Transmission Provider during the development of the Local Transmission Plan unless unforeseen circumstances require a modification to the identified Public Policy Requirements driving transmission needs. In this instance, stakeholders will be consulted before the Public Policy Requirements driving transmission needs are modified.

The evaluation process and selection criteria for inclusion of transmission needs driven by Public Policy Requirements in the Local Transmission Plan will be the same as those used for any other local project in the Local Transmission Plan. In its technical analysis, the Transmission Provider will insert the transmission needs driven by Public Policy Requirements in the transmission planning process to be jointly evaluated with other local projects, rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs.

The process by which transmission needs driven by Public Policy Requirements will be received, reviewed and evaluated is described in Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS website.

A regional or interregional Project Sponsor may submit information for its project to the Transmission Provider or Enrolled Parties Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Part C of this Attachment K.

2.2.2.2. Quarter 2: Transmission Provider will, with stakeholder input, define and post on OASIS the basic methodology, planning criteria, assumptions, databases, and processes the Transmission Provider will use to prepare the Local Transmission Plan. The Transmission Provider will also select appropriate base cases from the databases maintained by the WECC, and determine the appropriate changes needed for the Local Transmission Plan development. The Transmission Provider may adjust any base case to make that base case consistent with local planning assumptions and data.

Transmission Provider will also select up to one high priority Economic Study Request, with stakeholder input, to conduct during the first year of the planning cycle.

All stakeholder submissions will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 2 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 2 Planning Meeting, Transmission Provider shall also specifically:

- Present the finalized methodology/planning criteria/process to be used;
- Present final planning goals and discuss with stakeholders;
- Present proposed assumptions and discuss with stakeholders;
- Present a proposed Economic Study, or cluster of studies, to conduct during the first year of the planning cycle; and
- Present selected base case and scenarios to be studied.

2.2.2.3. Quarters 3 and 4: Transmission Provider will prepare and post on OASIS a draft Local Transmission Plan. The Transmission Provider may elect to post interim iterations of the draft Local Transmission Plan, and solicit public comment prior to the end of the applicable quarter.

During the Quarters 3 and 4 Planning Meetings, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders.

During the Quarter 3 Planning Meeting, Transmission Provider shall also specifically:

- Discuss status of the local planning process and any interim iterations of the draft Local Transmission Plan.

During the Quarter 4 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the draft Local Transmission Plan.

2.2.2.4. Quarter 5: Eligible Customers may submit LTP Re-Study Requests to the Transmission Provider as set out in Section 2.4. Any stakeholder may submit comments, additional information about new or changed circumstances relating to loads, resources, transmission projects, transmission needs driven by Public Policy Requirements or alternative solutions to be evaluated as part of the preparation of the draft Local Transmission Plan, or submit identified changes to the data it provided in Quarter 1. The level of detail provided by the stakeholder should match the level of detail described in Quarter 1 above.

Requests received subsequent to Quarter 5 will only be considered during the planning cycle if the Transmission Provider can accommodate the request without delaying completion of the Local Transmission Plan.

Transmission Customers may submit Quarter 5 Economic Study Requests, in accordance with Section 12, by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

All stakeholder submissions, including transmission needs driven by Public Policy Requirements, will be evaluated on a basis comparable to data and submissions required for planning the transmission

system for both retail and wholesale customers; solutions, including transmission solutions driven by Public Policy Requirements, will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 5 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 5 Planning Meeting, Transmission Provider shall also specifically:

- Discuss LTP Re-Study Requests received by the Transmission Provider;
- Seek input from stakeholders on the selection of LTP Re-Study Requests; and
- Present a proposed Economic Study, or cluster of studies, to conduct during the second year of the planning cycle.

2.2.2.5. Quarter 6: Transmission Provider will model and consider the selected LTP Re-Study Requests and Economic Studies accepted in the prior quarter with the draft Local Transmission Plan. Transmission Provider will also conduct the Quarter 5 economic planning study, or cluster of studies.

During the Quarter 6 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 6 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the status, and any preliminary findings, of any LTP Re-Study Requests

modeled with the draft Local Transmission Plan; and

- Discuss the status and any preliminary findings of the Quarter 5 Economic Study.

2.2.2.6. Quarter 7: Transmission Provider will finalize and post on OASIS the Local Transmission Plan taking into consideration appropriate LTP Re-Study Request results, written comments received by the owners and operators of interconnected transmission systems, written comments received by Transmission Customers and other stakeholders, and timely comments submitted during Planning Meetings at study milestones.

During the Quarter 7 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 7 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the final Local Transmission Plan;
- Discuss the results of any LTP Re-Study Request and whether the results were incorporated into the final Local Transmission Plan; and
- Discuss the results of the Quarter 5 Economic Study.

2.2.2.7. Quarter 8: The Transmission Provider shall post the final Local Transmission Plan on its OASIS and submit to NorthernGrid by the Submittal Window (as specified in Section 5.2.2).

During the Quarter 8 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan process, summarize the

substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 8 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the submittal of the final Local Transmission Plan to regional entities and any required coordination with other Transmission Providers, including with NorthernGrid.

2.2.3. Focus Groups. Transmission Provider may, at its discretion but with input from stakeholders, including state regulators, establish focus groups during Quarter 1 to address specific, identified area planning issues. The Transmission Provider may, at its discretion, establish additional focus groups at any time during the planning process to address significant legislative or regulatory changes affecting either stakeholders or the Transmission Provider. The focus group will review available data and the impact of any previous Local Transmission Plan on Transmission Service to the identified area, and provide recommendations to the Transmission Provider to be considered for incorporation into the planning assumptions and/or final Local Transmission Plan. Membership to the focus groups will be open to all stakeholders, Transmission Customers, and Eligible Customers. The Transmission Provider will act as the facilitator for the focus group. The focus group shall address as many issues as possible via email and teleconference. Each focus group shall select a chairperson to set the timeline for discussion and developing recommendations within the scope of the 8 quarter planning cycle. All recommendations of the focus group must be based on the consensus of the focus group.

2.2.4 Regional Plan. Transmission Provider will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Order Nos. 890 and 1000. Such regional transmission

planning process is detailed in Parts C through E of this Attachment K.

2.3. Information Exchange

2.3.1. Forecasts

2.3.1.1. Each Point-to-Point Transmission Customer shall, during Quarter 1 of each planning cycle, submit to the Transmission Provider its good-faith projected ten (10) year forecast of its transmission service needs. The forecast shall specify the Point of Receipt and Point of Delivery at the bus level. Forecasts shall specify the hourly values for the forecast period, or conversely provide an annual hourly shape to be applied to the forecast period.

2.3.1.2. Each Network Customer shall, pursuant to Part III of the Tariff and/or its Network Operating Agreement, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Response Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely, provide an annual hourly load shape that can be applied to the forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the Local Transmission Plan.

2.3.1.3. The Transmission Provider on behalf of Native Load Customers shall, during each planning cycle, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Response Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely provide an annual hourly load shape that can be applied to the

forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the Local Transmission Plan.

2.3.1.4. Transmission Needs Driven by Public Policy: All stakeholders have the opportunity to submit transmission needs driven by Public Policy Requirements during Quarter 1 of the biennial planning cycle.

2.3.2. Participation. If any Eligible Customer or stakeholder fails to provide data or otherwise participate as described in this Attachment K, then the Transmission Provider shall not be obligated to include the eligible customer's requirements in the Transmission Provider's planning obligations. If any Network Customer fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider shall plan the system based on the most recent load and resource data received, adjusted for recent observed Network Customer usage patterns.

2.4. LTP Re-Study Requests

2.4.1. During Quarter 5, an Eligible Customer may submit a LTP Re-Study Request to the Transmission Provider, along with all data in its possession supporting the request to be modeled. Transmission Provider shall identify the form for a LTP Re-Study Request and identify minimum required data to accompany the request in its transmission planning business practice. After reviewing a LTP Re-Study Request, the Transmission Provider may identify additional data requirements. The Eligible Customer submitting the LTP Re-Study Request shall work in good faith to assist the Transmission Provider in gathering all necessary data to perform the modeling request. To the extent necessary, any coordination between the requesting Eligible Customer and the Transmission

Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.4.2. The Transmission Provider may cluster or batch LTP Re-Study Requests so that the Transmission Provider is able to model the requests in the most efficient manner. The Transmission Provider may prioritize the study requests based upon its evaluation of study requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan.

2.4.3. The Transmission Provider shall notify the requester of a LTP Re-Study Request within ten (10) business days of receipt of a completed LTP Re-Study Request whether or not the study request will be included as part of the Local Transmission Plan evaluation during Quarter 5 of the planning cycle, or whether additional information is required to make an appropriate determination.

2.5. OASIS Posting Requirements

2.5.1. The Transmission Provider shall maintain on its OASIS all information related to this Attachment K including a subscription service whereby any stakeholder or Transmission Customer may register to receive e-mail notices and materials related to the Local Transmission Plan process.

2.5.2. Content of OASIS Postings. Transmission Provider shall post on its OASIS the planning information and links to publicly available documents identified below:

2.5.2.1. The Transmission Provider's transmission planning business practice along with the procedures for modifying the business practice;

2.5.2.2. Planning cycle timeline;

2.5.2.3. Each LTP Re-Study Request, and response from the Transmission Provider;

2.5.2.4. The minutes of each quarterly Planning Meeting;

2.5.2.5. In advance of its discussion at any Planning Meeting, all materials to be discussed;

2.5.2.6. Written comments submitted to the Transmission Provider in relation to the Local Transmission Plan;

2.5.2.7. A list and explanation of which transmission needs driven by public policy received during Quarter 1 will be evaluated in the biennial planning process and explanation as to why other suggested transmission needs driven by public policy received during Quarter 1 will not be evaluated;

2.5.2.8. The draft, interim (if any), and final versions of the Local Transmission Plan;

2.5.2.9. At a minimum, the final version of all completed Local Transmission Plans for the three previous planning cycles;

2.5.2.10. Aggregated load forecasts representing the Transmission Provider's total transmission service forecast for its transmission system;

2.5.2.11. Summary list of Critical Energy Infrastructure Information (CEII) submitted during the planning process;

2.5.2.12. Links to relevant NorthernGrid agreements, charters, and documents;

2.5.2.13. Links to relevant WECC and WECC TEPPC agreements, charters, and documents; and

2.5.2.14. Information describing the extent that the Transmission Provider has undertaken a commitment to build a transmission facility included in NorthernGrid's Regional Transmission Plan.

2.5.3. Database Access. A stakeholder may receive read-only access from the Transmission Provider to the database and all changes to the database used to prepare the Local Transmission Plan according to the database access rules established by the WECC and upon certification to the Transmission Provider that the stakeholder is permitted to access such database. Unless expressly ordered to do so by a court of competent jurisdiction or regulatory agency, the Transmission Provider has no obligation to disclose database information to any stakeholder that does not qualify for access.

2.6. Cost Allocation. Cost allocation principles expressed here are applied in a planning context of transparency and do not supersede cost obligations as determined by other parts of the Tariff which include but are not limited to transmission service requests, generation interconnection requests, Network Upgrades, Direct Assigned Facilities, or

other cost allocation principles as may be determined by any state having jurisdiction over the Transmission Provider.

2.6.1. Individual Transmission Service Request Costs Not Considered. The costs of upgrades or other transmission investments subject to an existing transmission service request pursuant to the Tariff are evaluated in the context of that transmission service request. Nothing contained in this Attachment K shall relieve or modify the obligations of the Transmission Provider or the requesting Transmission Customer contained in the Tariff.

2.6.2. Rate Recovery. Notwithstanding any other section of this Attachment K, Transmission Provider will not assume cost responsibility for any project if the cost of the project is not reasonably expected to be recoverable in its retail and/or wholesale rates.

2.6.3. Categories of Included Costs. The Transmission Provider shall categorize projects set forth in the Local Transmission Plan for allocation of costs into the following types:

2.6.3.1. Type 1: Type 1 transmission line costs are those related to the provision of service to the Transmission Provider's Network and Native Load Customers. Type 1 costs include, to the extent such agreements exist, costs related to service to others pursuant to grandfathered transmission agreements.

2.6.3.2. Type 2: Type 2 costs are those related to Point-to-Point Transmission Service and requests for service.

2.6.3.3. Type 3: Type 3 costs are those incurred specifically as alternatives to (or deferrals of)

transmission line costs (typically Type 1 projects), such as the installation of distributed resources (including distributed generation, load management and energy efficiency). Type 3 costs do not include Demand Response Resources projects which do not have the effect of deferring or displacing Type 1 costs.

2.6.4. Cost Allocation Principles. Unless an alternative cost allocation process is utilized and described in the Local Transmission Plan, the Transmission Provider shall identify anticipated cost allocations in the Local Transmission Plan based upon the end-use characteristics of the project according to categories of costs set forth above and the following principles:

2.6.4.1. Principle 1: The Commission's regulations, policy statements and precedent on transmission pricing shall be followed.

2.6.4.2. Principle 2: To the extent not in conflict with Principle 1, costs will be allocated consistent with the provisions of Section 8 of this Attachment K.

2.7. Local Economic Studies. Except as otherwise provided in Section 12 of this Attachment K, the following procedures shall govern with respect to Local Economic Studies.

2.7.1. Local Economic Study Requests. Local Economic Study Requests must be submitted pursuant to the procedures outlined in Section 12.3. Transmission Provider may choose to contract, at its discretion, with a qualified third-party to perform Economic Studies.

2.7.2. Categorization of Economic Studies. The Transmission Provider will categorize each Economic Study Request as local or regional. If the Economic Study Request is categorized as regional the Transmission Provider will notify the requesting party and forward the Economic Study Request to NorthernGrid for consideration and processing under NorthernGrid's procedures.

2.7.2.1. Local Economic Studies. A Local Economic Study has the meaning set forth in Section 12.2.2 and will be processed pursuant to Section 12 and, as applicable, this Section 2.

2.7.2.2. Regional Economic Studies. A Regional Economic Study has the meaning set forth in Section 12.2.1, and will be processed pursuant to Section 12.

2.7.2.3. Economic Study Requests Not Applicable. To be considered by the Transmission Provider, any Local Economic Study Request must (1) contain at least one Point of Receipt or Point of Delivery within the Transmission Provider's scheduling footprint, or (2) be reasonably determined by Transmission Provider to be geographically located within the Transmission Provider's scheduling footprint.

2.7.3. Prioritization. Transmission Provider shall prioritize one Economic Study Request to study as part of the local planning process each year of the biennial planning cycle consistent with Section 12.3. In the event that more than one Local Economic Study Requests are received by the Transmission Provider during either Quarter 1 or Quarter 5, the Transmission Provider shall determine which Economic Study will be performed based on (i) evaluation of requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan, (ii) the date and time

of the request, and (iii) input from stakeholders at the Planning Meetings.

2.7.4. Requests. Economic Study Requests shall be submitted pursuant to the requirements of Section 12.3. The party submitting an Economic Study Request shall work in good faith to assist the Transmission Provider in gathering the data necessary to perform the modeling request. To the extent necessary, any coordination between the requesting party and the Transmission Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.7.4.1. The Transmission Provider shall notify the requesting party within ten (10) business days of receipt of a completed Economic Study Request whether or not the request will be included and prioritized as part of the Local Transmission Plan evaluation during Quarter 1 or Quarter 5 of the biennial planning cycle, or whether additional information is required to make an appropriate determination.

2.7.4.2. If the Transmission Provider determines that a specific Local Economic Study Request will not be modeled as part of the planning cycle, the requesting party may request that the Transmission Provider conduct the Economic Study at the requesting party's expense. In this event, the Transmission Provider shall tender an agreement setting forth the estimated cost of the study, the specific data and assumptions, and any other relevant information. The requesting party shall be responsible for the actual cost of the Economic Study.

2.7.4.3. All Local Economic Study Requests that are not accommodated within the current planning cycle shall be deemed withdrawn and returned to the stakeholder without action, and the stakeholder may submit the Local Economic Study Request in the next planning cycle.

2.7.4.4. If the Transmission Provider can feasibly cluster or batch requests, it will make efforts to do so.

2.7.5. Results of the Economic Studies shall be reported consistent with Section 12.5.

2.8. Recovery of Planning Costs. Unless Transmission Provider allocates planning-related costs to an individual stakeholder as permitted under the Tariff, all costs incurred by the Transmission Provider related to the Local Transmission Planning process, or as part of the regional, or interregional planning process, shall be included in the Transmission Provider's transmission rate base.

2.9. Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan. Eligible Customers and stakeholders shall utilize the dispute resolution process set forth in Section 13 to address all procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan.

2.10. Transmission Business Practice. The Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS shall provide additional detail explaining how the Transmission Provider will implement this Attachment K during each planning cycle.

2.11. Openness

2.11.1. Participation. All affected stakeholders may attend Local Transmission Plan meetings and/or submit comments, LTP Re-Study Requests, Economic Study Requests, or other information relevant to the planning process. Transmission Provider may establish

focus groups as part of the planning process to facilitate specific planning efforts.

2.11.2. Critical Energy Infrastructure Information (CEII). Any stakeholder and the Transmission Provider participating in the planning process must agree to adhere to the Commission's guidelines concerning CEII. Additional information concerning CEII, including a summary list of data that is determined by the supplying party to be deemed CEII, shall be posted by the Transmission Provider on OASIS, and updated regularly.

2.11.3. Confidential Information. Stakeholders and the Transmission Provider shall identify each confidential document supplied during the transmission planning process. Any stakeholder or the Transmission Provider seeking access to such confidential information must agree to adhere to the terms of a confidentiality agreement. The form of Transmission Provider's confidentiality agreement shall be developed initially by the Transmission Provider and posted on OASIS. Thereafter, stakeholders shall have an opportunity to submit comments on the form of confidentiality agreement. Confidential information shall be disclosed in compliance with Standards of Conduct, and only to those participants in the planning process that require such information and that execute the confidentiality agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

Part C. NorthernGrid's Enrolled Region Transmission Planning Process

3. Introduction

NorthernGrid is an unincorporated association of entities that either own or operate, or that propose to own or operate, electric transmission facilities in the Western Interconnection. NorthernGrid promotes coordinated, open, and transparent transmission planning and facilitates compliance with certain FERC transmission planning directives for the Enrolled Parties. Transmission Provider participates in NorthernGrid's transmission planning processes as set forth in this Attachment K.

NorthernGrid is to develop a Regional Transmission Plan each Planning Cycle as described in this Attachment K. The Regional Transmission Plan is not intended to be a construction plan; however, the Regional Transmission Plan is intended to provide insight and information regarding regional transmission planning.

Parts C and D of Attachment K set forth NorthernGrid's Enrolled Region process to be used in developing the Regional Transmission Plan. Part E of Attachment K addresses local and regional economic study requests.

4. Participation and Information Access

4.1 Enrolled Parties

4.1.1 Identification

The Enrolled Parties are:

Avista Corporation;
Idaho Power Company;
MATL LLP;
NorthWestern Corporation;
PacifiCorp;
Portland General Electric Company; and
Puget Sound Energy, Inc.

4.1.2 Updates to Enrolled Parties List

Transmission Provider is to revise the list of Enrolled Parties in Section 4.1.1 of this Attachment K to add any entity that enrolls pursuant to Section 4.2.2, or to remove any entity that withdraws (or is deemed to have withdrawn) as an Enrolled Party.

4.2 **Becoming an Enrolled Party**

4.2.1 **Eligibility**

Any Person that satisfies the requirements of sub-sections (i) and (ii) is eligible to and may seek to become an Enrolled Party.

- (i) The Person owns or operates, or proposes to own or operate, transmission facilities in the United States portion of the Western Interconnection.
- (ii) The Person's transmission facilities (whether owned, operated or proposed) within the United States portion of the Western Interconnection are (or are proposed to be) electrically interconnected with another Enrolled Party's transmission facilities or the transmission facilities of a Non-Jurisdictional Entity that utilizes NorthernGrid for transmission planning.

4.2.2 **Process to become an Enrolled Party**

A Person shall demonstrate eligibility and request to become an Enrolled Party by submitting a completed application form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.

The Person becomes an Enrolled Party on the date it satisfies the requirements of subsections (i), (ii), and (iii) below.

- (i) The Person demonstrates eligibility pursuant to Section 4.2.1.
- (ii) The Person places into effect either an Attachment K to its Open Access Transmission Tariff if FERC requires the Person to have an Open Access Transmission Tariff, or in the case of a Non-Jurisdictional Entity, executes an agreement that is consistent with this Tariff that defines NorthernGrid's processes for producing a Regional Transmission Plan, Enrolled Party responsibilities, and stakeholder involvement.

- (iii) The Person becomes a party to the Funding Agreement.

4.2.3 Process for Non-Incumbent Transmission Developers to Participate

Provided it is not an Enrolled Party, a Non-Incumbent Transmission Developer that intends to propose a transmission project for evaluation and potential selection into the regional plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and pay the study fee indicated in that agreement.

4.2.4 Process for Interregional Transmission Project Proponents to Participate

Provided it is not an Enrolled Party, an Interregional Transmission Project Proponent that intends to propose an ITP for evaluation and potential selection into the regional transmission plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto.

4.2.5 Duration of Enrollment for Enrolled Parties

Enrolled Party status is retained, unless or until such time as the entity withdraws, or is deemed to have withdrawn, in accordance with Section 4.3 of this Attachment K.

4.2.6 Expectations of an Enrolled Party

Each Person that becomes an Enrolled Party pursuant to Section 4.2.2 is expected to actively participate in the transmission planning processes set forth in this Attachment K.

4.3 Withdrawal of Enrolled Party

4.3.1 Notice of Enrolled Party Withdrawal

Any Enrolled Party may withdraw from being an Enrolled Party by providing written notice of withdrawal to the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee, at the address listed on the NorthernGrid Website, and to each other Enrolled Party, at the address listed for each Enrolled Party on NorthernGrid's Website.

4.3.2 Effective Date of Notice of Withdrawal

If an Enrolled Party provides notice of withdrawal in accordance with Section 4.3.1, such withdrawal will be effective the end of the Planning Cycle in which such written notice of withdrawal is received by the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee; *provided, however*, if the withdrawing Enrolled Party is a Non-Jurisdictional Entity, such withdrawal shall be effective upon the receipt, by the Enrolled Parties' chair of the Enrolled Parties' Planning Committee, of the written notice of withdrawal from such Enrolled Party.

4.3.3 Deemed Withdrawal

Any Person enrolled as an Enrolled Party pursuant to Section 4.2.2 must remain a party to the Funding Agreement. If an Enrolled Party ceases being a party to the Funding Agreement, such Enrolled Party shall be deemed to have withdrawn as an Enrolled Party thirty (30) calendar days after the date such Enrolled Party ceases being a party to the Funding Agreement.

4.3.4 Significance of Withdrawal

Upon the effective date of withdrawal or deemed withdrawal of an Enrolled Party, all rights and obligations of the withdrawing Enrolled Party under this Attachment K shall terminate; *provided* that all obligations and liabilities of such withdrawing Enrolled Party, including any obligation with regard to any Costs allocated to such Enrolled Party in accordance with this Attachment K, accrued prior to the date upon which withdrawal of such Enrolled Party is effective, as provided in Section 4.3.2 or 4.3.3 (as applicable), are preserved until satisfied.

4.4 Participation by Merchant Transmission Developer

A Merchant Transmission Developer that has either executed the Funding Agreement or executed a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and paid a study fee in accordance with such agreement, may submit a Merchant Transmission Project into the Planning Cycle in accordance with Section 5.2.3.4.

4.5 Stakeholder Participation

Any Person may attend public meetings, and any Person may submit comments to materials published on the NorthernGrid Website for public comment according to the instructions included with the materials. NorthernGrid is to post notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in

advance of such meeting. The meeting notice will identify the date, time, and location of the meeting.

4.6 Engagement of States

State participation in the processes in this Attachment K is described in the Enrolled Parties and States Committee Charter.

4.7 Sensitive Information

4.7.1 Protocols for Treatment and Labeling of CEII or Confidential Information

Any Person seeking to participate in the processes of this Attachment K must adhere to the rules and/or guidelines established by the Enrolled Parties concerning CEII or Confidential Information. Those rules and any guidelines will be posted on the NorthernGrid Website and updated as necessary. Confidential Information and CEII must be clearly marked as such.

4.7.2 Requesting and Processing Information Requests

A Person may request information from NorthernGrid by completing and submitting a written request form available on the NorthernGrid Website, specifying the information being requested. The Enrolled Parties Planning Committee is to determine whether any of the requested information includes CEII or Confidential Information. NorthernGrid is to provide to the requestor the information requested that NorthernGrid does not identify as information that includes any CEII or Confidential Information.

If the requested information includes CEII or Confidential Information, NorthernGrid is to notify the requestor in writing that information requested by such requestor includes CEII or Confidential Information and that the requestor must comply with restrictions imposed on access to and use of such data (such as a non-disclosure agreement) by the entity that owns such data. NorthernGrid is, to the extent practicable, to inform the requestor of the entities with which it must enter into a non-disclosure agreement. To the extent any other entity's Confidential Information is contained within the work product of NorthernGrid, any non-disclosure agreements must be obtained with such entity prior to disclosure of Confidential Information by NorthernGrid.

The requestor shall work with each entity, as applicable, to execute non-disclosure agreements. Once NorthernGrid has

received confirmation that applicable non-disclosure agreements have been executed, it is to provide the Confidential Information or CEII to the requestor. In no event shall the Transmission Provider or NorthernGrid be required to produce or provide to any Person information in violation of any applicable law, regulation, or other legal requirement.

NorthernGrid Planning Cycle

5. Data Gathering/Study Scope Inputs

5.1 Responsibility

The Enrolled Parties Planning Committee is to gather data to prepare the Study Scope and perform certain evaluations as set forth in this Attachment K.

5.2 Data Gathering

5.2.1 General from Stakeholders

Any stakeholder may submit data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Projects submitted by stakeholders as well as Conceptual Solutions derived from stakeholder information may become Sponsored Projects that may be submitted for evaluation and/or cost allocation pursuant to Section 5.2.3.1 or 5.2.3.2, or they may be submitted for evaluation and cost allocation pursuant to Section 5.2.3.3. A stakeholder shall use the Data Submittal Form to submit data and Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the Submittal Window. Untimely submissions will not be considered.

5.2.2 Enrolled Party Information

Each Enrolled Party is to submit the following information to NorthernGrid within the Submittal Window:

- (i) Its Local Transmission Plan, and the data required by Section 5.2.3.5 for any local project that is to be evaluated by the Enrolled Parties Planning Committee;

- (ii) Any local project the Enrolled Party is identifying and submitting appropriate evidence for, such that the project may be evaluated by the Enrolled Parties Planning Committee for possible classification as a Committed Project;
- (iii) Data used to develop its Local Transmission Plan, including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources;
- (iv) Updates to previously submitted data;
- (v) Enrolled Party Needs, including such needs driven by Public Policy Requirements; and
- (vi) Any other project that such Enrolled Party intends to propose for evaluation in the Planning Cycle, including any Non-Transmission Alternatives or Conceptual Solutions.

5.2.3 Proposing a Project

5.2.3.1 New Sponsored Projects

An Enrolled Party, a Non-Incumbent Transmission Developer, an ITP Proponent, or a Merchant Transmission Developer (each individually referred to as a Project Sponsor) may propose a new transmission project (each a "Sponsored Project") for evaluation in a Planning Cycle. At a minimum, the data identified in Table A must be submitted for each project being proposed. For any project submitted for possible classification as a Committed Project, the Project Sponsor must demonstrate, to the reasonable satisfaction of the Enrolled Parties Planning Committee, that the project is a Committed Project. Failure to do so will result in the project being evaluated in the normal course, during the Planning Cycle.

5.2.3.2 Request for Cost Allocation - Sponsored Project

An Enrolled Party, a Non-Incumbent Transmission Developer, and an ITP Proponent that is deemed a Qualified Sponsor or otherwise qualifies as a Qualified Developer in accordance with Section 7 below, may propose a Sponsored Project for evaluation and potential selection in the Regional Transmission Plan for

purposes of cost allocation; provided, however, that Non-Transmission Alternatives are not eligible to be selected for purposes of cost allocation.

A Qualified Sponsor/Qualified Developer shall use the Data Submittal Form to submit data and may use Table A below, as guidance for the types of data to be submitted. Qualified Sponsors/Qualified Developers shall submit such data to NorthernGrid within the Submittal Window, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." A Qualified Sponsor/Qualified Developer may withdraw its Request for Cost Allocation at any time by providing written notice to the Chair of the Cost Allocation Task Force. In the event that all Qualified Sponsors/Qualified Developers of a specific Potential Cost Allocation Project withdraw their Request(s) for Cost Allocation, such project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

5.2.3.3 Request for Cost Allocation - Un-sponsored Project

Any Enrolled Party, Non-incumbent Transmission Developer, or ITP Proponent (only with regard to unsponsored projects that are ITPs) may propose an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation. However, each unsponsored project is dependent upon an otherwise Qualified Sponsor/Qualified Developer to submit a Request for Cost Allocation on behalf of the unsponsored project. A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." If no Qualified Sponsor/Qualified Developer submits a Requests for Cost Allocation for an otherwise unsponsored transmission project, such unsponsored project will be removed from the Regional Transmission Plan.

Any Enrolled Party, Non-incumbent Transmission Developer, or ITP Proponent proposing an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation, shall use the Data Submittal Form to submit relevant data about the project and shall use Table A and Section 5.2.3.6 below, for the types of data to be submitted. Such data shall be submitted to

NorthernGrid within the Submittal Window, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

If a Request for Cost Allocation is made on behalf of an unsponsored project, such request may later be withdrawn by the Qualified Sponsor/Qualified Developer who requested cost allocation but providing written notice to the chair of the Cost Allocation Task Force. If the Request for Cost Allocation is withdrawn, such unsponsored project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

5.2.3.4 Merchant Transmission Projects

A Merchant Transmission Developer may submit a Merchant Transmission Project for evaluation in the Planning Cycle by submitting the data identified in Table A below, to be submitted by Merchant Developers, and thereby have its project recognized as a "Sponsored Project." However, Merchant Transmission Projects shall not be considered for cost allocation.

5.2.3.5 Minimum Data Submittal Requirements ("Project Data" or "Table A")

| Table A. Project Data Requirements | | | |
|---|--|---|---|
| | Data/Information to be provided | Everyone except Merchant Transmission Developers | Merchant Transmission Developers |
| A | Proposed project name and name of Project Sponsor; if project is an unsponsored project, please clearly label project as "Unsponsored" | Y | Y |
| B | Whether or not project is claimed to be a Committed Project | Y | Y |
| C | Whether Project Sponsor intends to | Y | N |

| Table A. Project Data Requirements | | | |
|---|--|---|---|
| | Data/Information to be provided | Everyone except Merchant Transmission Developers | Merchant Transmission Developers |
| | request cost allocation | | |
| D | Identify the Enrolled Party Needs to be addressed and whether any such Enrolled Party Needs are driven by Public Policy Requirements | Y | Optional |
| E | Identify location of project, including map of proposed route | Y | Y |
| F | Any new facilities comprising the project (e.g., new substations and transmission lines) | Y | Y |
| G | Voltage level (including AC or DC) | Y | Y |
| H | Structure type (wood, steel, single-circuit, double-circuit, etc.) | Y | Y |
| I | Conductor type, mileage, configuration, and electrical parameters of components as necessary to model them accurately in power flow simulations (e.g., resistance, reactance, charging, ratings, etc.) | Y | Y |
| J | Project terminal facilities and any | Y | Y |

Table A. Project Data Requirements

| | Data/Information to be provided | Everyone except Merchant Transmission Developers | Merchant Transmission Developers |
|---|--|---|---|
| | reactive elements (in MVAR) | | |
| K | "Estimated Cost" of project | Y | Optional |
| L | Development schedule of the project | Y | Y |
| M | Planned in-service date of the project | Y | Y |
| N | Whether the project is being proposed as an Interregional Transmission Project (ITP) | Y | N |
| O | If the project is an Interregional Transmission Project, a list of all Relevant Planning Regions to which the Interregional Transmission Project has been, or is to be, submitted for evaluation | Y | N |
| P | Whether the project is a Merchant Transmission Project | N | Y |
| Q | Additional technical studies and analysis, if performed | Y | Y |

| Table A. Project Data Requirements | | | |
|---|--|---|---|
| | Data/Information to be provided | Everyone except Merchant Transmission Developers | Merchant Transmission Developers |
| R | Economic Considerations ¹ | Y | Optional |

If the Enrolled Parties Planning Committee determines that additional information is necessary or appropriate, it may request the additional information at any time and the Project Sponsor shall promptly provide such other information as may reasonably be requested.

5.2.3.6 Additional Information about Potential Cost Allocation Projects

Within fifteen (15) calendar days of submitting a Request for Cost Allocation for a Potential Cost Allocation Project in accordance with Section 5.2.3.2, the Qualified Sponsor/Qualified Developer of such Potential Cost Allocation Project shall, to the extent not already provided, submit the following additional information about the Potential Cost Allocation Project:

- (i) Qualified Sponsor's/Qualified Developer's anticipated role regarding the Potential Cost Allocation Project (e.g., intends to be the developer, owner, and/or operator of the Potential Cost Allocation Project) and the identity of any other entity that proposes to participate in the development, ownership, or operation of the Potential Cost Allocation Project;
- (ii) Required steps for developing the Potential Cost Allocation Project, such as granting of state, federal, and local approvals and obtaining easements necessary to develop and construct the Potential Cost Allocation Project so as to timely meet the Enrolled

¹ Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.

Party Need(s), and the current status regarding any such steps;

- (iii) Anticipated transfer capability or path rating increase associated with the Potential Cost Allocation Project;
- (iv) A list of new facility outages that should be analyzed as a result of the Potential Cost Allocation Project; and
- (v) All data underlying the calculation of estimated costs; must share sufficient detail to allow the Cost Allocation Task Force to determine the Cost of the Potential Cost Allocation Project (Note: cost estimates may be compared to the WECC calculator).

The Enrolled Parties Planning Committee or the Cost Allocation Task Force may request additional information at any time and the Qualified Sponsor/Qualified Developer shall promptly provide such other information as may reasonably be requested.

5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan

Any Sponsored Project included in the prior Regional Transmission Plan for which the Project Sponsor does not intend to request Cost Allocation in the current Planning Cycle must be re-submitted as a Sponsored Project within the Submittal Window, along with updates to the information required by Table A, to be considered in the then-current Planning Cycle. To the extent a Project Sponsor fails to submit updated information identified in Table A, then only that information readily available to the Enrolled Parties Planning Committee shall be utilized. Sponsored Projects included in the prior Regional Transmission Plan will no longer be included in the Regional Transmission Plan for the current Planning Cycle if:

- (i) Such project no longer satisfies an Enrolled Party Need; or
- (ii) The Project Sponsor has withdrawn its project.

5.2.3.8 Updating Previous Cost Allocation
Projects included in the prior Regional
Transmission Plan

The previously Qualified Developer of any Cost Allocation Project selected in the prior Regional Transmission Plan must again qualify in the current Planning Cycle as a Qualified Developer under Section 7.1.2 by submitting, within the Submittal Window, updates to the information required by Table B, until such Cost Allocation Project either (i) is no longer to be included in a Regional Transmission Plan or (ii) has been demonstrated by the Qualified Developer to be a Committed Project. Updates to the information listed in Table A and Section 5.2.3.6 is also requested. However, to the extent a Qualified Developer fails to submit updated information identified in Table A and Section 5.2.3.6, only that information that is readily available to the Enrolled Parties Planning Committee and the Cost Allocation Task Force shall be utilized. Cost Allocation Projects selected in the prior Regional Transmission Plan will not be included in the Regional Transmission Plan as a Cost Allocation Project for the current Planning Cycle if, in the Planning Cycle, it is determined that:

- (i) All who originally submitted a Request for Cost Allocation on behalf of such project no longer satisfy the criteria in the current Planning Cycle as Qualified Developers under Section 7.1.2;
- (ii) Such project no longer satisfies an Enrolled Party Need;
- (iii) All that properly submitted a Request for Cost Allocation with respect to such Cost Allocation Project have withdrawn their Requests for Cost Allocation;
- (iv) The project is no longer determined to be a more efficient or cost-effective solution to an Enrolled Party Need; or
- (v) Such project has been in the Regional Transmission Plan for three successive Planning Cycles and the Qualified Developer has not demonstrated that such project has achieved the status of being a Committed Project.

5.2.4 Submittal Form and Due Date

All data/information, including Request for Cost Allocation, submitted pursuant to the requirements described in Sections 5.2.1 through 5.2.3 shall be submitted within the Submittal Window to NorthernGrid using the Data Submittal Form (available on the NorthernGrid Website), consistent with the instructions available on the NorthernGrid Website.

5.2.5 Use of Submitted Information

By submitting data/information pursuant to this Attachment K, the submitting entity authorizes the use of the information in all NorthernGrid processes without compensation in any form. Any data/information made available or otherwise provided shall be "AS IS" and any reliance on such information is at one's own risk, without warranty and without any liability of NorthernGrid (or any committee or committee members of NorthernGrid), Transmission Provider, or any entity supplying information.

5.3 Review of Submitted Information

The Enrolled Parties Planning Committee is to review the information submitted in accordance with Section 5.2.3. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to meet the information requirements set forth in Section 5.2.3, the Enrolled Parties Planning Committee is to notify the Project Sponsor/Qualified Sponsor/Qualified Developer of the reasons for such failure. Each Project Sponsor/Qualified Sponsor/Qualified Developer shall have an opportunity to remedy deficiencies in their submitted data/information. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to fully remedy such deficiencies by the first April 15th of the Planning Cycle, that Project Sponsor's/Qualified Sponsor's/Qualified Developer's proposed transmission project and/or Request for Cost Allocation shall be deemed withdrawn.

5.4 Untimely or Improperly Submitted Requests or Submittals of Information

Untimely (i.e., information received by NorthernGrid prior to the opening of the Submittal Window or after the Submittal Window has closed, with the exception of information submitted on or before the first April 15th of the Planning Cycle to remedy a deficiency notice from the Enrolled Parties Planning Committee) or improperly submitted requests made pursuant to 5.2.3, will not be considered.

6. Development of Draft Regional Transmission Plan

6.1 Study Scope Development

The Enrolled Parties Planning Committee is to develop a draft Study Scope. The draft Study Scope shall describe:

- a. Projects submitted, and data gathered in accordance with Section 5.2;
- b. Any Committed Projects (If any project included in the prior Regional Transmission Plan is determined by the Enrolled Parties Planning Committee to be a Committed Project, such project shall be included in the Draft Regional Transmission Plan as a Committed Project and shall not be subject to further evaluation in this Planning Cycle);
- c. The detailed study methodology;
- d. Reliability criteria to be considered;
- e. Enrolled Party Needs, including needs driven by Public Policy Requirements;
- f. Assumptions (including loads, resources, desired flows, constraints);
- g. Baseline Projects of Enrolled Parties;
- h. Each Alternative Project to be considered;
- i. Each Non-Transmission Alternative to be considered;
- j. Databases to be utilized; and
- k. Evaluation scenarios.

6.2 Review and Comment; Consideration of Comments; Update Study Scope

Upon completion of the development of the draft Study Scope, the Enrolled Parties Planning Committee is to provide the draft Study Scope to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the draft Study Scope. The Enrolled Parties Planning Committee will make modifications to the draft Study Scope as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the draft Study Scope and solicit comments from stakeholders.

NorthernGrid is to post the draft Study Scope and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the draft Study Scope to stakeholders for comment. Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the draft Study Scope. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; *provided that* either Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond; and
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, and finalize the Study Scope.

After considering stakeholder comments, NorthernGrid is to post the final Study Scope on the NorthernGrid Website. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan, including the rationale for selecting and excluding transmission needs driven by Public Policy Requirements.

6.3 Analysis; Documentation in Draft Regional Transmission Plan

The Enrolled Parties Planning Committee is to evaluate combinations of the Baseline Projects of Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs ("Regional Combination"). If a project does not meet any Enrolled Party Need, it will not be considered by Enrolled Parties for inclusion in the Draft Regional Transmission Plan.

Once the Enrolled Parties Planning Committee becomes aware of a Material Adverse Impact on a Neighboring System caused by a Sponsored Project or Alternative Project identified in the Regional Combination, the Project Sponsor is to coordinate with the Neighboring Systems to assess the facilities necessary to mitigate the Material Adverse Impact on the Neighboring Systems. If the Material Adverse Impact cannot be mitigated (by actions within the Enrolled Region or the Neighboring Systems), or the

Project Sponsor does not identify solutions to mitigate the Material Adverse Impact on the Neighboring Systems, the Sponsored Project or Alternative Project identified in the Regional Combination will not be selected into the Draft Regional Transmission Plan. The Project Sponsor will provide the Mitigation Cost for each Material Adverse Impact to the Enrolled Parties Planning Committee. The Enrolled Parties Planning Committee will determine the Mitigation Cost for each Material Adverse Impact for any Conceptual Solution. The Enrolled Parties Planning Committee will review and adjust the Mitigation Cost for each project and then associate the Mitigation Cost of each Material Adverse Impact to each project causing the Material Adverse Impact. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan.

6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan

Upon development of the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to provide the Draft Regional Transmission Plan to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the Draft Regional Transmission Plan. The Enrolled Parties Planning Committee will make modifications to the Draft Regional Transmission Plan as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the Draft Regional Transmission Plan and solicit comments from stakeholders. The Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the Draft Regional Transmission Plan to stakeholders for comment. Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the Draft Regional Transmission Plan. Comments may include changes to the data provided pursuant to Section 5.2.

Enrolled Parties Planning Committee is to:

- a. Post any written comments received;

- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Enrolled Party Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Study Scope based upon additional information about new or changed circumstances related to loads, resources, transmission projects or Alternative Solutions, or identified changes to data provided and then, based upon the updated Study Scope, update the analysis performed in accordance with Section 6.3 "Analysis; Documentation in the Draft Regional Transmission Plan;" and
- d. Make modifications in response to comments received and/or make modifications resulting from the updated analysis performed in accordance with sub-section (c) above, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Regional Transmission Plan.

6.5 Comparability

In developing the Study Scope and the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to consider all timely submitted information, including information and comments received from stakeholders, comparably to address Enrolled Party Needs including reliability requirements, economic considerations, and Public Policy Requirements.

7. Qualifying to Request Cost Allocation

7.1 Qualification Process for/to Submit a Project for Cost Allocation

7.1.1 Qualification to Request Cost Allocation

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3) or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does not intend to develop the project for which it intends to submit a Request for Cost Allocation, is deemed a Qualified Sponsor. Any Enrolled Party, Non-Incumbent Transmission

Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does intend to develop the project for which it intends to submit a Request for Cost Allocation must first qualify in accordance with Section 7.1.2 to become a Qualified Developer.

7.1.2 Qualification Process

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that intends to develop a project for which it intends to submit a Request for Cost Allocation must submit, within the Submittal Window, the qualification data described in Table B below, through the NorthernGrid Website, using the Developer Qualification Data Form found on the NorthernGrid Website.

| Table B. Developer Qualification Data Requirements | | |
|---|---|---|
| Category | Information to be Provided | Criteria for Evaluation of Information |
| Project Sponsor's Identification | 1. name 2. address 3. primary contact information, including: (i) name and title (ii) phone number (iii) address (iv) email address | Assess whether required data was submitted. |
| Project Sponsor's Experience | 1. years in business 2. description of any relevant experience, including management and technical experience, developing, constructing, owning, and/or operating a project of similar size and scope as the Sponsored Project | Assess whether information indicates experience, including managerial and technical expertise in developing, constructing (or managing construction), owning, and/or operating comparable projects. |

| Table B. Developer Qualification Data Requirements | | |
|---|--|---|
| Category | Information to be Provided | Criteria for Evaluation of Information |
| Reliance on Third Parties | 1. identification of any third parties that the Project Sponsor intends to rely on for management, development, operating, or technical expertise 2. description of the expertise the third party is expected to provide 3. information from which such third party's financial ability to perform can be evaluated, which may include information substantially similar to the information listed with regard to the Project Sponsor's financial ability below | Assess whether information indicates the third party has experience, including managerial and technical expertise in developing, constructing (or managing construction), and/or operating comparable projects. |
| Project Sponsor's Financials | 1. demonstrate that Project Sponsor, or Project Sponsor's parent, has either an investment grade rating or has a minimum tangible net worth of \$1,000,000 or total assets of \$10,000,000 2. provide information from which Project Sponsor's creditworthiness can be evaluated, which may include the following (to the extent they exist): (i) most recent annual report (ii) most recent quarterly report (iii) last two most recent audited year-end financial statements | Assess whether the information was submitted and satisfied the criteria. |

| Table B. Developer Qualification Data Requirements | | |
|---|--|---|
| Category | Information to be Provided | Criteria for Evaluation of Information |
| | (iv) rating agency reports (v) any material issues that could affect the credit rating, including any pending or expected litigation or investigations (vi) other information supporting Project Sponsor's financial ability | |
| Affirmation | a signed affirmation by an authorized officer of Project Sponsor that the information provided under this Section is true, accurate, and complete to the best of such authorized officer's knowledge and belief | Assess whether the information was submitted. |

7.1.3 Evaluation of Project Sponsor Submissions

The data submitted pursuant to Section 7.1.2 shall be evaluated to determine whether such entity has the minimum qualifications to develop the project submitted. For each Planning Cycle the Cost Allocation Task Force is to apply the criteria identified in Table B in a comparable and non-discriminatory manner. The sufficiency of the qualification data will be determined by the Cost Allocation Task Force. The Cost Allocation Task Force Co-Chairs are to provide the Project Sponsor with written notice of the Cost Allocation Task Force's determinations. The notice will provide either that the entity satisfies the qualification data requirements or will identify specific deficiencies. An entity that has satisfied the qualification data requirements is referred to as a "Qualified Developer."

7.1.4 Opportunity to Cure Deficiencies and Failure to Cure

If the Cost Allocation Task Force identifies deficiencies in the qualification data submitted by an entity, such entity has fifteen (15) calendar days from the date of notice of

deficiencies to cure the identified deficiencies. If deficiencies are not timely cured, the Cost Allocation Task Force Chair is to provide the entity with written notice that it is not qualified to develop the project for which it intended to request cost allocation pursuant to Sections 5.2.3.2 or 5.2.3.3 in the Planning Cycle. An entity that fails to become a Qualified Developer may seek to qualify during the Submittal Window in the next Planning Cycle.

8. Cost Allocation

8.1 Projects Eligible for Cost Allocation Consideration

The Cost Allocation Task Force is to identify whether a cost allocation analysis is required for any Potential Cost Allocation Project that was identified within a Regional Combination in Section 6.3 and included in the Draft Regional Transmission Plan. This is to be accomplished by the Cost Allocation Task Force confirming that each such Potential Cost Allocation Project has Estimated Costs exceeding \$20 million. Such a Potential Cost Allocation Project is then referred to as a "Project for Cost Allocation Consideration." Any Potential Cost Allocation Project with Estimated Costs that do not exceed \$20 million will no longer be considered for cost allocation in the Planning Cycle.

8.2 Cost of Projects for Cost Allocation Consideration

The Cost Allocation Task Force is to determine the Cost of each Project for Cost Allocation Consideration as set forth in this Section 8.2.

8.2.1 Cost of a Project That Is Not an ITP

When determining the Cost of a project that is not an ITP, the Cost Allocation Task Force shall include the following, as applicable:

- a. Estimated Cost submitted pursuant to row K of the Table found in Section 5.2.3.5, as such may be updated pursuant to either Section 5.2.3.8 or Section 6.4;
- b. Mitigation Cost identified in Section 6.3, to mitigate the Material Adverse Impact on the Neighboring Systems associated with a Project for Cost Allocation Consideration.

When doing so, the Cost Allocation Task Force may make adjustments to the Estimated Cost and Mitigation Cost submitted,

using the WECC Transmission Capital Costs Calculator (or some other recognized means), as the members of the Cost Allocation Task Force in their professional judgment determine to be necessary. Such adjustments are to be explained in the Draft Regional Transmission Plan.

8.2.2 Cost of an ITP

With respect to the Cost of an ITP, the Cost Allocation Task Force shall use the Assigned Regional Costs from Interregional Cost Allocation, as determined in accordance with Section 11.6.

8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to evaluate the Projects for Cost Allocation Consideration to determine whether any such projects are a more efficient or cost-effective solution to an Enrolled Party Need.

In determining whether a Project for Cost Allocation Consideration is the more efficient or cost-effective solution to an Enrolled Party Need, the Cost Allocation Task Force is to consider the following factors:

- a. Sponsorship and degree of development;
- b. Feasibility;
- c. Coordination with any affected transmission system;
- d. Economics;
- e. Effectiveness of performance;
- f. Satisfaction of an Enrolled Party's Need, including the extent to which the proposed solution satisfies multiple Enrolled Parties' Needs;
- g. Mitigation of any Material Adverse Impact of such proposed solution on any transmission system; and
- h. Consistency with applicable state, regional, and federal planning requirements and regulations.

No single factor is necessarily to be determinative in evaluating proposed solutions to address Enrolled Party(ies) Needs.

Any Project for Cost Allocation Consideration that is determined to be more efficient or cost-effective will then be incorporated

within the Draft Regional Transmission Plan as an "Eligible Cost Allocation Project." The Cost Allocation Task Force is to document its analysis and results in the Draft Regional Transmission Plan, including analysis and results regarding any Project for Cost Allocation Consideration that is determined to not be the more efficient or cost-effective and thus not eligible for cost allocation.

8.4 Benefits of An Eligible Cost Allocation Project

The Benefits of any Eligible Cost Allocation Project are, Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability directly attributable to such Eligible Cost Allocation Project. Each Benefit is described and will be evaluated as set forth below. In calculating the net present value of a Benefit, the Cost Allocation Task Force is to apply an interest rate equal to the prime rate published in the first issue of the Wall Street Journal in the then-current year.

8.4.1 Deferred Costs

Deferred Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Deferred Costs of an Enrolled Party for an Eligible Cost Allocation Project are the projected avoided costs of such Enrolled Party's deferred transmission facilities and operations and maintenance costs over the Regional Planning Horizon that are directly attributable to such Eligible Cost Allocation Project. Deferred Costs are to be calculated for each Enrolled Party based on the borrowing costs (i.e., interest costs) projected to be avoided by such Enrolled Party during the Regional Planning Horizon as a result of the deferral of the capital investment of such deferred facilities (rather than the capital costs themselves of such facilities), plus the incremental operations and maintenance costs of such deferred facilities projected to be avoided by such Enrolled Party during the Regional Planning Horizon as a direct result of such Eligible Cost Allocation Project. These Deferred Costs will be adjusted to net present value as of the end of the Planning Cycle.

8.4.2 Avoided Capital Costs

Avoided Capital Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Avoided Capital Costs of an Enrolled Party for an Eligible Cost Allocation Project are the avoided costs of eliminated transmission facilities for such Enrolled Party during the Regional Planning Horizon that are directly attributable to such Eligible Cost Allocation Project. Avoided

Capital Costs are to be calculated for each Enrolled Party based on the portion of the projected avoided depreciation expense of such Enrolled Party's eliminated facilities that falls within the Regional Planning Horizon, plus the projected incremental operation and maintenance costs of such eliminated facilities avoided by such Enrolled Party during the Regional Planning Horizon as a direct result of such Eligible Cost Allocation Project. These Avoided Capital Costs will be adjusted to net present value as of the end of the Planning Cycle.

8.4.3 Increased Useful Available Transfer Capability ("ATC")

Increased Useful ATC of an Enrolled Party is a Benefit to such Enrolled Party. The Increased Useful ATC of an Enrolled Party for an Eligible Cost Allocation Project is the increased revenue from sales at cost-based rates projected to be accrued by such Enrolled Party over the Regional Planning Horizon due to an increase in transmission capacity on such Enrolled Party's Transmission System, where such increase in transmission capacity is a direct result of such Eligible Cost Allocation Project. The increased revenue from sales includes both sales enabled on existing transmission facilities as a result of the Eligible Cost Allocation Project and sales revenue for sales on the Eligible Cost Allocation Project. The Qualified Sponsor(s)/Qualified Developer(s) of such Eligible Cost Allocation Project and other Enrolled Parties projected to receive increased sales revenue as a result of the Eligible Cost Allocation Project each may receive a Benefit. This increased revenue will be adjusted to net present value as of the end of the Planning Cycle.

8.5 Allocation of Project Costs to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to identify the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project, evaluate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project, and, if Benefit-to-Cost Ratio is satisfied, allocate Costs of each Eligible Cost Allocation Project to the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project.

8.5.1 Identification of Enrolled Party Beneficiaries

For each Eligible Cost Allocation Project, the Cost Allocation Task Force is to identify the Enrolled Parties that have a Benefit pursuant to Sections 8.4.1, 8.4.2, and/or 8.4.3 directly attributable to such Eligible Cost Allocation Project (each

Enrolled Party that has a Benefit is referred to as an "Enrolled Party Beneficiary").

8.5.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to calculate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project by summing the Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3 for all Enrolled Party Beneficiaries as determined in Section 8.5.1 and dividing that sum by the Cost of such Eligible Cost Allocation Project as determined in Section 8.2.1 (as adjusted for net present value). If the Benefit-to-Cost Ratio calculated for the Eligible Cost Allocation Project is greater than or equal to 1.25, such project is a "Preliminary Cost Allocation Project." In the event the Benefit-to-Cost Ratio for the Eligible for Cost Allocation Project is less than 1.25, such project is no longer eligible for cost allocation. The Cost Allocation Task Force is to incorporate the results into the Draft Regional Transmission Plan and document the reasons for the decisions made.

Example 1: Application of Benefit-to-Cost Ratio (for illustrative purposes only)

| | | |
|--|---|--|
| Cost of Eligible Cost Allocation Project | = | \$1,000M |
| Beneficiary A's Benefits | = | \$600M |
| Beneficiary B's Benefits | = | \$500M |
| Beneficiary C's Benefits | = | <u>\$900M</u> (Beneficiary C is the Sponsor) |
| Total benefits | = | \$2,000M |

In this example, the Benefit-to-Cost Ratio exceeds 1.25 and, therefore, the Eligible Cost Allocation Project becomes classified as a "Preliminary Cost Allocation Project."

8.5.3 Allocation of Costs to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to calculate the allocation of the Cost of each Preliminary Cost Allocation Project to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project. Costs of each Preliminary Cost Allocation Project (less any amount voluntarily accepted by a Person pursuant to

Section 8.5.4) shall be allocated to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project based upon the Benefits (in dollars) applicable to each such Enrolled Party Beneficiary divided by the total Benefits (in dollars) applicable to all Enrolled Party Beneficiaries of such Preliminary Cost Allocation Project with that result multiplied by the Cost of the Preliminary Cost Allocation Project as expressed in the Formula 1 (the "Cost Allocation Methodology"). The Cost Allocation Task Force shall as soon as practical provide each Enrolled Party Beneficiary with the results from its application of the Cost Allocation Methodology for any Preliminary Cost Allocation Project.

Formula 1: Allocation of Costs to Enrolled Party Beneficiaries

$$D = (B/C)A$$

Where, for a Preliminary Cost Allocation Project:

"A" equals the Cost of the Preliminary Cost Allocation Project as determined in Section 8.2.1 (less any amount accepted by a Person pursuant to Section 8.5.4).

"B" equals the dollar amount of Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3, for a specific Enrolled Party Beneficiary.

"C" equals the dollar amount of the sum of Benefits calculated in Sections 8.4.1, 8.4.2, and 8.4.3, for all Enrolled Party Beneficiaries.

"D" equals the dollar amount of the Cost of the Preliminary Cost Allocation Project to be allocated to the specific Enrolled Party Beneficiary for which "B" applies.

This formula is to be applied to each Enrolled Party Beneficiary of the Preliminary Cost Allocation Project.

Example 2: Allocation of Costs to Enrolled Party Beneficiaries (for illustrative purposes only)

Example 2 builds upon the facts described in Example 1 above, and allocates the Preliminary Cost Allocation Project's \$1,000M costs to each Enrolled Party Beneficiary as follows:

Enrolled Party Beneficiary A:

$$(\$600M/\$2,000M)\$1,000M=\$300M$$

Enrolled Party Beneficiary B:

| | |
|-------------------------------|---------------|
| (\$500M/\$2,000M)\$1,000M = | \$250M |
| Enrolled Party Beneficiary C: | |
| (\$900M/\$2,000M)\$1,000M = | <u>\$450M</u> |
| Total | = \$1,000M |

8.5.4 Acceptance of Costs; Removal from Cost Allocation

Upon receipt of the results of the Cost Allocation Task Force's application of the Cost Allocation Methodology to a Sponsored Preliminary Cost Allocation Project pursuant to Section 8.5.3 and prior to the Cost Allocation Task Force transmitting its results to the Planning Committee for inclusion in the Draft Regional Transmission Plan, the Enrolled Parties shall have thirty (30) calendar days to arrange participant funding for the Preliminary Cost Allocation Project (the "Negotiation Period"). On or before the conclusion of the Negotiation Period, the Project Sponsor shall notify the Cost Allocation Task Force of its election to proceed based upon one of the following three options:

- a. Continue with Cost Allocation - whereby the Cost Allocation Task Force is to proceed with notifying the Planning Committee of the results of its cost allocation.
- b. Hybrid Allocation—whereby the Project Sponsor includes with its notice of election a writing signed by one or more Persons (excluding Beneficiaries) agreeing to accept a specific allocation of the Cost of a Preliminary Cost Allocation Project ("Voluntary Allocation").
- c. Withdrawal —whereby the Project Sponsor voluntarily withdraws its request for cost allocation of the Preliminary Cost Allocation Project in the Planning Cycle.

In the event the "Continue with Cost Allocation" option is selected, the Cost Allocation Task Force shall provide the Planning Committee with the results of its cost allocation.

In the event the "Hybrid Allocation" option is selected, the Cost Allocation Task Force shall subtract the amount of Voluntary Allocation from the Cost of the Preliminary Cost

Allocation Project. The Cost Allocation Task Force shall then allocate the remainder of the Cost of the Preliminary Cost Allocation Project to the Beneficiaries in accordance with the methodology set forth in Section 8.5.3 and provide the Planning Committee with the results of its cost allocation that takes into account the Voluntary Allocation.

In the event the "Withdrawal" option is selected, the Cost Allocation Task Force shall notify the Planning Committee that the Project Sponsor has withdrawn its request for cost allocation.

8.5.5 Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan

Unless a Preliminary Cost Allocation Project is removed from cost allocation consideration, the Cost Allocation Task Force is to select only Qualified Developer submitted Preliminary Cost Allocation Projects submitted for purposes of cost allocation ("Cost Allocation Project") and incorporate the results from its application of the Cost Allocation Methodology for such Cost Allocation Project in the Draft Final Regional Transmission Plan. The Cost Allocation Task Force will then incorporate and document the analysis, rationale, and results associated with the Qualified Developer's submitted Preliminary Cost Allocation Projects and the conclusion of any negotiation efforts, into the Draft Final Regional Transmission Plan and document the reasons for the decisions made.

8.6 Exclusions

Projects undertaken in connection with requests for interconnection or transmission service under this Tariff will be governed solely by the provisions of the Tariff applicable to such requests for interconnection or transmission service.

9. Regional Transmission Plan

9.1 Preparation and Posting of Draft Final Regional Transmission Plan

The Enrolled Parties Planning Committee is to post a Draft Final Regional Transmission Plan by the end of the last September in the Planning Cycle. The Draft Final Regional Transmission Plan is to include:

- i. A list of each Cost Allocation Project along with the results of the application of the Cost Allocation Methodology for such Cost Allocation Project including identification of each Enrolled Party Beneficiary, the Cost allocated to each such Enrolled Party Beneficiary, and the Benefits identified for each such Enrolled Party Beneficiary;
- ii. Whether, and, if so, the extent to which costs of any Cost Allocation Project were voluntarily assumed by any other Person;
- iii. A list of any ITP(s) for which joint evaluation has been requested; and
- iv. A list of any projects listed as Cost Allocation Projects in the prior Regional Transmission Plan that, in accordance with Section 5.2.3.8, will not be included in the current Regional Transmission Plan as a Cost Allocation Project.

**9.2 Review and Comment; Consideration of Comments; Update
Draft Final Regional Transmission Plan; Regional
Transmission Plan**

The Enrolled Parties Planning Committee is to provide the Draft Final Regional Transmission Plan to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the Draft Final Regional Transmission Plan. The Enrolled Parties Planning Committee will make modifications to the Draft Final Regional Transmission Plan as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to present the Draft Final Regional Transmission Plan, as such Draft Final Regional Transmission Plan may be modified as a result of consideration of the Enrolled Parties and States Committee's comments and solicit comments from stakeholders. NorthernGrid is to post the Draft Final Regional Transmission Plan and notice

of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the Draft Final Regional Transmission Plan. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Final Regional Transmission Plan; and
- d. Cause the Final Regional Transmission Plan developed through the processes outlined in this Attachment K to be issued.

Part D. Interregional Coordination and Cost Allocation Process

10. Interregional Coordination and Cost Allocation Process

10.1 Introduction

This Section 10 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order No. 1000 interregional provisions. NorthernGrid is to conduct the activities and processes set forth in this Section 10 of Attachment K in accordance with the provisions of this Section 10 of Attachment K and the other provisions of this Attachment K.

Nothing in this Section 10 of Attachment K will preclude any transmission owner or transmission provider from taking any action it deems necessary or appropriate with respect to any transmission facilities it needs to comply with any local, state, or federal requirements.

Any Interregional Cost Allocation regarding any ITP is solely for the purpose of developing information to be used in the regional planning process of each Relevant Planning Region, including the regional cost allocation process and methodologies of each such Relevant Planning Region.

References in this Section 10 of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order No. 1000.

10.2 Annual Interregional Information Exchange

Annually, prior to the Annual Interregional Coordination Meeting, NorthernGrid is to make available by posting on the NorthernGrid Website or otherwise provide to each of the other Planning Regions the following information, to the extent such information is available in its regional transmission planning process, relating to regional transmission needs (Enrolled Party Needs) in NorthernGrid's Enrolled Region and Potential Solutions thereto:

- (i) Study Scope or underlying information that would typically be included in a Study Scope, such as:
 - a. Identification of base cases;
 - b. Planning study assumptions; and

c. Study methodologies.

- (ii) initial study reports (or system assessments);
and
- (iii) Regional Transmission Plan.

(Collectively referred to as "Annual Interregional Information.")

NorthernGrid is to post its Annual Interregional Information on the NorthernGrid Website according to its regional transmission planning process. Each other Planning Region may use in its regional transmission planning process NorthernGrid's Annual Interregional Information. NorthernGrid may use, in its regional transmission planning process, the Annual Interregional Information provided by other Planning Regions.

NorthernGrid is not required to make available or otherwise provide to any other Planning Region: (i) any information not developed by NorthernGrid in the ordinary course of its regional transmission planning process; (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region; or (iii) any information if NorthernGrid reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission's Standards of Conduct or any other legal requirement.

Annual Interregional Information made available or otherwise provided by NorthernGrid shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NorthernGrid's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by NorthernGrid shall be "AS IS" and any reliance by the receiving Planning Region on such Annual Interregional Information is at its own risk, without warranty and without any liability of NorthernGrid, Transmission Provider, or any entity supplying information in NorthernGrid's regional transmission planning process, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

10.3 **Annual Interregional Coordination Meeting**

The NorthernGrid Enrolled Region is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NorthernGrid is to host the Annual Interregional

Coordination Meeting in turn with the other Planning Regions and is to seek to convene such meeting in February, but not later than March 31st. The Annual Interregional Coordination Meeting is to be open to stakeholders. NorthernGrid is to provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

At the Annual Interregional Coordination Meeting, topics discussed may include the following:

1. Each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
2. Identification and preliminary discussion of interregional solutions, including Conceptual Solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost-effectively or efficiently; and
3. Updates of the status of any ITP being evaluated or previously included in NorthernGrid's Regional Transmission Plan.

10.4 ITP Joint Evaluation Process

10.4.1 Submission Requirements

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section 10.4.2 by submitting the ITP into the regional transmission planning process of each Relevant Planning Region in accordance with such Relevant Planning Region's regional transmission planning process and no later than March 31 of any even-numbered calendar year. Such proponent of an ITP seeking to connect to a transmission facility owned by multiple transmission owners in more than one Planning Region must submit the ITP to each such Planning Region in accordance with such Planning Region's regional transmission planning process. In addition to satisfying each Relevant Planning Region's information requirements, the proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions to which the ITP is being submitted.

10.4.2 Joint Evaluation of an ITP

For each ITP that meets the requirements of Section 10.4.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning

Region) is to participate in a joint evaluation by the Relevant Planning Regions that is to commence in the calendar year of the ITP's submittal in accordance with Section 10.4.1 or the immediately following calendar year. With respect to any such ITP, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) is to confer with the other Relevant Planning Region(s) regarding the following:

- (i) ITP data and projected ITP costs; and
- (ii) The study assumptions and methodologies it is to use in evaluating the ITP pursuant to its regional transmission planning process.

For each ITP that meets the requirements of Section 10.4.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region):

- a. Is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NorthernGrid's evaluation of the ITP;
- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.4.2 in accordance with its regional transmission planning process;
- c. Is to notify the other Relevant Planning Regions if the NorthernGrid Enrolled Region determines that the ITP will not meet any of its regional transmission needs; thereafter the NorthernGrid Enrolled Region has no obligation under this Section 10.4.2 to participate in the joint evaluation of the ITP; and
- d. Is to process the ITP in accordance with its regional transmission planning process.

10.5 Interregional Cost Allocation Process

10.5.1 Submission Requirements

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section 10.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from the NorthernGrid Enrolled Region and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

10.5.2 Interregional Cost Allocation Process

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) Assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) the NorthernGrid Enrolled Region's regional benefits stated in dollars resulting from the ITP, if any; and
- (iii) Assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to Section 10.6.2) to each Relevant Planning Region using the methodology described in this Section 10.5.2.

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region):

- a. Is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NorthernGrid's analysis;

- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.5.2 in accordance with its regional transmission planning process;
- c. Is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in the NorthernGrid Enrolled Region, NorthernGrid is to use its regional cost allocation methodology, as applied to ITPs;
- d. Is to calculate its assigned pro rata share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;
- e. Is to share with the other Relevant Planning Regions information regarding what its regional cost allocation would be if it were to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation; the NorthernGrid Enrolled Region may use such information to identify its total share of the projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region in order to determine whether the ITP is a more efficient or cost-effective solution to a transmission need in the NorthernGrid Enrolled Region;
- f. Is to determine whether to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation, based on its regional transmission planning process; and
- g. Is to endeavor to perform its Interregional Cost Allocation activities pursuant to this Section 10.5.2 in the same general time frame as its joint evaluation activities pursuant to Section 10.4.2.

10.6 Application of Regional Cost Allocation Methodology to Selected ITP

10.6.1 Selection by All Relevant Planning Regions

If the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) and all of the other Relevant Planning Regions select an ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

10.6.2 Selection by at Least Two but Fewer than All Relevant Planning Regions

If the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) and at least one, but fewer than all, of the other Relevant Planning Regions select the ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NorthernGrid is to evaluate (or reevaluate, as the case may be) pursuant to Sections 10.5.2 (d), 10.5.2 (e), and 10.5.2 (f) above whether, without the participation of the non-selecting Relevant Planning Region(s), the ITP is selected (or remains selected, as the case may be) in its Regional Transmission Plan for purposes of Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective Regional Transmission Plans of the NorthernGrid Enrolled Region and at least one other Relevant Planning Region, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2 (e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

11. ITPs, Joint Evaluation, and Interregional Cost Allocation

11.1 Introduction

This Section 11 of Attachment K only applies to ITPs for which the NorthernGrid Enrolled Region is a Relevant Planning Region

and does not apply to any ITP for which the NorthernGrid Enrolled Region is not a Relevant Planning Region.

11.2 Entities That May Submit an ITP for Joint Evaluation

Any Person that seeks to submit an ITP for joint evaluation pursuant to Sections 10 and 11 of this Attachment K must submit the ITP into the NorthernGrid Enrolled Region's regional transmission planning process in accordance with Section 5.2.3 of this Attachment K, and must submit the ITP into the planning process of all Relevant Planning Regions.

11.3 Confirmation from Relevant Planning Regions

NorthernGrid is to seek to confirm with each other Relevant Planning Region that such Enrolled Party or ITP Proponent has submitted such ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s). In the event that NorthernGrid is unable to confirm that the Enrolled Party or ITP Proponent has submitted its ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s), NorthernGrid is to notify the ITP Proponent in writing, and the ITP Proponent is to have thirty (30) calendar days from the date of such notice to provide NorthernGrid evidence, reasonably acceptable to NorthernGrid, that the ITP Proponent has timely submitted its ITP for evaluation to each other Relevant Planning Region(s). If an ITP Proponent fails to provide such evidence, the ITP Proponent's ITP is to be deemed withdrawn.

11.4 Submit ITP Information

Prior to commencing the joint evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, an ITP Proponent that is seeking such evaluation of an ITP is to submit to the NorthernGrid Enrolled Region information in accordance with Section 5.2.3 of this Attachment K, which is, to the extent permitted by law, to include a copy of all ITP data being submitted by the ITP Proponent to any of the other Relevant Planning Regions for such ITP.

11.5 Joint Evaluation Implementation

For purposes of the NorthernGrid Enrolled Region's evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, evaluation of such ITP is to be through the NorthernGrid

Enrolled Region's transmission planning processes as set forth in this Attachment K.

11.6 Interregional Cost Allocation Process

For each ITP that meets the requirements of Sections 11.1 and 11.2, the NorthernGrid Enrolled Region (if and so long as it is a Relevant Planning Region) is to:

- (i) Pursuant to item (c) of Section 10.5.2 of this Attachment K, determine the amount, if any, of Regional Benefits for Purposes of Interregional Cost Allocation resulting from such ITP;
- (ii) Pursuant to item (ii) of Section 10.5.2 of this Attachment K, notify each of the other Relevant Planning Regions with respect to such ITP of the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP so determined;
- (iii) Pursuant to item (d) of Section 10.5.2, calculate the NorthernGrid Enrolled Region's assigned *pro rata* share of the projected costs of such ITP (such share is also referred to as "Assigned Regional Costs from Interregional Cost Allocation"), which share is to be equal to the product of the projected costs of such ITP multiplied by a fraction, the numerator of which is to be the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and the denominator of which is to be the sum of (a) the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and (b) the sum of the regional benefits of each other Relevant Planning Region as calculated with respect to such ITP by such other Relevant Planning Region in accordance with its regional transmission planning process and provided to the NorthernGrid Enrolled Region by such other Relevant Planning Region;
- (iv) If an ITP is identified as an Eligible Cost Allocation Project pursuant to Section 8.3, NorthernGrid's Cost Allocation Task Force is to proceed with the cost allocation analysis

described in Section 8.5. Pursuant to item (e) of Section 10.5.2 of this Attachment K, NorthernGrid is to share the above determination with the other Relevant Planning Regions with regard to such ITP; and

- (v) If NorthernGrid receives information pursuant to item (e) of Section 10.5.2 of Attachment K from one or more other Relevant Planning Regions regarding what such Relevant Planning Region's regional cost allocation would be if it were to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation and what, if any, additional amount of projected project costs of such ITP its methodology would be attributable to the NorthernGrid Enrolled Region, the NorthernGrid Enrolled Region may use such information to identify an additional amount of projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region if such additional amount is properly allocable to an Beneficiary(ies) as an owner(s) or operator(s) of such ITP (any such additional, properly allocable, amount is also referred to as "Additional Regional Costs from Interregional Cost Allocation").

Part E. Economic Study Request

12. Economic Study Requests

12.1 Performance of Economic Studies

12.1.1 Regional

NorthernGrid, in coordination with Enrolled Parties and the Enrolled Parties Planning Committee, is to perform in accordance with this Part E of this Attachment K economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.1 of this Attachment K related to conditions within the Enrolled Party Region.

12.1.2 Local

Transmission Provider, in accordance with this Part E of this Attachment K, is to perform economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.2 of this Attachment K related to conditions within the Transmission Provider's Transmission System.

12.2 Stakeholder Requests to Perform an Economic Study

12.2.1 Regional

A stakeholder, which includes Enrolled Parties, may request that NorthernGrid initiate a study to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;
- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate or regional basis (a "Regional Economic Study").

12.2.2 Local

A stakeholder may request that Transmission Provider initiate a study related to conditions within the Transmission Provider's Transmission System to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;

- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate basis (a "Local Economic Study").

12.2.3 Study Characteristics

Any economic study performed must focus on evaluating high-level metrics depicting various possible future scenarios of expanding the power system and quantifying the advantages and disadvantages associated with each scenario. Any Economic Study Request that seeks to focus on the performance of individual assets shall not be performed.

12.2.4 Study Report

A Regional Economic Study is documented in a stand-alone report that is separate from the Regional Transmission Plan. A Local Economic Study is documented in a stand-alone report that is separate from the Local Transmission Plan and the Regional Transmission Plan.

12.3 Submission, Consideration and Prioritization of Economic Study Requests

Requests for a Regional Economic Study or a Local Economic Study shall be submitted, considered and prioritized as follows:

- a. Between January 1 and March 31 each year, a stakeholder may submit a Regional Economic Study request to NorthernGrid through the NorthernGrid Website, and a stakeholder may submit a Local Economic Study request to the Transmission Provider consistent with Sections 2 and 12 of this Attachment K and the Transmission Provider's transmission planning business practice posted on OASIS.
- b. Any Economic Study Request must describe the information to be evaluated and include information known by the requester that is relevant to the requested study.
- c. The Enrolled Parties Planning Committee, in the context of a request for a Regional Economic Study, is to develop a rough work scope and cost estimate for all requested Regional Economic Studies and develop a preliminary prioritization

or a recommendation to cluster, based on the Enrolled Parties Planning Committee's perceived regional benefits, to assist in the prioritization of Regional Economic Study requests. The Transmission Provider, in the context of a request for a Local Economic Study, is to develop a rough work scope and cost estimate for all requested Local Economic Studies associated with the Transmission Provider, and develop preliminary prioritization based on the Transmission Provider's perceived local benefits, to assist in the prioritization of Local Economic Study requests, which may include clustering, if appropriate.

- d. By no later than June 1 of each year, NorthernGrid is to hold a meeting of the Enrolled Parties Planning Committee for the members of the Enrolled Parties Planning Committee to discuss, identify, and prioritize, up to one (1) Regional Economic Study to be performed in a given year by NorthernGrid, and at no cost to the requestor, taking into consideration its impact on the NorthernGrid budget and other priorities. By no later than June 1 of each year, Transmission Provider receiving a Local Economic Study Request is to identify and prioritize, up to one (1) Local Economic Study to be performed in a given year by the Transmission Provider, at no cost to the requestor, taking into consideration the impact of performing such study on the Transmission Provider's budget and its other priorities. Regional Economic Studies and Local Economic Studies are intended to be completed by calendar year-end.
- e. The Enrolled Parties Planning Committee in the context of a Regional Economic Study or the Transmission Provider in the context of a Local Economic Study may respectively agree to hold additional meetings to further discuss and resolve any issue concerning the substance of the Regional Economic Studies or Local Economic Studies themselves and/or their prioritization.
- f. The Enrolled Parties Planning Committee is to publish a notice on the NorthernGrid Website detailing the prioritization of the Regional Economic Studies. The Transmission Provider is

to publish a notice on its OASIS detailing the prioritization of Local Economic Studies.

The foregoing timelines are subject to adjustment as determined by the Enrolled Parties Planning Committee in the context of Regional Economic Studies or the Transmission Provider in the context of Local Economic Studies.

Any study proponent may request and pay for NorthernGrid to perform a Regional Economic Study beyond the one Regional Economic Study per year identified in Section 12.3(d), and any study proponent may request and pay for the Transmission Provider to perform a Local Economic Study beyond the one Local Economic Study per year identified in Section 12.3(d).

12.4 Support for the Preparation of Economic Studies

12.4.1 Regional

For the development of each Regional Economic Study, the Enrolled Parties Planning Committee is to coordinate with the Enrolled Parties to support NorthernGrid's performance of any economic study. To facilitate this support, NorthernGrid is to post on the NorthernGrid Website the models, files, cases, contingencies, assumptions, and other information used to perform an economic study. NorthernGrid may establish requirements that any Enrolled Party or member of the Enrolled Parties Planning Committee must satisfy in order to access certain information used to perform the economic study, due to CEII constraints. NorthernGrid may ask Enrolled Parties or Enrolled Parties Planning Committee members with special expertise to provide technical support or perform studies required to assess one or more potential needs that will be considered in the Regional Economic Study process. NorthernGrid is to convene meetings open to any representative of an entity that is a member of the Enrolled Parties Planning Committee to facilitate input on draft Regional Economic Studies.

12.4.2 Local

For the development of a Local Economic Study, the Transmission Provider is to post on its OASIS the models, files, cases, contingencies, assumptions, and other information used to perform the Local Economic Study. The Transmission Provider may establish requirements that must be satisfied in order to access certain information used to perform the Local Economic Study, due to CEII constraints.

12.5 **Publication of Economic Study Report**

The Enrolled Parties Planning Committee is to post its Regional Economic Study reports on the NorthernGrid Website, subject to CEII constraints. Transmission Provider is to post its Local Economic Study reports on its OASIS, subject to CEII constraints. Economic Studies containing CEII will be posted as password-protected documents.

Part F. DISPUTE RESOLUTION

13. Dispute Resolution.

13.1 Scope

Transmission Provider and Any Enrolled Party, Non-Incumbent Transmission Developer, ITP Proponent, Merchant Transmission Developer, Eligible Customer, or stakeholder that participates in the local or regional planning processes outlined in this Attachment K shall utilize the dispute resolution process set forth in this Section 13 to resolve procedural and substantive disputes related thereto.

13.2 Process

The following dispute resolution process shall be followed, in an effort to resolve all disputes related to this Attachment K:

- Step 1 - The disputing entity shall provide prompt written notice of the dispute to the chairs of the Enrolled Parties Planning Committee; or to the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 by submitting a completed Dispute Resolution form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.
- Step 2 - An executive representative from the disputing entity shall participate in good faith negotiations with the chairs the Enrolled Parties Planning Committee; or an executive representative from the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 to resolve the dispute as promptly as practicable. In the event the executive representative and the chairs or Transmission Provider executive representative are unable to resolve the dispute by mutual agreement within thirty (30) calendar days of the written notice of dispute, or such other period as the parties may mutually agree upon, the parties shall proceed to Step 3.
- Step 3 - In furtherance of efforts to resolve the dispute the parties may utilize an agreed-upon third-party, or the Commission's dispute

resolution service, to facilitate mediation to resolve the dispute. If the dispute remains unresolved after Step 3, the disputing entity shall proceed to Step 4.

Step 4 - As a last resort, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

13.3 **Timeliness**

To facilitate the timely completion of the Local Transmission Plan and Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 13 be raised more than 30 calendar days after a decision is made in the study process or the posting of a document, whichever is earlier. Except to the extent that a binding arbitration decision has been rendered pursuant to Step 4 above, nothing contained in this Section 13 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

**ATTACHMENT K EXHIBITS
FOLLOW**

Exhibit A

Cost Allocation Task Force Charter

NORTHERNGRID

COST ALLOCATION TASK FORCE

CHARTER

COST ALLOCATION TASK FORCE

CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Cost Allocation Task Force ("Taskforce").

ARTICLE 1.

PURPOSE AND LIMITATIONS

1.1 Purpose. The Taskforce is convened by the Enrolled Parties and States Committee. The Taskforce's function is to carry out the responsibilities assigned to the Taskforce in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Taskforce shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements.

1.2 Limitations. The Taskforce does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any participant appointed to this Taskforce from acting in accordance with any legal requirement.

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

ARTICLE 2.

PARTICIPATION

2.1 Participants. The Taskforce is composed of individuals appointed by Enrolled Parties and States to perform the work assigned to the Taskforce. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

2.2 Appointment of Participants (participant list). Each Enrolled Party may appoint one (1) participant to the Taskforce. Each State may appoint one (1) participant to the Taskforce. Each Enrolled Party and each State may appoint a participant or change its participant at any time; provided, however, a participant must be appointed at least one (1) business day in advance of a work session for that person to be eligible to participate in decision making at the work session. Enrolled Parties and States are encouraged to appoint participants with appropriate skillsets. Notices of appointment and contact information for each participant shall be submitted through the NorthernGrid website, www.northerngrid.net. Each Enrolled Party and State should appoint its participant in the first January of each Planning Cycle to enable the Taskforce to begin work promptly when required.

2.3 Eligibility to Make Decisions. Only the participants of Enrolled Parties and States appointed to the Taskforce are eligible to make decisions on matters before the Taskforce.

2.4 Participant Disclaimer. Actions or positions taken or not taken by a participant appointed by a State through this Taskforce do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that participant's State.

2.5 No Compensation from NorthernGrid. Participants shall not receive compensation or reimbursement of expenses from NorthernGrid; rather, a participant may be compensated or reimbursed by his or her appointing Enrolled Party or State.

ARTICLE 3. WORK SESSIONS

3.1 Work Sessions; Notice. The Taskforce shall convene at such times and locations as the Taskforce shall from time-to-time establish. Notice of all work sessions shall be emailed by

the chair to all participants at least seven days before the work session. Notice may be waived for a work session by all participants.

3.2 Procedure. The chair shall establish the agenda for all work sessions.

3.3 Quorum. To make a decision, a quorum of 75% of the participants appointed to the Taskforce from the Enrolled Parties (see Section 2.2) must be present at the work sessions at which a decision is to be made.

3.4 Decision Making. Except as set forth in Section 4.1, a Taskforce decision is valid if 75% of the participants present at the work session approve.

3.5 Remote Participation. Participants may participate in Taskforce work sessions by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the work session.

ARTICLE 4. CHAIR

4.1 Election of Chair. The Taskforce shall be managed by a chair. At the first work session of the Taskforce convened by the Enrolled Parties and States Committee in a Planning Cycle or following a resignation, the participants shall elect a chair from the participants appointed by an Enrolled Party. This decision shall be by majority vote of the participants that are present at the work session in which the decision is made.

4.2 Resignation. The chair may resign at any time by giving written notice to the Taskforce. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that participant from the Taskforce.

ARTICLE 5. MISCELLANEOUS

5.1 Amendments. This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Taskforce should review this charter and may propose changes to this

charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

Exhibit B

**Enrolled Parties Planning Committee
Charter**

NORTHERNGRID

ENROLLED PARTIES PLANNING COMMITTEE

CHARTER

ARTICLE 1. PURPOSE AND LIMITATIONS..... 3

- 1.1 Purpose 3
- 1.2 Limitations 3
- 1.3 Confidential Information 3

ARTICLE 2. PARTICIPATION 4

- 2.1 Participants 4
- 2.2 Definition 4
- 2.3 Stakeholder Participation; Eligibility to Vote 4

ARTICLE 3. REPRESENTATIVES..... 4

- 3.1 General Powers 4
- 3.2 Appointment of Representatives or Alternates..... 4
- 3.3 Identification of Committee Members..... 5
- 3.4 Alternates 5
- 3.5 Authority..... 5
- 3.6 Representative Disclaimer 5
- 3.7 Non-Attendance 5
- 3.8 No Compensation from NorthernGrid 6

ARTICLE 4. REPRESENTATIVE MEETINGS 6

- 4.1 Open Meetings and Limitations 6
- 4.2 Regular Meetings; Notice and Minutes 6
- 4.3 Other Sessions 6
- 4.4 Procedure 7
- 4.5 Representative List..... 7
- 4.6 Quorum..... 7

| | | |
|-------------------------------|--|---|
| 4.7 | Decision Making | 7 |
| 4.8 | Remote Participation | 7 |
| ARTICLE 5. CHAIR | | 7 |
| 5.1 | Officer, Election, and Term | 7 |
| 5.2 | Chairs | 8 |
| 5.3 | Removal | 8 |
| 5.4 | Resignation | 8 |
| ARTICLE 6. MISCELLANEOUS..... | | 8 |
| 6.1 | Dispute Resolution | 8 |
| 6.2 | Amendments | 8 |

ENROLLED PARTIES PLANNING COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties Planning Committee ("Committee").

ARTICLE 1. PURPOSE AND LIMITATIONS

1.1 Purpose. The Committee, made up of representatives appointed pursuant to Section 3.2 below and the co-chairs of the Enrolled Parties and States Committee, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

1.2 Limitations. The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.
PARTICIPATION**

2.1 Participants. The Committee is composed of representatives of the Enrolled Parties, and the co-chairs of the Enrolled Parties and States Committee.

2.2 Definition. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K.

2.3 Stakeholder Participation; Eligibility to Vote. Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties appointed to the Committee, and the co-chairs of the Enrolled Parties and States Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.
REPRESENTATIVES**

3.1 General Powers. The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2, and the co-chairs of the Enrolled Parties and States Committee. The co-chairs of the Enrolled Parties and States Committee participate in this Committee as representatives of the Enrolled Parties and States Committee. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

3.2 Appointment of Representatives or Alternates. Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each Enrolled Party may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. An Enrolled Party may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting.

3.3 Identification of Committee Members. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, www.northerngrid.net. A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. Contact information of the co-chairs of the Enrolled Parties and States Committee is to be found on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

3.4 Alternates. Except as provided in Section 5.1 as to eligibility for election as a chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

3.5 Authority. An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party.

3.6 Representative Disclaimer. Actions or positions taken or not taken by a representative of a state through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's state.

3.7 Non-Attendance. If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.

3.8 No Compensation from NorthernGrid. Representatives and the co-chairs of the Enrolled Parties and States Committee shall not receive compensation or reimbursement of expenses from NorthernGrid.

**ARTICLE 4.
REPRESENTATIVE MEETINGS**

4.1 Open Meetings and Limitations. Public meetings held by the Committee are open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2 Regular Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the chair. Notice of all meetings shall be transmitted by email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The chair shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

4.3 Other Sessions. The chair may convene non-public sessions as may be necessary or as requested by any representative or the co-chairs of the Enrolled Parties and States Committee. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each such meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

4.4 Procedure. The chair shall establish the agenda for all meetings.

4.5 Representative List. The chair shall update and post the representative list including appointed alternates on the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

4.6 Quorum. Subject to the provisions of Section 3.7, seventy-five percent (75%) of the representatives and the co-chairs of the Enrolled Parties and States Committee must participate in a meeting for a decision to occur at the meeting.

4.7 Decision Making. Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative or either of the co-chairs of the Enrolled Parties and States Committee may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the individuals in attendance (the representatives and the co-chairs of the Enrolled Parties and States Committee) is required to act at a meeting.

4.8 Remote Participation. Representatives and the co-chairs of the Enrolled Parties and States Committee may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the meeting.

ARTICLE 5. CHAIR

5.1 Officer, Election, and Term. The officer of the Committee shall be the chair. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a chair. Chair term is for two (2) years.

5.2 Chairs. The chair shall preside at all meetings of the Committee. The chair shall otherwise perform the other duties usually inherent in such office. The chair may appoint an acting chair when not able to attend a meeting. The appointment of an acting chair does not create a vacancy.

5.3 Removal. The Committee, acting as a whole, may remove the chair whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote as defined in Section 4.7, it is decided that removal will serve the best interests of the Committee.

5.4 Resignation. The chair may resign from the chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that representative from the Committee.

5.5 Vacancies. Vacancies in the chair arising from any cause shall be filled by the Enrolled Party representatives, at the next meeting by a majority vote as provided in Section 5.1. The newly appointed chair will complete the vacancy term.

ARTICLE 6. MISCELLANEOUS

6.1 Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K.

6.2 Amendments. This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

Exhibit C

Enrolled Parties and States Committee Charter

NORTHERNGRID

ENROLLED PARTIES AND STATES COMMITTEE

CHARTER

ARTICLE 1. PURPOSE AND LIMITATIONS..... 3

 1.1 Purpose 3

 1.2 Limitations..... 3

 1.3 Confidential Information 3

ARTICLE 2. PARTICIPATION 4

 2.1 Participant Classes 4

 2.2 Definition of Classes..... 4

 2.3 Stakeholder Participation; Eligibility to Vote..... 4

ARTICLE 3. REPRESENTATIVES..... 4

 3.1 General Powers..... 4

 3.2 Appointment of Representatives or Alternates 4

 3.3 Alternates..... 5

 3.4 Authority 5

 3.5 Representative Disclaimer 5

 3.6 Non-Attendance..... 5

 3.7 No Compensation from NorthernGrid..... 5

ARTICLE 4. REPRESENTATIVE MEETINGS 6

 4.1 Open Meetings and Limitations..... 6

 4.2 Regular Meetings; Notice and Minutes 6

 4.3 Other Sessions 6

 4.4 Procedure..... 6

 4.5 Representative List 6

 4.6 Quorum 7

 4.7 Decision Making..... 7

 4.8 Remote Participation 7

| | |
|--|---|
| ARTICLE 5. OFFICERS | 7 |
| 5.1 Officers, Election, and Term | 7 |
| 5.2 Co-Chairs | 8 |
| 5.3 Removal | 8 |
| 5.4 Resignation..... | 8 |
| 5.5 Vacancies | 8 |
| 5.6 Participation in Other Committees..... | 8 |
| ARTICLE 6. MISCELLANEOUS..... | 8 |
| 6.1 Taskforce | 8 |
| 6.2 Dispute Resolution..... | 9 |
| 6.3 Amendments..... | 9 |

ENROLLED PARTIES AND STATES COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties and States Committee ("Committee").

ARTICLE 1. PURPOSE AND LIMITATIONS

1.1 Purpose. The Committee, made up of representatives appointed pursuant to Section 3.2 below, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

1.2 Limitations. The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.
PARTICIPATION**

2.1 Participant Classes. The Committee is composed of representatives of two classes, Enrolled Parties and States.

2.2 Definition of Classes. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

2.3 Stakeholder Participation; Eligibility to Vote. Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties and States appointed to the Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.
REPRESENTATIVES**

3.1 General Powers. The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

3.2 Appointment of Representatives or Alternates. Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each State may appoint up to two (2) representatives and one (1) alternate for each representative so appointed by that State. Each Enrolled Party or State may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. As examples, Enrolled Parties might appoint individuals with roles in transmission planning; States might appoint individuals from agencies such as state utility commissions, state customer advocates, or state transmission siting agencies. An Enrolled Party or State may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making

at the meeting. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, www.northerngrid.net. A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

3.3 Alternates. Except as provided in Section 5.1 as to eligibility for election as a co-chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

3.4 Authority. An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party or State.

3.5 Representative Disclaimer. Actions or positions taken or not taken by a representative of a State through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's State.

3.6 Non-Attendance. If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.

3.7 No Compensation from NorthernGrid. Representatives shall not receive compensation or reimbursement of expenses from

NorthernGrid; rather, a representative may be compensated or reimbursed by his or her appointing Enrolled Party or State.

ARTICLE 4.
REPRESENTATIVE MEETINGS

4.1 Open Meetings and Limitations. Public meetings held by the Committee are open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2 Regular Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the co-chairs. Notice of all meetings shall be transmitted by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each meeting. Such notice shall be transmitted by email to the representatives and alternates and posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The co-chairs shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

4.3 Other Sessions. The co-chairs may convene non-public sessions as may be necessary or as requested by any representative. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each such meeting. Such notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

4.4 Procedure. The co-chairs shall establish the agenda for all meetings.

4.5 Representative List. The co-chairs shall update and post the representative list including appointed alternates on

the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

4.6 Quorum. Subject to the provisions of Section 3.6, seventy-five percent (75%) of the representatives in each class must participate in a meeting for a decision to occur at the meeting.

4.7 Decision Making. Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the representatives in attendance of each class is required to act at a meeting. When only a single class approves of a proposed action, that class may provide a report detailing the issue and positions to the Planning Committee for their consideration.

4.8 Remote Participation. Representatives may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation of a representative by such means constitutes presence at the meeting.

ARTICLE 5. OFFICERS

5.1 Officers, Election, and Term. The officers of the Committee shall be the co-chairs. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a co-chair. On a biannual basis coinciding with the first meeting of the Committee in an odd-numbered calendar year, the States shall elect, by majority vote, from among the State representatives a co-chair. Co-chair terms are for two (2) years, except as provided in the next sentence. At the

beginning of the first biennial Planning Cycle commencing on January 1, 2020, a co-chair from each class will be elected, and that first State co-chair term will be for one (1) year. The name and contact information of the co-chairs shall be posted on the NorthernGrid website.

5.2 Co-Chairs. A co-chair shall preside at all meetings of the Committee. The co-chairs shall otherwise perform the other duties usually inherent in such office, including representation of the decisions made by this Committee in other NorthernGrid committees, as may be necessary and appropriate.

5.3 Removal. The Committee, acting as a whole, may remove any officer from the officer position whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote of seventy-five percent (75%) of the representatives present, it is decided that removal will serve the best interests of the Committee.

5.4 Resignation. Any officer may resign from the co-chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as co-chair does not itself remove that representative from the Committee.

5.5 Vacancies. Vacancies in any office arising from any cause shall be filled by the class of representatives from which the vacant position arose, at the next meeting by a majority vote of the representatives as provided in Section 5.1. The newly appointed officer will complete the vacancy term.

5.6 Participation in Other Committees. The co-chairs are representatives to the Member Planning Committee and the Enrolled Parties Planning Committee.

ARTICLE 6. MISCELLANEOUS

6.1 Taskforce. The co-chairs shall convene the Cost Allocation Taskforce within ten (10) business days upon a co-chair's receipt of a Project Sponsor's Request for Cost Allocation. Appointment of the participants on the Cost

Allocation Taskforce shall occur in the manner defined in the Cost Allocation Taskforce Charter.

6.2 Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K.

6.3 Amendments. This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Committee or such other date as may be set by the Federal Energy Regulatory Commission.

Exhibit D
Form of Non-
Enrolled Developer Agreement

Non-Enrolled Developer Agreement

This Non-Enrolled Developer Agreement ("**Agreement**") is by and between _____ ("**Developer**") and each of the Enrolled Parties of NorthernGrid, each of which hereafter shall be referred to individually as "Party" and collectively as "**Parties.**"

RECITALS

- A. NorthernGrid is an unincorporated association of its members formed for the purpose of coordinating regional transmission planning for the NorthernGrid members;
- B. Developer is (i) a Non-Incumbent Transmission Developer, (ii) a Merchant Transmission Developer, or (iii) an Interregional Transmission Project (ITP) Proponent;
- C. Developer intends to propose a transmission project for evaluation in the NorthernGrid regional plan in accordance with the provision entitled "Proposing a Project" in the regional portion of the Enrolled Parties Attachment K (as defined below);
- D. This Agreement is for the Planning Cycle that begins January 1, _____, and ends December 31, _____; and
- E. The Parties desire to define their rights and obligations related to participation in the NorthernGrid planning process.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the Parties hereby agree as follows:

- 1. *Term.* This Agreement shall be effective on the later of (i) the first day of the Planning Cycle stated in the recitals above or (ii) the Execution Date indicated below, and shall continue in effect until the end of the Planning Cycle stated in the recitals above ("**Term**").
- 2. *Definitions.*
 - a. "**Commission**" or "**FERC**" means the Federal Energy Regulatory Commission or any successor entity.

- b. "**Enrolled Parties Attachment K**" means the Attachment K to the Open Access Transmission Tariffs of the Enrolled Parties that have an Attachment K approved by FERC.
- c. "**Finance Administrator**" means the entity that is selected to serve in the role of the Finance Administrator pursuant to the NorthernGrid Funding Agreement as may be amended from time to time.
- d. "**Funding Agreement**" or "NorthernGrid Funding Agreement" means the current version of the agreement among the parties funding the activities of NorthernGrid as may be amended from time to time.
- e. "**Member**" is an entity that has executed the NorthernGrid Funding Agreement.
- f. "**Planning Cycle**" means each two-year process beginning on January 1 of even-numbered years and ending on December 31 of odd-numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.
- g. "**Project Coordinator**" means the entity to be engaged to perform and/or facilitate transmission planning activities.

Except as may otherwise be expressly provided herein, capitalized terms in this Agreement shall have the meanings provided in the Enrolled Parties Attachment K.

3. *Study Fee.*

- a. Upon execution of this Agreement, a Non-Incumbent Developer or Merchant Transmission Developer shall pay \$10,000 to the Finance Administrator for the study fee for participating in the NorthernGrid planning processes. In no event will this study fee be refunded.
- b. An ITP Proponent is not required to pay the study fee.

4. *Expectations.* Developer agrees to:

- a. Comply with all applicable confidentiality requirements;
- b. Be bound by the decisions of the Planning Committee and the Cost Allocation Taskforce; and

- c. Actively participate in the transmission planning processes set forth in the Enrolled Parties Attachment K.

To the extent anything in this Agreement is inconsistent with the Enrolled Parties Attachment K, the Enrolled Parties Attachment K shall control.

5. *Miscellaneous.*

- a. *Amendments.* This Agreement shall not be modified, amended, or changed in any respect except by a written document signed by all Parties; *provided*, however, that such modification, amendment, or change shall be subject to acceptance by the Commission, if required, before it becomes effective.
- b. *Applicable Law.* No Party will be considered the drafter of this Agreement for purposes of interpreting this Agreement. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Oregon; *provided* that this Agreement shall, with respect to a Party that is a U.S. government entity, be interpreted, construed, and enforced in accordance with the laws of the United States.
- c. *Assignment.* No Party may transfer or assign this Agreement, in whole or in part, without the other Parties' prior written consent, except that any Party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or other business entity acquiring all or substantially all assets of the assignment Party.
- d. *Binding Effect.* This Agreement is binding upon and inures to the benefit of the successors and assigns of the Parties.
- e. *Dispute Resolution.* The Parties agree to resolve disputes according to the process set forth in the Enrolled Parties Attachment K.
- f. *Execution in Counterparts.* The Parties may sign this Agreement in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or email shall be effective as delivery of a manually executed counterpart hereof.

- g. *Force Majeure*. No Party shall be liable or responsible to any other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments hereunder), when and to the extent such failure or delay is caused by or results from the following force majeure events ("**Force Majeure Events**"):
- (i) acts of God;
 - (ii) flood, fire, earthquake, or explosion;
 - (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest;
 - (iv) government order or law;
 - (v) actions or blockades in effect on or after the date of this Agreement;
 - (vi) action by any governmental authority;
 - (vii) national or regional emergency;
 - (viii) strikes, labor stoppages or slowdowns, or other industrial disturbances;
 - (ix) shortage of adequate power or transportation facilities; and
 - (x) other similar events beyond the control of the Party impacted by the Force Majeure Event (the "**Impacted Party**").
- The Impacted Party shall give notice within five (5) business days of the Force Majeure Event to the other Parties, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, to the extent practicable. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.
- h. *Headings*. The headings used in this Agreement are for convenience only and shall not be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.
- i. *Integration*. This Agreement, including any exhibits hereto, constitutes the complete agreement of the Parties and supersedes all prior or contemporaneous representations, statements, negotiations, understandings, or inducements with respect to the subject matter of this Agreement.
- j. *Jury Trial*. **To the fullest extent permitted by law, each Party waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under, or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been**

waived with any other action in which a jury trial cannot be or has not been waived.

k. *Limitation of Liability.* In no event shall any Party be liable under this Agreement to any other Party or to any third party for any consequential, incidental, indirect, exemplary, special, or punitive, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not the breaching party was advised of the possibility of such damages. The sole remedy for any breach of this Agreement is to enforce prospective compliance with this Agreement's terms and conditions.

l. *No Joint Action.* This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership, or to impose any partnership obligations or liability.

m. *Notice.* Any notice to Developer regarding this Agreement shall be made to:

Name: _____

Company: _____

Address: _____

City, State ZIP: _____

Email: _____

n. *Ownership of Products.* All information, data, reports, results, or other products generated pursuant to the planning efforts undertaken by NorthernGrid will be available to all Parties for their undivided use; provided, however, that Parties retain the right to engage in separate agreements addressing specific ownership rights of information, data, reports, results, or other products funded through mechanisms outside the scope of NorthernGrid.

o. *Severability.* If any portion of this Agreement is held to be void or unenforceable, the balance thereof shall continue to be effective.

p. *Third-Party Beneficiaries.* All signatories of the NorthernGrid Funding Agreement for the current

Planning Cycle are third-party beneficiaries of this Agreement.

q. *Waiver.* A waiver by a Party of any default or breach by another Party of any covenants, terms, or conditions of this Agreement shall not limit the Party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on _____ ("**Execution Date**").

DEVELOPER

By: _____

Name: _____

Title: _____

Developer is (check one):

Non-Incumbent Transmission Developer

Merchant Transmission Developer

Interregional Transmission Project (ITP) Proponent

AVISTA CORPORATION

By: _____

Name: _____

Title: _____

IDAHO POWER COMPANY

By: _____

Name: _____

Title: _____

MATL LLP

By: _____

Name: _____

Title: _____

NORTHWESTERN CORPORATION

By: _____

Name: _____

Title: _____

PACIFICORP

By: _____

Name: _____

Title: _____

PORTLAND GENERAL ELECTRIC COMPANY

By: _____

Name: _____

Title: _____

PUGET SOUND ENERGY, INC.

By: _____

Name: _____

Title: _____

~~ATTACHMENT K~~ Attachment K

Transmission Planning Process

Preamble

~~In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, and interregional planning basis. Section 2 of this Attachment K addresses the local planning process. Section 3 of this Attachment K addresses the regional planning process. Section 4 of this Attachment K addresses interregional coordination with the other planning regions in the United States portion of the Western Interconnection.~~

~~The Transmission Provider is responsible for maintaining its Transmission System and planning for transmission and generator interconnection service pursuant to the Tariff and other agreements. The Transmission Provider retains the responsibility for the local planning process and Local Transmission Plan and may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.~~

TABLE OF CONTENTS

| | | |
|----|---|----------|
| 1. | Definitions | 1 |
| | <u>1.1 Additional Regional Costs from Interregional Cost Allocation</u> | <u>1</u> |
| | <u>1.2 Alternative Project</u> | <u>1</u> |
| | <u>1.3 Annual Interregional Coordination Meeting</u> | <u>1</u> |
| | <u>1.4 Annual Interregional Information</u> | <u>1</u> |
| | <u>1.5 Assigned Regional Costs from Interregional Cost Allocation</u> | <u>1</u> |
| | <u>1.6 Baseline Projects of Enrolled Parties</u> | <u>1</u> |
| | <u>1.7 Benefit</u> | <u>2</u> |
| | <u>1.8 Benefit-to-Cost Ratio</u> | <u>2</u> |
| | <u>1.9 Commission</u> | <u>2</u> |
| | <u>1.10 Committed Project</u> | <u>2</u> |
| | <u>1.11 Conceptual Solutions</u> | <u>2</u> |
| | <u>1.12 Confidential Information</u> | <u>2</u> |
| | <u>1.13 Cost</u> | <u>3</u> |
| | <u>1.14 Cost Allocation Methodology</u> | <u>3</u> |
| | <u>1.15 Cost Allocation Project</u> | <u>3</u> |
| | <u>1.16 Cost Allocation Task Force</u> | <u>3</u> |
| | <u>1.17 Cost Allocation Task Force Charter</u> | <u>3</u> |
| | <u>1.18 Critical Energy Infrastructure Information</u> | <u>3</u> |
| | <u>1.19 Data Submittal Form:</u> | <u>3</u> |
| | <u>1.20 Demand Response Resources</u> | <u>4</u> |
| | <u>1.21 Draft Final Regional Transmission Plan</u> | <u>4</u> |
| | <u>1.22 Draft Regional Transmission Plan</u> | <u>4</u> |
| | <u>1.23 Economic Study Request</u> | <u>4</u> |
| | <u>1.24 Eligible Cost Allocation Project</u> | <u>4</u> |
| | <u>1.25 Enrolled Parties and States Committee</u> | <u>4</u> |
| | <u>1.26 Enrolled Parties and States Committee Charter</u> | <u>4</u> |
| | <u>1.27 Enrolled Parties Planning Committee</u> | <u>5</u> |
| | <u>1.28 Enrolled Parties Planning Committee Charter</u> | <u>5</u> |
| | <u>1.29 Enrolled Party (or Enrolled Parties)</u> | <u>5</u> |
| | <u>1.30 Enrolled Party Beneficiary</u> | <u>5</u> |
| | <u>1.31 Enrolled Party Need</u> | <u>5</u> |
| | <u>1.32 Enrolled Region</u> | <u>5</u> |
| | <u>1.33 Estimated Cost</u> | <u>6</u> |
| | <u>1.34 Funding Agreement</u> | <u>6</u> |
| | <u>1.35 Interregional Cost Allocation</u> | <u>6</u> |
| | <u>1.36 Interregional Transmission Project ("ITP")</u> | <u>6</u> |
| | <u>1.37 Interregional Transmission Project Proponent</u> | <u>6</u> |
| | <u>1.38 Local Economic Study</u> | <u>6</u> |

~~¹Please note that additional definitions with respect to interregional coordination and cost allocation are contained in Section 4 of this Attachment K, which contains provisions that are common among each of the planning regions in the United States portion of the Western Interconnection.~~

| | |
|---|-----------|
| <u>1.39 Local Transmission Plan</u> | <u>7</u> |
| <u>1.40 LTP Re-Study Request:</u> | <u>7</u> |
| <u>1.41 Material Adverse Impact</u> | <u>7</u> |
| <u>1.42 Merchant Transmission Developer</u> | <u>7</u> |
| <u>1.43 Merchant Transmission Project</u> | <u>7</u> |
| <u>1.44 Mitigation Cost</u> | <u>7</u> |
| <u>1.45 Neighboring System</u> | <u>7</u> |
| <u>1.46 Non-Enrolled Developer Agreement</u> | <u>8</u> |
| <u>1.47 Non-Incumbent Transmission Developer</u> | <u>8</u> |
| <u>1.48 Non-Jurisdictional Entity</u> | <u>8</u> |
| <u>1.49 Non-Transmission Alternative</u> | <u>8</u> |
| <u>1.50 NorthernGrid</u> | <u>8</u> |
| <u>1.51 NorthernGrid Website</u> | <u>8</u> |
| <u>1.52 Person</u> | <u>8</u> |
| <u>1.53 Planning Cycle</u> | <u>9</u> |
| <u>1.54 Planning Region</u> | <u>9</u> |
| <u>1.55 Potential Cost Allocation Project</u> | <u>9</u> |
| <u>1.56 Preliminary Cost Allocation Project</u> | <u>9</u> |
| <u>1.57 Project for Cost Allocation Consideration</u> | <u>9</u> |
| <u>1.58 Project Sponsor</u> | <u>9</u> |
| <u>1.59 Public Policy Requirement(s)</u> | <u>9</u> |
| <u>1.60 Qualified Developer</u> | <u>10</u> |
| <u>1.61 Qualified Sponsor</u> | <u>10</u> |
| <u>1.62 Regional Benefits for Purposes of Interregional Cost Allocation</u> | <u>10</u> |
| <u>1.63 Regional Combination</u> | <u>10</u> |
| <u>1.64 Regional Economic Study</u> | <u>10</u> |
| <u>1.65 Regional Planning Horizon</u> | <u>10</u> |
| <u>1.66 Regional Transmission Plan</u> | <u>11</u> |
| <u>1.67 Relevant Planning Regions</u> | <u>11</u> |
| <u>1.68 Request for Cost Allocation</u> | <u>11</u> |
| <u>1.69 Sponsored Project</u> | <u>11</u> |
| <u>1.70 Study Scope</u> | <u>11</u> |
| <u>1.71 Submittal Window</u> | <u>11</u> |
| <u>1.72 Total Regional Costs from Interregional Cost Allocation</u> | <u>11</u> |
| <u>1.73 Transmission System</u> | <u>12</u> |
| <u>1.74 Western Electricity Coordinating Council ("WECC")</u> | <u>12</u> |
| <u>1.75 Western Interconnection</u> | <u>12</u> |
| <u>2. Local Planning Process</u> | <u>13</u> |
| <u>2.1 Preparation of a Local Transmission System Plan</u> | <u>13</u> |
| <u>2.2 Coordination</u> | <u>15</u> |
| <u>2.2.1 Planning Cycle</u> | <u>15</u> |
| <u>2.2.2 Sequence of Events</u> | <u>15</u> |
| <u>2.2.3. Focus Groups</u> | <u>23</u> |
| <u>2.2.4 Regional Plan</u> | <u>23</u> |

| | |
|---|---|
| <u>2.3. Information Exchange</u> | <u>24</u> |
| <u>2.3.1. Forecasts</u> | <u>24</u> |
| <u>2.3.2. Participation</u> | <u>25</u> |
| <u>2.4. LTP Re-Study Requests</u> | <u>25</u> |
| <u>2.5. OASIS Posting Requirements</u> | <u>26</u> |
| <u>2.6. Cost Allocation</u> | <u>28</u> |
| <u>2.6.1. Individual Transmission Service Request</u> | |
| <u>Costs Not Considered</u> | <u>29</u> |
| <u>2.6.2. Rate Recovery</u> | <u>29</u> |
| <u>2.6.3. Categories of Included Costs</u> | <u>29</u> |
| <u>2.7. Local Economic Studies</u> | <u>30</u> |
| <u>2.7.1. Local Economic Study Requests</u> | <u>30</u> |
| <u>2.7.2. Categorization of Economic Studies</u> | <u>31</u> |
| <u>2.7.3. Prioritization</u> | <u>31</u> |
| <u>2.7.4. Requests</u> | <u>32</u> |
| <u>2.8. Recovery of Planning Costs</u> | <u>33</u> |
| <u>2.9. Dispute Resolution Relative to Compliance with</u> | |
| <u>Attachment K and Local Transmission Plan</u> | <u>33</u> |
| <u>2.10.</u> | <u>Transmission Business Practice</u> <u>33</u> |
| <u>2.11.</u> | <u>Openness</u> <u>33</u> |
| <u>2.11.1. Participation</u> | <u>33</u> |
| <u>2.11.2. Critical Energy Infrastructure Information</u> | |
| <u>(CEII)</u> | <u>34</u> |
| <u>2.11.3. Confidential Information</u> | <u>34</u> |
| | |
| <u>3. Introduction</u> | <u>35</u> |
| | |
| <u>4. Participation and Information Access</u> | <u>35</u> |
| <u>4.1 Enrolled Parties</u> | <u>35</u> |
| <u>4.1.1 Identification</u> | <u>35</u> |
| <u>4.1.2 Updates to Enrolled Parties List</u> | <u>35</u> |
| <u>4.2 Becoming an Enrolled Party</u> | <u>36</u> |
| <u>4.2.1 Eligibility</u> | <u>36</u> |
| <u>4.2.2 Process to become an Enrolled Party</u> | <u>36</u> |
| <u>4.2.3 Process for Non-Incumbent Transmission</u> | |
| <u>Developers to Participate</u> | <u>37</u> |
| <u>4.2.4 Process for Interregional Transmission</u> | |
| <u>Project Proponents to Participate</u> | <u>37</u> |
| <u>4.2.5 Duration of Enrollment for Enrolled</u> | |
| <u>Parties</u> | <u>37</u> |
| <u>4.2.6 Expectations of an Enrolled Party</u> | <u>37</u> |
| <u>4.3 Withdrawal of Enrolled Party</u> | <u>37</u> |
| <u>4.3.1 Notice of Enrolled Party Withdrawal</u> | <u>37</u> |
| <u>4.3.2 Effective Date of Notice of Withdrawal</u> | <u>38</u> |
| <u>4.3.3 Deemed Withdrawal</u> | <u>38</u> |
| <u>4.3.4 Significance of Withdrawal</u> | <u>38</u> |
| <u>4.4 Participation by Merchant Transmission Developer</u> | <u>38</u> |
| <u>4.5 Stakeholder Participation</u> | <u>38</u> |

| | | |
|--------------|---|-----------|
| <u>4.6</u> | <u>Engagement of States</u> | <u>39</u> |
| <u>4.7</u> | <u>Sensitive Information</u> | <u>39</u> |
| <u>4.7.1</u> | <u>Protocols for Treatment and Labeling of CEII or Confidential Information</u> | <u>39</u> |
| <u>4.7.2</u> | <u>Requesting and Processing Information Requests</u> | <u>39</u> |
| <u>5.</u> | <u>Data Gathering/Study Scope Inputs</u> | <u>40</u> |
| <u>5.1</u> | <u>Responsibility</u> | <u>40</u> |
| <u>5.2</u> | <u>Data Gathering</u> | <u>40</u> |
| <u>5.2.1</u> | <u>General from Stakeholders</u> | <u>40</u> |
| <u>5.2.2</u> | <u>Enrolled Party Information</u> | <u>40</u> |
| <u>5.2.3</u> | <u>Proposing a Project</u> | <u>41</u> |
| <u>5.2.4</u> | <u>Submittal Form and Due Date</u> | <u>49</u> |
| <u>5.2.5</u> | <u>Use of Submitted Information</u> | <u>49</u> |
| <u>5.3</u> | <u>Review of Submitted Information</u> | <u>49</u> |
| <u>5.4</u> | <u>Untimely or Improperly Submitted Requests or Submittals of Information</u> | <u>49</u> |
| <u>6.</u> | <u>Development of Draft Regional Transmission Plan</u> | <u>49</u> |
| <u>6.1</u> | <u>Study Scope Development</u> | <u>50</u> |
| <u>6.2</u> | <u>Review and Comment; Consideration of Comments; Update Study Scope</u> | <u>50</u> |
| <u>6.3</u> | <u>Analysis; Documentation in Draft Regional Transmission Plan</u> | <u>51</u> |
| <u>6.4</u> | <u>Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan</u> | <u>52</u> |
| <u>6.5</u> | <u>Comparability</u> | <u>53</u> |
| <u>7.</u> | <u>Qualifying to Request Cost Allocation</u> | <u>53</u> |
| <u>7.1</u> | <u>Qualification Process for/to Submit a Project for Cost Allocation</u> | <u>53</u> |
| <u>7.1.1</u> | <u>Qualification to Request Cost Allocation</u> | <u>53</u> |
| <u>7.1.2</u> | <u>Qualification Process</u> | <u>54</u> |
| <u>7.1.3</u> | <u>Evaluation of Project Sponsor Submissions</u> | <u>56</u> |
| <u>7.1.4</u> | <u>Opportunity to Cure Deficiencies and Failure to Cure</u> | <u>56</u> |
| <u>8.</u> | <u>Cost Allocation</u> | <u>57</u> |
| <u>8.1</u> | <u>Projects Eligible for Cost Allocation Consideration</u> | <u>57</u> |
| <u>8.2</u> | <u>Cost of Projects for Cost Allocation Consideration</u> | <u>57</u> |
| <u>8.2.1</u> | <u>Cost of a Project That Is Not an ITP</u> | <u>57</u> |
| <u>8.2.2</u> | <u>Cost of an ITP</u> | <u>58</u> |
| <u>8.3</u> | <u>Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan</u> | <u>58</u> |
| <u>8.4</u> | <u>Benefits of An Eligible Cost Allocation Project</u> | <u>59</u> |

| | | |
|--------|---|-----------|
| 8.4.1 | <u>Deferred Costs</u> | <u>59</u> |
| 8.4.2 | <u>Avoided Capital Costs</u> | <u>59</u> |
| 8.4.3 | <u>Increased Useful Available Transfer Capability ("ATC")</u> | <u>60</u> |
| 8.5 | <u>Allocation of Project Costs to Enrolled Party Beneficiaries</u> | <u>60</u> |
| 8.5.1 | <u>Identification of Enrolled Party Beneficiaries</u> | <u>60</u> |
| 8.5.2 | <u>Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan</u> | <u>61</u> |
| 8.5.3 | <u>Allocation of Costs to Enrolled Party Beneficiaries</u> | <u>61</u> |
| 8.5.4 | <u>Acceptance of Costs; Removal from Cost Allocation</u> | <u>63</u> |
| 8.5.5 | <u>Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan</u> | <u>64</u> |
| 8.6 | <u>Exclusions</u> | <u>64</u> |
| 9. | <u>Regional Transmission Plan</u> | <u>64</u> |
| 9.1 | <u>Preparation and Posting of Draft Final Regional Transmission Plan</u> | <u>64</u> |
| 9.2 | <u>Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan</u> | <u>65</u> |
| 10. | <u>Interregional Coordination and Cost Allocation Process</u> | <u>67</u> |
| 10.1 | <u>Introduction</u> | <u>67</u> |
| 10.2 | <u>Annual Interregional Information Exchange</u> | <u>67</u> |
| 10.3 | <u>Annual Interregional Coordination Meeting</u> | <u>68</u> |
| 10.4 | <u>ITP Joint Evaluation Process</u> | <u>69</u> |
| 10.4.1 | <u>Submission Requirements</u> | <u>69</u> |
| 10.4.2 | <u>Joint Evaluation of an ITP</u> | <u>69</u> |
| 10.5 | <u>Interregional Cost Allocation Process</u> | <u>71</u> |
| 10.5.1 | <u>Submission Requirements</u> | <u>71</u> |
| 10.5.2 | <u>Interregional Cost Allocation Process</u> | <u>71</u> |
| 10.6 | <u>Application of Regional Cost Allocation Methodology to Selected ITP</u> | <u>73</u> |
| 10.6.1 | <u>Selection by All Relevant Planning Regions</u> | <u>73</u> |
| 10.6.2 | <u>Selection by at Least Two but Fewer than All Relevant Planning Regions</u> | <u>73</u> |
| 11. | <u>ITPs, Joint Evaluation, and Interregional Cost Allocation</u> | <u>73</u> |
| 11.1 | <u>Introduction</u> | <u>73</u> |
| 11.2 | <u>Entities That May Submit an ITP for Joint Evaluation</u> | <u>74</u> |

| | |
|---|---------------------------|
| <u>11.3 Confirmation from Relevant Planning Regions</u> | <u>74</u> |
| <u>11.4 Submit ITP Information</u> | <u>74</u> |
| <u>11.5 Joint Evaluation Implementation</u> | <u>74</u> |
| <u>11.6 Interregional Cost Allocation Process</u> | <u>75</u> |
| <u>12. Economic Study Requests</u> | <u>77</u> |
| <u>12.1 Performance of Economic Studies</u> | <u>77</u> |
| <u>12.1.1 Regional</u> | <u>77</u> |
| <u>12.1.2 Local</u> | <u>77</u> |
| <u>12.2 Stakeholder Requests to Perform an Economic Study</u> | <u>77</u> |
| <u>12.2.1 Regional</u> | <u>77</u> |
| <u>12.2.2 Local</u> | <u>77</u> |
| <u>12.2.3 Study Characteristics</u> | <u>78</u> |
| <u>12.2.4 Study Report</u> | <u>78</u> |
| <u>12.3 Submission, Consideration and Prioritization of Economic Study Requests</u> | <u>78</u> |
| <u>12.4 Support for the Preparation of Economic Studies</u> | <u>80</u> |
| <u>12.4.1 Regional</u> | <u>80</u> |
| <u>12.4.2 Local</u> | <u>80</u> |
| <u>12.5 Publication of Economic Study Report</u> | <u>81</u> |
| <u>13. Dispute Resolution</u> | <u>82</u> |
| <u>13.1 Scope</u> | <u>82</u> |
| <u>13.2 Process</u> | <u>82</u> |
| <u>13.3 Timeliness</u> | <u>83</u> |

[Attachment K Exhibits:](#)

[Exhibit A--Cost Allocation Task Force Charter](#)

[Exhibit B--Enrolled Parties Planning Committee Charter](#)

[Exhibit C--Enrolled Parties and States Committee Charter](#)

[Exhibit D--Form of Non-Enrolled Developer Agreement](#)

Part A. Definitions

1. Definitions

~~Unless defined below,~~The following terms have the following definitions when used in this Attachment K. Other initially capitalized terms shall refer to terms defined in the Tariff used in this Attachment K shall have the meanings set forth in the OATT.

1.1 Additional Regional Costs from Interregional Cost Allocation

"Additional Regional Costs from Interregional Cost Allocation" shall have the meaning set forth in Section 11.6 sub-sections (iii) and (v) of this Attachment K.

1.2 Alternative Project

~~**1.1 Alternative Project:** Alternative Project is defined in Section 3.7.3.2 and collectively~~"Alternative Project" refers to any Sponsored Projects, projects submitted by stakeholders, or ITPs (including those carried over from a prior Regional Transmission Plan and projects submitted by Merchant Transmission Developers), and unsponsored projects (a concept that includes Non-Transmission Alternatives and Conceptual Solutions), if any, including those identified by the Enrolled Parties Planning Committee (if any).

~~**1.2 Annual Capital-Related Costs:** Annual Capital-Related Costs is defined in Section 3.7.4.2.~~

~~**1.3 Applicant:** Applicant is defined in Section 3.7.2.2 as a Project Sponsor and a stakeholder that submits an unsponsored project.~~

~~**1.4 Beneficiary:** shall mean any entity, including but not limited to transmission providers (both incumbent and non-incumbent), Merchant Transmission Developers, load-serving entities, transmission customers or generators that utilize~~

1.3 Annual Interregional Coordination Meeting

"Annual Interregional Coordination Meeting" means the annual meeting of the NorthernGrid Enrolled Region and other Planning Regions as set forth in Section 10.3 of this Attachment K.

1.4 Annual Interregional Information

"Annual Interregional Information" shall have the meaning set forth in Section 10.2 of this Attachment K.

1.5 Assigned Regional Costs from Interregional Cost Allocation

"Assigned Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the NorthernGrid Enrolled Region's assigned pro rata share of the projected costs of such ITP calculated pursuant to Section 11.6 of this Attachment K.

1.6 Baseline Projects of Enrolled Parties

"Baseline Projects of Enrolled Parties" means the transmission projects included in the Enrolled Parties' Local Transmission Plans plus those projects included in the prior Regional Transmission Plan that will be reevaluated (unless the Enrolled Parties Planning Committee has received or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced, in which case the cancelled or replaced project will not be considered). Baseline Projects of Enrolled Parties do not include Committed Projects.

1.7 Benefit

"Benefit" means the benefits identified in Section 8.4 of this Attachment K that are calculated for an Enrolled Party associated with an Eligible Cost Allocation Project.

1.8 Benefit-to-Cost Ratio

"Benefit-to-Cost Ratio" means the ratio established in Section 8.5.2 of this Attachment K.

1.9 Commission

"Commission" means the Federal Energy Regulatory Commission or any successor entity.

1.10 Committed Project

"Committed Project" means a Sponsored Project or a local project for which the developer of such project has obtained substantially all federal, county and state permits, required for the development of the project.

1.11 Conceptual Solutions

"Conceptual Solutions" means projects or concepts that are developed from data or information provided in the Planning Cycle pursuant to Section 5.2 and that may be proposed pursuant to Section 5.2.3 of this Attachment K.

1.12 Confidential Information

"Confidential Information" means all information, regardless of the manner in which it is furnished, marked as "Confidential Information" at the time of its furnishing; provided that Confidential Information shall not include information: (i) in the public domain or generally available or known to the public; (ii) disclosed to a recipient by a Person who had a legal right to do so; (iii) independently developed by the receiving party or known to such party prior to its disclosure to Transmission Provider in connection with its local transmission planning process, or to NorthernGrid in connection with the regional transmission ~~system within the NTPG Footprint to transmit energy or provide other energy-related services.~~

~~**1.5 Biennial Study Plan:** shall mean the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.~~

~~**1.6 Change Case:** A Change Case is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more Non-Committed projects in the IRTP. The deletion or deferral of a Non-Committed Project in the IRTP without including an Alternative Project can also be a Change Case.~~

~~**1.7 Committed Project:** A Committed Project is defined in Section 3.9.1 as a project that has all permits and rights-of-way required for construction, as identified in the submitted development schedule, by the end of Quarter 1 of the current Regional Planning Cycle.~~

~~**1.8 Confidentiality Agreement:** shall mean the agreement posted on Transmission Provider's OASIS at http://www.oasis.oati.com/PPW/PPWdocs/Confidentiality_Agreement_Non_CII_Template_-_Mutual_2012.doc. The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.11.3 and 3.5.2.~~

~~1.9 Cost Allocation Committee: Cost Allocation Committee is defined in Section 3.1.~~ planning process; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form where specific identifying information is unidentifiable; or (vi) required to be disclosed by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

1.13 Cost

"Cost" means one of the following, as determined by the Cost Allocation Task Force: the Costs of a Project that is not an ITP pursuant to Section 8.2.1 of this Attachment K; or the Cost of an ITP pursuant to Section 8.2.2 of this Attachment K.

1.14 Cost Allocation Methodology

"Cost Allocation Methodology" means the Cost Allocation Methodology set out in Section 8.5.3 of this Attachment K.

1.15 Cost Allocation Project

"Cost Allocation Project" means a project selected into the Regional Transmission Plan that received cost allocation.

1.16 Cost Allocation Task Force

"Cost Allocation Task Force" means the Task Force that carries out cost allocation tasks assigned to such Task Force in this Attachment K according to the Cost Allocation Task Force Charter.

1.17 Cost Allocation Task Force Charter

~~1.10~~ "Cost Allocation ~~Committee~~ Task Force Charter: shall mean that" means the document attached as Exhibit D to A to this Attachment K that defines the manner in which the Cost Allocation Task Force carries out the tasks assigned to the Cost Allocation Task Force in this Attachment K.

~~1.11 Cost Allocation Data Form: shall mean the form posted on the NTTG Website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.~~

1.18 ~~1.12~~ Critical Energy Infrastructure Information ("CEII"):

"Critical Energy Infrastructure Information" or "CEII" means information as defined by the Commission's regulations in 18 C.F.R. Part 388 (or any successor thereto) and associated orders

~~issued by the Commission in 18 C.F.R. § 388.113(c), as may be amended from time to time.~~

~~1.19 1.13~~ **Data Submittal Form:** ~~shall mean~~

~~1.21 "Data Submittal Form" means the form posted on the NPTG NorthernGrid Website that is to be used to submit data, including projects and project information for consideration and is used to submit also updated project information, as referenced discussed in Section 3.7.2.1.5.2 of this Attachment K.~~

~~1.20 1.14~~ **Demand Response Resources:**

~~"Demand Response Resources" shall mean mechanisms to manage demand for power in response to supply conditions, for example, having electricity customers reduce their consumption at critical times or in response to market prices. For purposes of this Attachment K, this methodology is focused on curtailing demand to avoid the need to plan new sources of generation or transmission capacity.~~

~~1.15~~ **Draft Regional Transmission Plan:** ~~Draft~~

~~1.21 Draft Final Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 4, as provided for in Section 3.7.4.5, and presented to stakeholders for comment in Quarter 5 as set forth in Section 3.7.5.~~

~~1.16~~

~~"Draft Final Regional Transmission Plan: Draft Final Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 6, as provided for in Section 3.7.6.3, presented to stakeholders for comment in Quarter 7 as set forth in Section 3.7.7, and presented, with any necessary modifications, to the Steering Committee for adoption in Quarter 8 as set forth in Section 3.7.8.~~

~~1.17 Economic Study or Economic Congestion Study: shall mean an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff." means the version of the Regional Transmission Plan that is developed~~

pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 9.2 of this Attachment K.

1.22 ~~Draft Regional Transmission Plan~~

"~~Draft Regional Transmission Plan~~" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 6.4 of this Attachment K.

1.23 ~~Economic Study Request~~

~~1.18 "Economic Study Request or Economic Congestion Study Request:"~~ shall mean a written request for a Local Economic Study or a Regional Economic Study, submitted by an Eligible Customer or stakeholder to the Transmission Provider ~~to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Local Transmission Plan, to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, and Regional Economic Study Request~~ or NorthernGrid, as may be applicable, in accordance with Section 12.3.a. of this Attachment K.

~~1.19 Economic Study Request Form:~~ shall mean the form posted on the NTTG Website used to submit an Economic Study Request as referenced in Section 3.11.1.

~~1.20 Finance Agent Agreement:~~ The Finance Agent Agreement is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

1.24 ~~Eligible Cost Allocation Project~~

"Eligible Cost Allocation Project" is defined in Section 8.3 of this Attachment K.

1.25 ~~Enrolled Parties and States Committee~~

"Enrolled Parties and States Committee" means the committee that carries out the tasks assigned to such committee in this Attachment K according to the Enrolled Parties and States Committee Charter.

1.26 ~~Enrolled Parties and States Committee Charter~~

"Enrolled Parties and States Committee Charter" means the document attached as Exhibit C to this Attachment K that defines

the manner in which the Enrolled Parties and the official representative of each State's government work together.

1.27 Enrolled Parties Planning Committee

"Enrolled Parties Planning Committee" means the committee, comprised of Enrolled Parties and the co-chairs of the Enrolled Parties and States Committee, that carries out transmission planning tasks assigned to such committee in this Attachment K according to the Enrolled Parties Planning Committee Charter.

1.28 Enrolled Parties Planning Committee Charter

"Enrolled Parties Planning Committee Charter" means the document attached as Exhibit B to this Attachment K that defines the manner in which the Enrolled Parties Planning Committee operates

1.29 Enrolled Party (or Enrolled Parties)

"Enrolled Party" means a Person that has satisfied the eligibility requirements set forth in Section 4.2.1 of this Attachment K and completed the process set forth in Section 4.2.2 of this Attachment K to become enrolled in NorthernGrid.

"Enrolled Parties" is a collective reference to each Enrolled Party.

1.30 Enrolled Party Beneficiary

"Enrolled Party Beneficiary" shall have the meaning set forth in Section 8.5.1 of this Attachment K. For avoidance of doubt, only an Enrolled Party may be identified as Enrolled Party Beneficiary. "Enrolled Party Beneficiaries" is a collective reference to each "Enrolled Party Beneficiary."

1.31 Enrolled Party Need

"Enrolled Party Need" means any need for transmission facilities of an Enrolled Party, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. To the extent a transmission need is satisfied by a Committed Project, it shall not be considered an Enrolled Party Need.

1.32 Enrolled Region

"Enrolled Region" or "NorthernGrid Enrolled Region" is comprised of the existing or proposed transmission facilities of any Enrolled Party and any proposed transmission facilities for which a Non-Incumbent Transmission Developer has properly submitted a Request for Cost Allocation; provided that the Enrolled Region

specifically does not include any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

1.33 Estimated Cost

"Estimated Cost" means the estimated annualized operation and maintenance costs of a proposed project over the Regional Planning Horizon plus estimated total project cost, that are submitted pursuant to row K of the table found in Section 5.2.3.5 of this Attachment K, as they may be updated pursuant to either Section 5.2.3.8 or Section 6.4 of this Attachment K.

1.34 ~~1.21~~ Funding Agreement:-

"Funding Agreement ~~refers to~~" means the current version of the agreement among the ~~entities~~ Persons funding the activities of ~~NTTC~~ NorthernGrid that is required by Section 4.2.2 of this Attachment K. The Funding Agreement is available on the ~~NTTC~~ NorthernGrid Website.

~~**1.22 Incumbent Transmission Developer:** Incumbent Transmission Developer refers to an entity that develops a transmission project within its own retail distribution service territory or footprint.~~

~~**1.23 Initial Regional Transmission Plan ("IRTP"):** Initial Regional Transmission Plan~~

1.35 Interregional Cost Allocation

"Interregional Cost Allocation" means the assignment of ITP costs between or among Relevant Planning Regions as described in Section 10 of this Attachment K.

1.36 Interregional Transmission Project ("ITP")

"Interregional Transmission Project" or "ITP" means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions.

1.37 Interregional Transmission Project Proponent

"Interregional Transmission Project Proponent" or "ITP Proponent" means the entity that has signed a "Non-Enrolled Developer

Agreement” in accordance with Section 4.2.4 of this Attachment K and is proposing or sponsoring an Interregional Transmission Project.

1.38 Local Economic Study

“Local Economic Study” is defined in Section 3.7.3.2 to include projects included in the prior Regional 12.2.2 (c) of this Attachment K.

1.39 Local Transmission Plan ~~and projects included in the Full Funders’ Local Transmission Plans.~~

~~**1.24 Local Economic Study Request:** shall mean an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider’s scheduling paths, or (2) is otherwise reasonably determined by the Planning Committee (if the request is received by the NTTC Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.~~

~~**1.25 “Local Transmission Plan or LTP: shall mean”** means a transmission provider’s plan (depending upon context, the Transmission Provider’s transmission plan that identifies the upgrades and other investments to the Transmission System and Demand Resources necessary to reliably satisfy, over the planning horizon, Network Customers’ resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider’s resource and load growth expectations for Native Load Customers; Transmission Provider’s transmission obligation for Public Policy Requirements; Transmission Provider’s obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider’s Point-to-Point Transmission Service Customers’ projected service needs including obligations for rollover rights or an Enrolled Party) that identifies planned new transmission facilities and facility replacements or upgrades for such transmission provider’s Transmission System.~~ **1.26**

1.40 LTP Re-Study Request:

"LTP Re-Study Request" shall mean a request by an Eligible Customer to model the ability of specific upgrades or other investments to the Transmission System or Demand Response Resources, not otherwise considered in the draft Local Transmission Plan (produced pursuant to Section 2 of Attachment K), to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its customers set forth in the Local Transmission Plan.

~~**1.27 Merchant Transmission Developer:** Merchant Transmission Developer refers to an entity that assumes all financial risk for developing and constructing its transmission project. A Merchant Transmission Developer recovers the costs of constructing the proposed transmission project through negotiated rates instead of cost-based rates. A Merchant Transmission Developer does not seek to allocate the costs associated with its merchant transmission facilities to other entities.~~

~~**1.28 Monetized Non-Financial Incremental Costs:** Monetized Non-Financial Incremental Costs are defined in Section 3.7.4.1.~~

~~**1.29 NTTG:** shall mean Northern Tier Transmission Group or its successor organization.~~

~~**1.30 NTTG Footprint:** shall mean the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.~~

~~**1.31 NTTG Website:** shall mean www.nttg.biz <<http://www.nttg.biz>>.~~

~~**1.32 Non-Committed Project:** A project that is not a Committed Project.~~

1.41 Material Adverse Impact

"Material Adverse Impact" means one or more significant and verifiable adverse impacts on any Neighboring System that needs to be mitigated if it reduces the transfer capability of existing transmission facilities.

1.42 Merchant Transmission Developer

"Merchant Transmission Developer" means an entity that proposes a Merchant Transmission Project.

1.43 Merchant Transmission Project

"Merchant Transmission Project" means an existing or planned project for which the costs are recovered or intended to be recovered through negotiated rates instead of cost-based rates and are therefore not eligible for cost allocation.

1.44 Mitigation Cost

"Mitigation Cost" means the estimated total cost of the solution that is identified to mitigate the Material Adverse Impact on a Neighboring System caused by a project identified in the Regional Combination, under Section 6.3 of this Attachment K.

1.45 Neighboring System

"Neighboring System" means an electrically interconnected transmission system.

1.46 Non-Enrolled Developer Agreement

"Non-Enrolled Developer Agreement" means the current version of the form agreement attached hereto as Exhibit D and entered into with the Enrolled Parties; it is intended for use by Non-Incumbent Transmission Developers, ITP Proponents, and Merchant Transmission Developers, as required in Sections 4.2.3, 4.2.4, and 4.4 respectively, of this Attachment K. The Non-Enrolled Developer Agreement form is available on the NorthernGrid Website.

1.47 Non-Incumbent Transmission Developer

~~1.33 Nonincumbent Transmission Developer: Nonincumbent Transmission Developer~~"Non-Incumbent Transmission Developer" refers to two categories of transmission developer: (1) a transmission developer that does not have a retail distribution service territory or footprint; and (2) a public utility transmission provider that proposes a transmission project outside of its existing retail distribution service territory or footprint, where it is not the incumbent for purposes of that project.

~~1.34 Original Project: A project selected in the prior Regional Transmission Plan.~~

~~**1.35 Ownership-Like Rights:** Ownership-Like Rights are defined in Section 3.8.2.2.~~

~~**1.36 Planning Committee:** Planning Committee is defined in Section 3.1.~~

~~**1.37 Planning Committee Charter:** shall mean that document attached as Exhibit C to this Attachment K.~~

~~**1.38 Project Sponsor:** Project Sponsor is defined in Section 3.7.1.1 as the Nonincumbent Transmission Provider or Incumbent Transmission Provider intending to develop the project that is submitted into the planning process.~~

~~**1.39 Public Policy Considerations:** shall mean those public policy considerations that are not established by local, state, or federal laws or regulations.~~

~~**1.40 Public Policy Requirements:** shall mean those public policy requirements that are established by local, state, or federal laws or regulations, meaning enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction.~~

~~**1.41 Regional Economic Study Request:** shall mean an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.~~

~~**1.42 Regional Planning Cycle:** shall mean NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.~~

1.48 Non-Jurisdictional Entity

"Non-Jurisdictional Entity" means any entity that is within the definition of 16 U.S.C. § 824(f) (and hence is not a "public utility" under Part II of the Federal Power Act).

1.49 Non-Transmission Alternative

"Non-Transmission Alternative" means a solution that is proposed for consideration, in the planning process, as an alternative to transmission facilities.

1.50 NorthernGrid

"NorthernGrid" means the association described in Section 3 of this Attachment K.

1.51 NorthernGrid Website

"NorthernGrid Website" is www.northerngrid.net.

1.52 Person

"Person" means an individual, corporation, cooperative corporation, municipal corporation, quasi-municipal corporation, joint operating entity, limited liability company, mutual association, partnership, limited partnership, limited liability partnership, association, joint stock company, trust, unincorporated organization, government entity or political subdivision thereof (including a federal power marketing administration), tribes, or organization recognized as a legal entity by law in the United States or Canada.

1.53 Planning Cycle

"Planning Cycle" means each two-year period beginning on January 1 of even numbered years and ending on December 31 of odd numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.

1.54 Planning Region

"Planning Region" means each of the following transmission planning regions recognized by the Commission within the Western Interconnection: [California Independent System Operator Corporation](#), NorthernGrid, and WestConnect.

1.55 Potential Cost Allocation Project

"Potential Cost Allocation Project" is defined in Section 5.2.3.2 of this Attachment K.

1.56 Preliminary Cost Allocation Project

"Preliminary Cost Allocation Project" is defined in Section 8.5.2 of this Attachment K.

1.57 Project for Cost Allocation Consideration

"Project for Cost Allocation Consideration" is defined in Section 8.1 of this Attachment K.

1.58 Project Sponsor

"Project Sponsor" has the definition contained in Section 5.2.3.1 of this Attachment K.

1.59 Public Policy Requirement(s)

"Public Policy Requirement" means any applicable public policy requirement established through one or more enacted statutes or regulations promulgated by a relevant local, state, or federal jurisdiction within the Enrolled Region. "Public Policy Requirements" is a collective reference to each "Public Policy Requirement."

1.60 Qualified Developer

"Qualified Developer" means a Person that has satisfied the requirements of Section 7.1.3 of this Attachment K and intends to develop the project for which a Request for Cost Allocation is to be submitted.

1.61 Qualified Sponsor

"Qualified Sponsor" means a Project Sponsor that intends to submit a Request for Cost Allocation but does not intend to develop the project for which such Request for Cost Allocation is intended to be submitted.

1.62 Regional Benefits for Purposes of Interregional Cost Allocation

"Regional Benefits for Purposes of Interregional Cost Allocation" means, with respect to an ITP, an amount equal to the sum of the aggregate Benefits calculated in accordance with the provisions of Sections 8.4.1, 8.4.2, and 8.4.3 of this Attachment K for any

Enrolled Party Beneficiary(ies) of such ITP. For purposes of items (ii) and (c) of Section 10.5.2 of this Attachment K, Regional Benefits for Purposes of Interregional Cost Allocation is referred to as NorthernGrid's regional benefits stated in dollars resulting from the ITP.

1.63 Regional Combination

"Regional Combination" is defined in Section 6.3 of this Attachment K.

1.64 Regional Economic Study

"Regional Economic Study" is defined in Section 12.2.1 (c) of this Attachment K.

1.65 Regional Planning Horizon

"Regional Planning Horizon" means the ten-year planning horizon considered in a given Planning Cycle.

~~1.66 1.43 Regional Transmission Plan: shall mean the current, final regional transmission plan, as approved by the Steering Committee.~~ Regional Transmission Plan

~~1.44 Sponsor Qualification Data Form: shall mean the form posted on the NTTG Website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.~~

~~1.45 Sponsored Project: shall mean the project proposed by a Project Sponsor.~~

~~1.46 Steering Committee: Steering Committee is defined in Section 3.1.~~

~~1.47 Steering Committee Charter: shall mean that document attached as Exhibit B~~

"Regional Transmission Plan" or "Plan" means the regional transmission plan developed during each biennial Planning Cycle pursuant to this Attachment K.

1.67 Relevant Planning Regions

"Relevant Planning Regions" means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional

transmission needs in accordance with Section 10.4.2 of this Attachment K, at which time it shall no longer be considered a Relevant Planning Region.

~~1.48 WECC: shall mean~~

1.68 Request for Cost Allocation

"Request for Cost Allocation" means a request for a Sponsored Project to be considered for cost allocation that is submitted in accordance with Section 5.2.3.2 of this Attachment K.

1.69 Sponsored Project

"Sponsored Project" is defined in Section 5.2.3.1 of this Attachment K.

1.70 Study Scope

"Study Scope" means the range of items to be considered in performing analysis and studies to develop the Regional Transmission Plan as described in Section 6.1 of this Attachment K.

1.71 Submittal Window

"Submittal Window" begins on January 1 and runs through March 31 of even numbered years in each Planning Cycle.

1.72 Total Regional Costs from Interregional Cost Allocation

"Total Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the sum of the Assigned Regional Costs from Interregional Cost Allocation of such ITP plus any Additional Regional Costs from Interregional Cost Allocation of such ITP.

1.73 Transmission System

"Transmission System" means, for purposes of this Attachment K only, the existing or proposed transmission facilities of a transmission provider (depending upon context, the Transmission Provider or an Enrolled Party); provided that Transmission System specifically excludes any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

1.74 **Western Electricity Coordinating Council** ~~or its~~
~~successor organization.~~ ("WECC")

"Western Electricity Coordinating Council" or "WECC" refers to the Western Electricity Coordinating Council or any successor entity.

1.75 **Western Interconnection**

"Western Interconnection" refers to the western interconnected electric grid in North America. It spans 14 western states in the United States, the Canadian provinces of British Columbia and Alberta, and the northern portion of Baja California in Mexico.

Part B. Local Transmission Planning Process

2. ~~2.~~ Local Planning Process

2.1 ~~2.1.~~ Preparation of a Local Transmission System Plan

2.1.1. With the input of affected stakeholders, Transmission Provider shall prepare one (1) Local Transmission Plan during each two-year planning cycle. The Local Transmission Plan on its own does not effectuate any transmission service requests or designation of a future Network Resource. A request for Point-to-Point Transmission Service must be made as a separate and distinct submission by an Eligible Customer in accordance with the procedures set forth in Part II of the Tariff and posted on the Transmission Provider's OASIS. Similarly, Network Customers must submit Network Resource and Network Load additions/removals pursuant to the process described in Part III of the Tariff. The Local Transmission Plan shall study a ten (10) year planning horizon, unless an Eligible Customer's request submitted through the Tariff process specifically identifies a future new resource location on a 20 year horizon. In that case the Local Transmission Plan will be extended to 20 years.

2.1.2 The Transmission Provider shall consider the information obtained pursuant to Section 2.4 below, and transmission needs driven by Public Policy Requirements, in the preparation of the next planning cycle Local Transmission Plan. Transmission Provider may, following stakeholder input, also include results of completed Economic ~~Congestion~~ Studies, completed pursuant to Section ~~2.7~~12 below, in either the draft Local Transmission Plan or the next planning cycle, depending on whether the study was requested in Quarter 1 or Quarter 5. In developing the Local Transmission Plan, Transmission Provider shall apply applicable reliability criteria, including criteria established by the Transmission Provider, WECC, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission. In developing the Local Transmission Plan, Transmission Provider shall also identify upgrades and other investments to the Transmission System and Demand Response Resources

necessary to reliably satisfy, over the planning horizon, Network Customers' resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider's resource and load growth expectations for Native Load Customers; Transmission Provider's transmission obligation for Public Policy Requirements; Transmission Provider's obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider's Point-to-Point Transmission Service Customers' projected service needs including obligations for rollover rights.

2.1.3. The Transmission Provider shall take the Local Transmission Plan into consideration, to the extent required by state law, when preparing its next state required integrated resource plan and, as appropriate, when preparing system impact studies, facilities studies and other feasibility studies.

2.1.4. The Transmission Provider may evaluate the draft Local Transmission Plan by modeling the effects of LTP Re-Study Requests timely submitted by Eligible Customers in accordance with Sections 2.2.2.4 and 2.4, below. The Transmission Provider may, at its discretion, modify the draft Local Transmission Plan before finalization to incorporate results from a LTP Re-Study.

2.1.5. The Transmission Provider shall conduct a Planning Meeting during each quarter in the planning cycle to present a status report on the Local Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and/or receive comments. The meetings shall be open to all stakeholders, including but not limited to Eligible Customers, other transmission providers, federal, state and local commissions and agencies, trade associations, and consumer advocates. The date and time of the Planning Meeting shall be posted on Transmission Provider's OASIS, and may be held on no less than ten (10) business days' notice, except where such Planning Meeting is intended to be held in conjunction with a meeting organized or facilitated by NorthernGrid, in

which case, such Planning Meeting shall be held in accordance with the notice provisions applicable to such NorthernGrid meeting. The location of the Planning Meeting shall be as selected by the Transmission Provider, or may be held telephonically or by video or internet conference.

2.1.6 The Transmission Provider shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~.

2.2 ~~2.2.~~ **Coordination**

~~2.2.1.~~ 2.2.1 Planning Cycle. Transmission Provider shall prepare the Local Transmission Plan over a two year planning cycle over eight (8) quarters. Planning cycles will commence biennially pursuant to the schedule identified in the Transmission Provider's transmission planning business practice, "Transmission Planning Practices Document," posted on Transmission Provider's OASIS.

~~2.2.2.~~ 2.2.2 Sequence of Events.

2.2.2.1. Quarter 1: Transmission Provider will gather: (1) Network Customers' projected loads and resources and load growth expectations (based on annual updates under Part III of the Tariff and other information available to the Transmission Provider); (2) Transmission Provider's projected load growth and resource needs for Native Load Customers; (3) Eligible Customers' projections of Point-to-Point Transmission Service usage at each Point of Receipt and Point of Delivery (based on information submitted by Eligible Customers to the Transmission Provider pursuant to Section 2.3.1.1 below) including projected use of rollover rights; (4) information from all Transmission and Interconnection Customers concerning existing and planned Demand Response Resources and their impacts on demand and peak demand; and (5) transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~ submitted by all stakeholders.

The Transmission Provider shall take into consideration, to the extent known or which may be obtained from its Transmission Customers, obligations that will either commence or terminate during the planning cycle. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Local Transmission Plan, and/or the development of sensitivity analyses, including alternate solutions to the identified needs set out in prior Local Transmission Plans and transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~. In doing so, the stakeholder shall submit the data as specified in the Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS ~~at: [.](#)~~

~~<http://www.oasis.oati.com/PPW/PPWdocs/PlanningPractice_sDocument_v19_updated_links_pdf.pdf>~~

Transmission Provider shall use Point-to-Point Transmission Service usage forecasts and Demand [Response](#) Resources forecasts to determine system usage trends, and such forecasts do not obligate the Transmission Provider to construct facilities until formal requests for either Point-to-Point Transmission Service or Generator Interconnection Service requests are received pursuant to Parts II and IV of the Tariff.

Transmission Customers may submit Quarter 1 Economic ~~Congestion~~ Study Requests, in accordance with Section ~~2.7, 12,~~ by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

During the Quarter 1 Planning Meeting, Transmission Provider shall generally address the status of the ~~LTP~~ [Local Transmission Plan](#) process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 1 Planning Meeting, Transmission Provider shall also specifically:

- [•](#) Explain the planning process;
- [•](#) Present proposed planning goals and discuss with stakeholders;
- [•](#) Discuss data collected and discuss adequacy of data, as well as additional data required;
- [•](#) Discuss priority of Economic ~~Congestion~~ Study Requests; and

- Discuss creation, scope, and membership of local area focus groups.

In Quarter 1, the Transmission Provider will separate the transmission needs driven by public policy into the following:

- Those needs driven by Public Policy Requirements that will be evaluated in the transmission planning process that develops the Local Transmission Plan; and
- Those needs driven by Public Policy Requirements ~~and Public Policy Considerations~~ that will be used in the development of sensitivity analyses; ~~and Those needs driven by Public Policy Considerations that will not otherwise be evaluated.~~

Transmission Provider will post on its OASIS website an explanation of which transmission needs driven by public policy will be evaluated for potential solutions in the biennial transmission planning process and an explanation of why other suggested transmission needs driven by public policy will not be evaluated.

Once identified, the Public Policy Requirements driving transmission needs will not be revised by the Transmission Provider during the development of the Local Transmission Plan unless unforeseen circumstances require a modification to the identified Public Policy Requirements driving transmission needs. In this instance, stakeholders will be consulted before the Public Policy Requirements driving transmission needs are modified.

The evaluation process and selection criteria for inclusion of transmission needs driven by Public Policy Requirements in the Local Transmission Plan will be the same as those used for any other local project in the Local Transmission Plan. In its technical analysis, the Transmission Provider will insert the transmission needs driven by Public Policy Requirements in the transmission planning process to be jointly evaluated with other local projects, rather than considering

transmission needs driven by Public Policy Requirements separately from other transmission needs.

The process by which transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~ will be received, reviewed and evaluated is described in Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS website ~~at:~~
<http://www.oasis.oati.com/PPW/PPWdocs/PlanningPracticesDocument_v19_updated_links_pdf.pdf>.

A regional or interregional Project Sponsor may submit information for its project to the Transmission Provider or Enrolled Parties Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in ~~Section 3.7~~ Part C of this Attachment K.

2.2.2.2. Quarter 2: Transmission Provider will, with stakeholder input, define and post on OASIS the basic methodology, planning criteria, assumptions, databases, and processes the Transmission Provider will use to prepare the Local Transmission Plan. The Transmission Provider will also select appropriate base cases from the databases maintained by the WECC, and determine the appropriate changes needed for the Local Transmission Plan development. The Transmission Provider may adjust any base case to make that base case consistent with local planning assumptions and data.

Transmission Provider will also select up to one high priority Economic ~~Congestion~~ Study Request, with stakeholder input, to conduct during the first year of the planning cycle.

All stakeholder submissions will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and

wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 2 Planning Meeting, Transmission Provider shall generally address the status of the ~~HTP~~Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 2 Planning Meeting, Transmission Provider shall also specifically:

- Present the finalized methodology/planning criteria/process to be used;
- Present final planning goals and discuss with stakeholders;
- Present proposed assumptions and discuss with stakeholders;
- Present a proposed Economic ~~Congestion~~ Study, or cluster of studies, to conduct during the first year of the planning cycle; and
- Present selected base case and scenarios to be studied.

2.2.2.3. Quarters 3 and 4: Transmission Provider will prepare and post on OASIS a draft Local Transmission Plan. The Transmission Provider may elect to post interim iterations of the draft Local Transmission Plan, and solicit public comment prior to the end of the applicable quarter.

During the Quarters 3 and 4 Planning Meetings, Transmission Provider shall generally address the status of the ~~HTP~~Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders.

During the Quarter 3 Planning Meeting, Transmission Provider shall also specifically:

- Discuss status of the local planning process and any interim iterations of the draft Local Transmission Plan.

During the Quarter 4 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the draft Local Transmission Plan.

2.2.2.4. Quarter 5: Eligible Customers may submit LTP Re-Study Requests to the Transmission Provider as set out in Section 2.4. Any stakeholder may submit comments, additional information about new or changed circumstances relating to loads, resources, transmission projects, transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~, or alternative solutions to be evaluated as part of the preparation of the draft Local Transmission Plan, or submit identified changes to the data it provided in Quarter 1. The level of detail provided by the stakeholder should match the level of detail described in Quarter 1 above.

Requests received subsequent to Quarter 5 will only be considered during the planning cycle if the Transmission Provider can accommodate the request without delaying completion of the Local Transmission Plan.

Transmission Customers may submit Quarter 5 Economic ~~Congestion~~ Study Requests, in accordance with Section ~~2.7, 12,~~ by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

All stakeholder submissions, including transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~, will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers; solutions, including transmission solutions driven by Public Policy Requirements ~~and Public Policy Considerations~~, will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 5 Planning Meeting, Transmission Provider shall generally address the status of the ~~LTP~~ Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 5 Planning Meeting, Transmission Provider shall also specifically:

- Discuss LTP Re-Study Requests received by the Transmission Provider;
- Seek input from stakeholders on the selection of LTP Re-Study Requests; and
- Present a proposed Economic ~~Congestion~~ Study, or cluster of studies, to conduct during the second year of the planning cycle.

2.2.2.5. Quarter 6: Transmission Provider will model and consider the selected LTP Re-Study Requests and Economic ~~Congestion~~ Studies accepted in the prior quarter with the draft Local Transmission Plan. Transmission Provider will also conduct the Quarter 5 economic planning study, or cluster of studies.

During the Quarter 6 Planning Meeting, Transmission Provider shall generally address the status of the ~~LTP~~ Local Transmission Plan process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders.

During the Quarter 6 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the status, and any preliminary findings, of any LTP Re-Study Requests modeled with the draft Local Transmission Plan; and
- Discuss the status and any preliminary findings of the Quarter 5 Economic ~~Congestion~~ Study.

2.2.2.6. Quarter 7: Transmission Provider will finalize and post on OASIS the Local Transmission Plan taking into consideration appropriate LTP Re-Study Request results, written comments received by the owners and operators of interconnected transmission systems, written comments received by Transmission Customers and other stakeholders, and timely comments submitted during Planning Meetings at study milestones.

During the Quarter 7 Planning Meeting, Transmission Provider shall generally address the status of the ~~LTP~~ Local Transmission Plan process, summarize the substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 7 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the final Local Transmission Plan;
- Discuss the results of any LTP Re-Study Request and whether the results were incorporated into the final Local Transmission Plan; and
- Discuss the results of the Quarter 5 Economic ~~Congestion~~ Study.

2.2.2.7. Quarter 8: The Transmission Provider shall post the final Local Transmission Plan on its OASIS and submit to ~~NTTG during Quarter 1 of the next~~

~~Regional Planning Cycle~~NorthernGrid by the Submittal Window (as specified in ~~Sections 3.3.4 and 3.7.2).~~Section 5.2.2).

During the Quarter 8 Planning Meeting, Transmission Provider shall generally address the status of the ~~LTP~~Local Transmission Plan process, summarize the substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 8 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the submittal of the final Local Transmission Plan to regional entities and any required coordination with other Transmission Providers, including with NorthernGrid.

2.2.3. Focus Groups. Transmission Provider may, at its discretion but with input from stakeholders, including state regulators, establish focus groups during Quarter 1 to address specific, identified area planning issues. The Transmission Provider may, at its discretion, establish additional focus groups at any time during the planning process to address significant legislative or regulatory changes affecting either stakeholders or the Transmission Provider. The focus group will review available data and the impact of any previous Local Transmission Plan on Transmission Service to the identified area, and provide recommendations to the Transmission Provider to be considered for incorporation into the planning assumptions and/or final Local Transmission Plan. Membership to the focus groups will be open to all stakeholders, Transmission Customers, and Eligible Customers. The Transmission Provider will act as the facilitator for the focus group. The focus group shall address as many issues as possible via email and teleconference. Each focus group shall select a chairperson to set the timeline for discussion and developing recommendations within the scope of the 8 quarter planning cycle. All recommendations of the focus group must be based on the consensus of the focus group.

2.2.4 Regional Plan. Transmission Provider will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Order Nos. 890 and 1000. Such regional transmission planning process is detailed in Parts C through E of this Attachment K.

2.3. Information Exchange

2.3.1. Forecasts

2.3.1.1. Each Point-to-Point Transmission Customer shall, during Quarter 1 of each planning cycle, submit to the Transmission Provider its good-faith projected ten (10) year forecast of its transmission service needs. The forecast shall specify the Point of Receipt and Point of Delivery at the bus level. Forecasts shall specify the hourly values for the forecast period, or conversely provide an annual hourly shape to be applied to the forecast period.

2.3.1.2. Each Network Customer shall, pursuant to Part III of the Tariff and/or its Network Operating Agreement, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Response Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely, provide an annual hourly load shape than can be applied to the forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the LTP Local Transmission Plan.

2.3.1.3. The Transmission Provider on behalf of Native Load Customers shall, during each planning

cycle, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Response Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely provide an annual hourly load shape that can be applied to the forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the ~~LTP~~Local Transmission Plan.

2.3.1.4. Transmission Needs Driven by Public Policy: All stakeholders have the opportunity to submit transmission needs driven by Public Policy Requirements ~~and Public Policy Considerations~~ during Quarter 1 of the biennial planning cycle.

2.3.2. Participation. If any Eligible Customer or stakeholder fails to provide data or otherwise participate as described in this Attachment K, then the Transmission Provider shall not be obligated to include the eligible customer's requirements in the Transmission Provider's planning obligations. If any Network Customer fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider shall plan the system based on the most recent load and resource data received, adjusted for recent observed Network Customer usage patterns.

2.4. LTP Re-Study Requests

2.4.1. During Quarter 5, an Eligible Customer may submit a LTP Re-Study Request to the Transmission Provider, along with all data in its possession supporting the request to be modeled. Transmission Provider shall identify the form for a LTP Re-Study Request and identify minimum required data to accompany the request in its transmission planning business practice. After reviewing a LTP Re-Study Request, the

Transmission Provider may identify additional data requirements. The Eligible Customer submitting the LTP Re-Study Request shall work in good faith to assist the Transmission Provider in gathering all necessary data to perform the modeling request. To the extent necessary, any coordination between the requesting Eligible Customer and the Transmission Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.4.2. The Transmission Provider may cluster or batch LTP Re-Study Requests so that the Transmission Provider is able to model the requests in the most efficient manner. The Transmission Provider may prioritize the study requests based upon its evaluation of study requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan.

2.4.3. The Transmission Provider shall notify the requester of a LTP Re-Study Request within ten (10) business days of receipt of a completed LTP Re-Study Request whether or not the study request will be included as part of the Local Transmission Plan evaluation during Quarter 5 of the planning cycle, or whether additional information is required to make an appropriate determination.

2.5. OASIS Posting Requirements

2.5.1. The Transmission Provider shall maintain on its OASIS all information related to this Attachment K including a subscription service whereby any stakeholder or Transmission Customer may register to receive e-mail notices and materials related to the Local Transmission Plan process.

2.5.2. Content of OASIS Postings. Transmission Provider shall post on its OASIS the planning information and links to publicly available documents identified below:

2.5.2.1. The Transmission Provider's transmission planning business practice along with the procedures for modifying the business practice;

2.5.2.2. Planning cycle timeline;

2.5.2.3. Each LTP Re-Study Request, and response from the Transmission Provider;

2.5.2.4. The minutes of each quarterly Planning Meeting;

2.5.2.5. In advance of its discussion at any Planning Meeting, all materials to be discussed;

2.5.2.6. Written comments submitted to the Transmission Provider in relation to the Local Transmission Plan;

2.5.2.7. A list and explanation of which transmission needs driven by public policy received during Quarter 1 will be evaluated in the biennial planning process and explanation as to why other suggested transmission needs driven by public policy received during Quarter 1 will not be evaluated;

2.5.2.8. The draft, interim (if any), and final versions of the Local Transmission Plan;

2.5.2.9. At a minimum, the final version of all completed Local Transmission Plans for the three previous planning cycles;

2.5.2.10. Aggregated load forecasts representing the Transmission Provider's total transmission service forecast for its transmission system;

2.5.2.11. Summary list of Critical Energy Infrastructure Information (CEII) submitted during the planning process;

2.5.2.12. Links to relevant [NTPGNorthernGrid](#) agreements, charters, and documents;

2.5.2.13. Links to relevant WECC and WECC TEPPC agreements, charters, and documents; and

2.5.2.14. Information describing the extent that the Transmission Provider has undertaken a commitment to build a transmission facility included in [NTPGNorthernGrid](#)'s Regional Transmission Plan.

2.5.3. Database Access. A stakeholder may receive read-only access from the Transmission Provider to the database and all changes to the database used to prepare the Local Transmission Plan according to the database access rules established by the WECC and upon certification to the Transmission Provider that the stakeholder is permitted to access such database. Unless expressly ordered to do so by a court of competent jurisdiction or regulatory agency, the Transmission Provider has no obligation to disclose database information to any stakeholder that does not qualify for access.

2.6. Cost Allocation. Cost allocation principles expressed here are applied in a planning context of transparency and do not supersede cost obligations as determined by other parts of the Tariff which include but are not limited to transmission service requests, generation interconnection requests, Network Upgrades, Direct Assigned Facilities, or other cost allocation principles as may be determined by any state having jurisdiction over the Transmission Provider.

2.6.1. Individual Transmission Service Request Costs Not Considered. The costs of upgrades or other transmission investments subject to an existing transmission service request pursuant to the Tariff are evaluated in the context of that transmission service request. Nothing contained in this Attachment K shall relieve or modify the obligations of the Transmission Provider or the requesting Transmission Customer contained in the Tariff.

2.6.2. Rate Recovery. Notwithstanding any other section of this Attachment K, Transmission Provider will not assume cost responsibility for any project if the cost of the project is not reasonably expected to be recoverable in its retail and/or wholesale rates.

2.6.3. Categories of Included Costs. The Transmission Provider shall categorize projects set forth in the Local Transmission Plan for allocation of costs into the following types:

2.6.3.1. Type 1: Type 1 transmission line costs are those related to the provision of service to the Transmission Provider's Network and Native Load Customers. Type 1 costs include, to the extent such agreements exist, costs related to service to others pursuant to grandfathered transmission agreements.

2.6.3.2. Type 2: Type 2 costs are those related to Point-to-Point Transmission Service and requests for service.

2.6.3.3. Type 3: Type 3 costs are those incurred specifically as alternatives to (or deferrals of) transmission line costs (typically Type 1 projects), such as the installation of distributed resources (including distributed generation, load management and energy efficiency). Type 3 costs do not include Demand Response Resources projects which do not have the effect of deferring or displacing Type 1 costs.

2.6.4. Cost Allocation Principles. Unless an alternative cost allocation process is utilized and described in the Local Transmission Plan, the Transmission Provider shall identify anticipated cost allocations in the Local Transmission Plan based upon the end-use characteristics of the project according to categories of costs set forth above and the following principles:

2.6.4.1. Principle 1: The Commission's regulations, policy statements and precedent on transmission pricing shall be followed.

2.6.4.2. Principle 2: To the extent not in conflict with Principle 1, costs will be allocated consistent with the provisions of Section ~~3.88~~ of this Attachment K.

2.7. Local Economic ~~Congestion~~ Studies. Except as otherwise provided in Section 12 of this Attachment K, the following procedures shall govern with respect to Local Economic Studies.

2.7.1. Local Economic ~~Congestion~~ Study Requests. Any ~~Eligible Customer or stakeholder may submit an~~ Local Economic ~~Congestion Study Request during either Quarter 1 or Quarter 5 of the planning cycle, and such request must be received by March 31st of each year,~~ Study Requests must be submitted pursuant to the procedures

~~specified in the transmission planning business practice. Transmission Provider will complete up to two high priority Economic Congestion Studies during the planning cycle: one during the first year of the biennial planning cycle and one during the second year of the biennial planning cycle. By June 30th of each year, Transmission Provider shall determine the Local Economic Study(ies) to be performed by the end of the respective Quarter 4 or Quarter 8 of the biennial planning cycle. Transmission Provider shall complete additional Economic Congestion Studies at the sole expense of the parties requesting such studies.~~outlined in Section 12.3. Transmission Provider may choose to contract, at its discretion, with a qualified third-party to perform Economic ~~Congestion~~ Studies.

2.7.2. Categorization of Economic ~~Congestion~~ Studies. The Transmission Provider will categorize each Economic ~~Congestion~~ Study Request as local or regional. If the Economic ~~Congestion~~ Study Request is categorized as regional the Transmission Provider will notify the requesting party and forward the Economic ~~Congestion~~ Study Request to ~~NTTC~~NorthernGrid for consideration and processing under ~~NTTC~~NorthernGrid's procedures.

2.7.2.1. Local Economic ~~Congestion~~ Studies. ~~If the Economic Congestion Study Request (1) identifies Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the NTTC Planning Committee (if the request is received by the Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems, the study request will be considered a Local Economic Study Request and will be prioritized under this Section 2.~~Studies. A Local Economic Study has the meaning set forth in Section

12.2.2 and will be processed pursuant to Section 12 and, as applicable, this Section 2.

~~2.7.2.2. Regional Economic Congestion Studies. If the Economic Congestion Study Request (1) identifies Point(s) of Receipt and Point(s) of Delivery that are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Point(s) of Delivery utilize only Funding Agreement member-scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members, the study request will be considered a~~Studies. A Regional Economic Study Request and will be processed under Section 3.~~has the meaning set forth in Section 12.2.1, and will be processed pursuant to Section 12.~~

2.7.2.3. ~~Economic Congestion~~ Study Requests Not Applicable. To be considered by the Transmission Provider, any Local ~~Economic Congestion~~ Study Request must (1) contain at least one Point of Receipt or Point of Delivery within the Transmission Provider's scheduling footprint, or (2) be reasonably determined by Transmission Provider to be geographically located within the Transmission Provider's scheduling footprint.

2.7.3. Prioritization. Transmission Provider shall ~~categorize and~~ prioritize, ~~with stakeholder input,~~ one Economic ~~Congestion~~ Study Request to study as part of the local planning process each year of the biennial planning cycle. consistent with Section 12.3. In the event that more than ~~two~~one Local ~~Economic Congestion~~ Study Requests are received by the Transmission Provider during either Quarter 1 or Quarter 5, the Transmission Provider shall determine which Economic-

~~Congestion~~ Study will be performed based on (i) evaluation of requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan, (ii) the date and time of the request, and (iii) input from stakeholders at the Planning Meetings.

2.7.4. Requests. ~~Any Transmission Customer or stakeholder may submit an Economic Congestion Study Request to the Transmission Provider, along with the required data. The specific form for submitting an Economic Congestion Study Request and supporting data requirements shall be posted on the Transmission Provider's OASIS or maintained as part of the Transmission Provider's transmission planning business practice.~~ Requests shall be submitted pursuant to the requirements of Section 12.3. The party submitting an Economic ~~Congestion~~ Study Request shall work in good faith to assist the Transmission Provider in gathering the data necessary to perform the modeling request. To the extent necessary, any coordination between the requesting party and the Transmission Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.7.4.1. The Transmission Provider shall notify the requesting party within ten (10) business days of receipt of a completed Economic ~~Congestion~~ Study Request whether or not the request will be included and prioritized as part of the Local Transmission Plan evaluation during Quarter 1 or Quarter 5 of the biennial planning cycle, or whether additional information is required to make an appropriate determination.

2.7.4.2. If the Transmission Provider determines that a specific Local Economic ~~Congestion~~ Study Request will not be modeled as part of the planning cycle, the requesting party may request that the Transmission Provider conduct the Economic ~~Congestion~~ Study at the requesting party's expense. In this event, the

Transmission Provider shall tender an agreement setting forth the estimated cost of the study, the specific data and assumptions, and any other relevant information. The requesting party shall be responsible for the actual cost of the Economic ~~Congestion~~ Study.

2.7.4.3. All Local Economic Study Requests that are not accommodated within the current ~~Regional Planning Cycle~~planning cycle shall be deemed withdrawn and returned to the stakeholder without action, and the stakeholder may submit the Local Economic Study Request in the next ~~Regional Planning Cycle~~planning cycle.

2.7.4.4. If the Transmission Provider can feasibly cluster or batch requests, it will make efforts to do so. ~~Economic Congestion Study Requests will be clustered and studied together if all of the Point(s) of Receipt and Point(s) of Delivery match one another, or, in the alternative, it is reasonably determined by Transmission Provider that the Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.~~

2.7.5. Results of the Economic ~~Congestion Studies~~ shall be reported as part of the draft and final Local Transmission Plan, and provided to the requesting party and interested stakeholders. Results from the first ~~Economic Congestion Study~~ will be used to evaluate the draft Local Transmission Plan to determine whether that plan is the most reliable and economic plan of service. Results from the second ~~Economic Congestion Study~~ will be used to develop the draft Local Transmission Plan during the following planning cycle. Studies shall be reported consistent with Section 12.5.

2.8. Recovery of Planning Costs. Unless Transmission Provider allocates planning-related costs to an individual stakeholder as permitted under the Tariff, all costs incurred by the Transmission Provider related to the Local Transmission Planning process, or as part of the regional,

or interregional planning process, shall be included in the Transmission Provider's transmission rate base.

2.9. Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan. Eligible Customers and stakeholders shall utilize the dispute resolution process set forth in Section 13 to address all procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan.

~~2.9.1. Process. The following process shall be utilized by all Eligible Customers and stakeholders to address procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan:—~~

~~2.9.1.1. Step 1: Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider. Upon receipt of such letter, the Transmission Provider shall set up a meeting with the senior representatives from each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of the disputed matter, or (iii) after 60 days, the parties remain at an impasse.—~~

~~2.9.1.2. Step 2: If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation, among those parties involved in this dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the Commission's Alternate Dispute Resolution Service serve as the mediator of the dispute.—~~

~~2.9.2. Confidential Nature of Negotiations. All negotiations and proceedings pursuant to this process are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law.~~

~~2.9.3. Timeline. Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute as set forth in Section 2.9.1., be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier, to facilitate the timely completion of the Local Transmission Plan.~~

~~2.9.4. Expedited Process. The Transmission Provider may, if it reasonably believes that the dispute will impede the planning cycle and issuance of either the draft or final Local Transmission Plan, disclose and discuss the dispute at the next quarterly meeting for stakeholder discussion. Any resolution reached during the quarterly Planning Meeting shall not affect the right of a party to initiate complaint proceedings at the Commission.~~

~~2.9.5. Rights. Nothing contained in this Section 2.9 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.~~

2.10. Transmission Business Practice. The Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS shall provide additional detail explaining how the Transmission Provider will implement this Attachment K during each planning cycle.

2.11. Openness

2.11.1. Participation. All affected stakeholders may attend Local Transmission Plan meetings and/or submit comments, LTP Re-Study Requests, Economic ~~Congestion~~ Study Requests, or other information relevant to the planning process. Transmission Provider may establish

focus groups as part of the planning process to facilitate specific planning efforts.

2.11.2. Critical Energy Infrastructure Information (CEII). Any stakeholder and the Transmission Provider participating in the planning process must agree to adhere to the Commission's guidelines concerning CEII. Additional information concerning CEII, including a summary list of data that is determined by the supplying party to be deemed CEII, shall be posted by the Transmission Provider on OASIS, and updated regularly.

2.11.3. Confidential Information. Stakeholders and the Transmission Provider shall identify each confidential document supplied during the transmission planning process. Any stakeholder or the Transmission Provider seeking access to such confidential information must agree to adhere to the terms of a ~~Confidentiality Agreement~~confidentiality agreement. The form of Transmission Provider's ~~Confidentiality Agreement~~confidentiality agreement shall be developed initially by the Transmission Provider and posted on OASIS. Thereafter, stakeholders shall have an opportunity to submit comments on the form of ~~Confidentiality Agreement~~confidentiality agreement. Confidential information shall be disclosed in compliance with Standards of Conduct, and only to those participants in the planning process that require such information and that execute the ~~Confidentiality Agreement~~confidentiality agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

~~3. Regional Planning Process:~~

~~3.1. Governance~~

~~NTTC is a trade name of the utilities and state representatives that are participating in the development of a Regional Transmission Plan that evaluates whether transmission~~

~~needs within the NTFG Footprint may be satisfied on a regional and interregional basis more efficiently or cost effectively than through local planning processes. While the Regional Transmission Plan is not a construction plan, it provides valuable regional insight and information for all stakeholders (including developers) to consider and use in their respective decision-making processes.~~

~~NTFG has four standing committees: Steering Committee, Planning Committee, Cost Allocation Committee, and transmission use committee. The Steering Committee, which operates pursuant to the Steering Committee Charter, is charged with the task of approving the Regional Transmission Plan in accordance with this Attachment K, and governing the activities of NTFG. The Planning Committee, which is governed by the Planning Committee Charter, is charged with the task of producing the Regional Transmission Plan (inclusive of regional Economic Congestion Studies) in accordance with this Attachment K. The Cost Allocation Committee, which is governed by the Cost Allocation Committee Charter, is charged with the task of allocating costs to Beneficiaries of transmission projects selected into the Regional Transmission Plan for cost allocation purposes in accordance with this Attachment K. The transmission use committee, which is governed by the transmission use committee charter, and acts outside the scope of this Attachment K, is responsible for increasing the efficiency of the transmission system through commercially reasonable initiatives and increasing customer knowledge of, and transparency into, the transmission system.~~

Part C. NorthernGrid's Enrolled Region Transmission Planning Process

3. Introduction

NorthernGrid is an unincorporated association of entities that either own or operate, or that propose to own or operate, electric transmission facilities in the Western Interconnection. NorthernGrid promotes coordinated, open, and transparent transmission planning and facilitates compliance with certain FERC transmission planning directives for the Enrolled Parties. Transmission Provider participates in NorthernGrid's transmission planning processes as set forth in this Attachment K.

NorthernGrid is to develop a Regional Transmission Plan each Planning Cycle as described in this Attachment K. The Regional Transmission Plan is not intended to be a construction plan; however, the Regional Transmission Plan is intended to provide insight and information regarding regional transmission planning.

Parts C and D of Attachment K set forth NorthernGrid's Enrolled Region process to be used in developing the Regional Transmission Plan. Part E of Attachment K addresses local and regional economic study requests.

4. ~~3.2. Participation Through Enrollment or Membership and~~ Information Access

~~3.2.1. Enrollment: Enrollment obligations are specified in Section 3.2.3 below. An entity may enroll in NTTG by becoming a funder as specified in Section 3.2.3 below.~~

~~3.2.2. Membership: Membership rights are specified in the committee charters. An entity may become a member of the following:~~

~~1. Planning Committee as specified in the Planning Committee Charter,~~

~~2. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and~~

~~3. Steering Committee as specified in the Steering Committee Charter.~~

~~3.2.3. Funder of NTTG~~

~~3.2.3.1. Eligibility: An entity that meets the definition of "Nominal Funder" or "Full Funder" as defined in the currently effective Funding Agreement is eligible to join NTTG as a funder.~~

~~3.2.3.2. Funding Enrollment Process: An eligible entity will be enrolled in NTTG as a Full Funder on the date the requirements of (a), (b) and either (c) or (d) are satisfied. An eligible entity will be enrolled in NTTG as a Nominal Funder on the date the requirements of (a) and (b) are satisfied.~~

~~a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.~~

~~b. Entity becomes a party to the currently effective Finance Agent Agreement.~~

~~c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional and interregional planning provisions of Attachment K that are the same as the other Full Funders for its transmission facilities located within the Western Interconnection.~~

~~d. If an entity intending to become a Full Funder is not a public utility, then the entity shall adopt and post on its website an Open Access Transmission Tariff or other agreement(s) providing for comparable transmission service, each including regional and interregional planning provisions for its transmission facilities located within the Western Interconnection that are the same as those expressed in Attachment K of the other Full Funders that are public utilities for their transmission facilities located in the Western Interconnection (each referred to as a "NJ Attachment K").~~

~~3.2.3.3. Funder Enrollment Obligations: Upon enrollment and to maintain enrollment in good standing~~

~~an entity enrolled as a Nominal Funder agrees to the requirements of (a), (b), and (c); an entity enrolled as a Full Funder agrees to the requirements of (a), (b), and (d), and if a non-public utility, the entity agrees to the requirements of (a), (b), and (c).~~

~~a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment;~~

~~b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment;~~

~~c. Agrees not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement.~~

~~d. A Full Funder that is a public utility agrees:~~

~~i. To implement the provisions of its Open Access Transmission Tariff providing for comparable transmission service including Attachment K; and~~

~~ii. To modify its Open Access Transmission Tariff, Funding Agreement, and Finance Agent Agreement consistent with FERC orders.~~

~~e. A Full Funder that is not a public utility agrees:~~

~~i. To implement the provisions of its NJ Attachment K;~~

~~ii. To modify its NJ Attachment K, Funding Agreement, and Finance Agent Agreement, consistent with FERC orders, except that a non-public utility Full Funder need not file its NJ Attachment K, Funding Agreement, and Finance Agent Agreement;~~

~~iii. Not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement, and~~

~~iv. Not to include a provision in its NJ Attachment K that conflicts with a provision in the Open Access Transmission Tariff including Attachment Ks of a Full Funder that is a public utility.~~

~~3.2.3.4. Funder Termination of Enrollment: An entity ceases being enrolled in NTTG as a funder on the date the Steering Committee determines that the entity satisfied the requirements of (a) and (b) below. Promptly following such date, such entity, if a non-public utility, shall satisfy requirement (c), and if a public utility, shall satisfy requirement (d).~~

~~a. The entity is no longer a party to the Funding Agreement or Finance Agent Agreement.~~

~~b. The entity violates an applicable requirement set forth in Section 3.2.3.3.~~

~~c. A non-public utility shall revoke and remove from its website the NJ Attachment K.~~

~~d. A public utility shall file with the Commission an Attachment K in place of the Attachment K specified in Section 3.2.3.2.~~

4.1 Enrolled Parties

~~4.1.1 3.2.3.5. Identification of Full Funders: The following entities are enrolled in NTTG as Full Funders:~~

~~a. Deseret Generation & Transmission Co-operative, Inc.,~~

The Enrolled Parties are:

Avista Corporation;

~~b. Idaho Power Company,~~

MATL LLP;

~~c. NorthWestern Corporation,~~

~~d. PacifiCorp,~~

~~e. Portland General Electric Company, and~~Portland General Electric Company; and

~~f. MATL LLP.~~

~~3.2.3.6. Identification of Nominal Funders: Utah Associated Municipal Power Systems is enrolled in NTTG as a Nominal Funder.~~

~~3.3. Transmission Provider Participation~~

~~3.3.1. Planning & Process: Transmission Provider shall engage in regional transmission planning (including interregional coordination and interregional cost allocation) through NTTG. Transmission Provider shall support NTTG's planning and cost allocation processes through funding a share of NTTG as a Full Funder, and providing employee support of NTTG's planning, cost allocation, and administrative efforts.~~

~~3.3.2. Project Identification: Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.~~

~~3.3.3. Project Cost Allocation: Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.8.~~

Puget Sound Energy, Inc.

4.1.2 Updates to Enrolled Parties List

Transmission Provider is to revise the list of Enrolled Parties in Section 4.1.1 of this Attachment K to add any entity that enrolls pursuant to Section 4.2.2, or to remove any entity that withdraws (or is deemed to have withdrawn) as an Enrolled Party.

4.2 Becoming an Enrolled Party

4.2.1 Eligibility

Any Person that satisfies the requirements of sub-sections (i) and (ii) is eligible to and may seek to become an Enrolled Party.

(i) The Person owns or operates, or proposes to own or operate, transmission facilities in the United States portion of the Western Interconnection.

(ii) The Person's transmission facilities (whether owned, operated or proposed) within the United States portion of the Western Interconnection are (or are proposed to be) electrically interconnected with another Enrolled Party's transmission facilities or the transmission facilities of a Non-Jurisdictional Entity that utilizes NorthernGrid for transmission planning.

4.2.2 Process to become an Enrolled Party

A Person shall demonstrate eligibility and request to become an Enrolled Party by submitting a completed application form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.

The Person becomes an Enrolled Party on the date it satisfies the requirements of subsections (i), (ii), and (iii) below.

(i) The Person demonstrates eligibility pursuant to Section 4.2.1.

(ii) The Person places into effect either an Attachment K to its Open Access Transmission Tariff if FERC requires the Person to have an Open Access Transmission Tariff, or in the case of a Non-Jurisdictional Entity, executes an agreement that is consistent with this Tariff that defines NorthernGrid's processes for producing a Regional Transmission Plan, Enrolled Party responsibilities, and stakeholder involvement.

(iii) The Person becomes a party to the Funding Agreement.

4.2.3 Process for Non-Incumbent Transmission Developers to Participate

Provided it is not an Enrolled Party, a Non-Incumbent Transmission Developer that intends to propose a transmission project for evaluation and potential selection into the regional plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and pay the study fee indicated in that agreement.

4.2.4 Process for Interregional Transmission Project Proponents to Participate

Provided it is not an Enrolled Party, an Interregional Transmission Project Proponent that intends to propose an ITP for evaluation and potential selection into the regional transmission plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto.

4.2.5 Duration of Enrollment for Enrolled Parties

Enrolled Party status is retained, unless or until such time as the entity withdraws, or is deemed to have withdrawn, in accordance with Section 4.3 of this Attachment K.

4.2.6 Expectations of an Enrolled Party

Each Person that becomes an Enrolled Party pursuant to Section 4.2.2 is expected to actively participate in the transmission planning processes set forth in this Attachment K.

4.3 Withdrawal of Enrolled Party

4.3.1 Notice of Enrolled Party Withdrawal

Any Enrolled Party may withdraw from being an Enrolled Party by providing written notice of withdrawal to the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee, at the address listed on the NorthernGrid Website, and to each other Enrolled Party, at the address listed for each Enrolled Party on NorthernGrid's Website.

4.3.2 Effective Date of Notice of Withdrawal

If an Enrolled Party provides notice of withdrawal in accordance with Section 4.3.1, such withdrawal will be effective the end of the Planning Cycle in which such written notice of withdrawal is received by the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee; provided, however, if the withdrawing Enrolled Party is a Non-Jurisdictional Entity, such withdrawal shall be effective upon the receipt, by the Enrolled Parties' chair of the Enrolled Parties' Planning Committee, of the written notice of withdrawal from such Enrolled Party.

4.3.3 Deemed Withdrawal

Any Person enrolled as an Enrolled Party pursuant to Section 4.2.2 must remain a party to the Funding Agreement. If an Enrolled Party ceases being a party to the Funding Agreement, such Enrolled Party shall be deemed to have withdrawn as an Enrolled Party thirty (30) calendar days after the date such Enrolled Party ceases being a party to the Funding Agreement.

4.3.4 Significance of Withdrawal

Upon the effective date of withdrawal or deemed withdrawal of an Enrolled Party, all rights and obligations of the withdrawing Enrolled Party under this Attachment K shall terminate; provided that all obligations and liabilities of such withdrawing Enrolled Party, including any obligation with regard to any Costs allocated to such Enrolled Party in accordance with this Attachment K, accrued prior to the date upon which withdrawal of such Enrolled Party is effective, as provided in Section 4.3.2 or 4.3.3 (as applicable), are preserved until satisfied.

4.4 Participation by Merchant Transmission Developer

A Merchant Transmission Developer that has either executed the Funding Agreement or executed a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and paid a study fee

in accordance with such agreement, may submit a Merchant Transmission Project into the Planning Cycle in accordance with Section 5.2.3.4.

4.5 Stakeholder Participation

Any Person may attend public meetings, and any Person may submit comments to materials published on the NorthernGrid Website for public comment according to the instructions included with the materials. NorthernGrid is to post notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting. The meeting notice will identify the date, time, and location of the meeting.

4.6 Engagement of States

State participation in the processes in this Attachment K is described in the Enrolled Parties and States Committee Charter.

4.7 Sensitive Information

4.7.1 Protocols for Treatment and Labeling of CEII or Confidential Information

Any Person seeking to participate in the processes of this Attachment K must adhere to the rules and/or guidelines established by the Enrolled Parties concerning CEII or Confidential Information. Those rules and any guidelines will be posted on the NorthernGrid Website and updated as necessary. Confidential Information and CEII must be clearly marked as such.

4.7.2 Requesting and Processing Information Requests

A Person may request information from NorthernGrid by completing and submitting a written request form available on the NorthernGrid Website, specifying the information being requested. The Enrolled Parties Planning Committee is to determine whether any of the requested information includes CEII or Confidential Information. NorthernGrid is to provide to the requestor the information requested that NorthernGrid does not identify as information that includes any CEII or Confidential Information.

If the requested information includes CEII or Confidential Information, NorthernGrid is to notify the requestor in writing that information requested by such requestor includes CEII or Confidential Information and that the requestor must comply with restrictions imposed on access to and use of such data (such as a non-disclosure agreement) by the entity that owns such data. NorthernGrid is, to the extent practicable, to inform the

requestor of the entities with which it must enter into a non-disclosure agreement. To the extent any other entity's Confidential Information is contained within the work product of NorthernGrid, any non-disclosure agreements must be obtained with such entity prior to disclosure of Confidential Information by NorthernGrid.

The requestor shall work with each entity, as applicable, to execute non-disclosure agreements. Once NorthernGrid has received confirmation that applicable non-disclosure agreements have been executed, it is to provide the Confidential Information or CEII to the requestor. In no event shall the Transmission Provider or NorthernGrid be required to produce or provide to any Person information in violation of any applicable law, regulation, or other legal requirement.

NorthernGrid Planning Cycle

~~3.3.4. Information Provided: Transmission Provider will provide NTTG with:~~

5. Data Gathering/Study Scope Inputs

5.1 Responsibility

The Enrolled Parties Planning Committee is to gather data to prepare the Study Scope and perform certain evaluations as set forth in this Attachment K.

5.2 Data Gathering

5.2.1 General from Stakeholders

Any stakeholder may submit data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Projects submitted by stakeholders as well as Conceptual Solutions derived from stakeholder information may become Sponsored Projects that may be submitted for evaluation and/or cost allocation pursuant to Section 5.2.3.1 or 5.2.3.2, or they may be submitted for evaluation and cost allocation pursuant to Section 5.2.3.3. A stakeholder shall use the Data Submittal Form to submit data and Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the Submittal Window. Untimely submissions will not be considered.

5.2.2 Enrolled Party Information

Each Enrolled Party is to submit the following information to NorthernGrid within the Submittal Window:

- (i) ~~a.~~ Its Local Transmission Plan, and the data required by Section 5.2.3.5 for any local project that is to be evaluated by the Enrolled Parties Planning Committee;

- (ii) Any local project the Enrolled Party is identifying and submitting appropriate evidence for, such that the project may be evaluated by the Enrolled Parties Planning Committee for possible classification as a Committed Project;

- (iii) ~~b.~~ Data used to develop its Local Transmission Plan, including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources, and stakeholder data described in Sections 2 and 3;
 - ~~c.~~ Updates to information about new or changed circumstances or data contained in the Local Transmission Plan;

 - ~~d.~~ Updates to previously submitted data;

 - (iv) Enrolled Party Needs, including such needs driven by Public Policy Requirements;

 - (v) Public Policy Considerations; and

 - ~~e.~~ Any other project proposed for the Regional Transmission Plan.

- ~~3.3.5. Information Posted: Subject to appropriate Critical Energy Infrastructure Information (CEII) or other applicable regulatory restrictions, Transmission Provider will post on its OASIS: and~~
 - (vi) Any other project that such Enrolled Party intends to propose for evaluation in the Planning Cycle, including any

Non-Transmission Alternatives or Conceptual Solutions.

5.2.3 Proposing a Project

5.2.3.1 New Sponsored Projects

An Enrolled Party, a Non-Incumbent Transmission Developer, an ITP Proponent, or a Merchant Transmission Developer (each individually referred to as a Project Sponsor) may propose a new transmission project (each a "Sponsored Project") for evaluation in a Planning Cycle. At a minimum, the data identified in Table A must be submitted for each project being proposed. For any project submitted for possible classification as a Committed Project, the Project Sponsor must demonstrate, to the reasonable satisfaction of the Enrolled Parties Planning Committee, that the project is a Committed Project. Failure to do so will result in the project being evaluated in the normal course, during the Planning Cycle.

5.2.3.2 Request for Cost Allocation - Sponsored Project

An Enrolled Party, a Non-Incumbent Transmission Developer, and an ITP Proponent that is deemed a Qualified Sponsor or otherwise qualifies as a Qualified Developer in accordance with Section 7 below, may propose a Sponsored Project for evaluation and potential selection in the Regional Transmission Plan for purposes of cost allocation; provided, however, that Non-Transmission Alternatives are not eligible to be selected for purposes of cost allocation.

A Qualified Sponsor/Qualified Developer shall use the Data Submittal Form to submit data and may use Table A below, as guidance for the types of data to be submitted. Qualified Sponsors/Qualified Developers shall submit such data to NorthernGrid within the Submittal Window, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." A Qualified Sponsor/Qualified Developer may withdraw its Request for Cost Allocation at any time by providing written notice to the Chair of the Cost Allocation Task Force. In the event that all Qualified Sponsors/Qualified Developers of a specific Potential Cost Allocation Project withdraw their Request(s) for Cost Allocation, such project shall no longer be eligible, during the then-current Planning Cycle, for

consideration to become a Cost Allocation Project in the Regional Transmission Plan.

5.2.3.3 Request for Cost Allocation - Un-sponsored Project

Any Enrolled Party, Non-incumbent Transmission Developer, or ITP Proponent (only with regard to unsponsored projects that are ITPs) may propose an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation. However, each unsponsored project is dependent upon an otherwise Qualified Sponsor/Qualified Developer to submit a Request for Cost Allocation on behalf of the unsponsored project. A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." If no Qualified Sponsor/Qualified Developer submits a Requests for Cost Allocation for an otherwise unsponsored transmission project, such unsponsored project will be removed from the Regional Transmission Plan.

Any Enrolled Party, Non-incumbent Transmission Developer, or ITP Proponent proposing an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation, shall use the Data Submittal Form to submit relevant data about the project and shall use Table A and Section 5.2.3.6 below, for the types of data to be submitted. Such data shall be submitted to NorthernGrid within the Submittal Window, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

If a Request for Cost Allocation is made on behalf of an unsponsored project, such request may later be withdrawn by the Qualified Sponsor/Qualified Developer who requested cost allocation but providing written notice to the chair of the Cost Allocation Task Force. If the Request for Cost Allocation is withdrawn, such unsponsored project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

5.2.3.4 Merchant Transmission Projects

A Merchant Transmission Developer may submit a Merchant Transmission Project for evaluation in the Planning Cycle by submitting the data identified in Table A below, to be submitted by Merchant Developers, and thereby have its project recognized

as a "Sponsored Project." However, Merchant Transmission Projects shall not be considered for cost allocation.

5.2.3.5 Minimum Data Submittal Requirements ("Project Data" or "Table A")

| Table A. Project Data Requirements | | | |
|---|---|---|---|
| | <u>Data/Information to be provided</u> | <u>Everyone except Merchant Transmission Developers</u> | <u>Merchant Transmission Developers</u> |
| <u>A</u> | <u>Proposed project name and name of Project Sponsor; if project is an unsponsored project, please clearly label project as "Unsponsored"</u> | <u>Y</u> | <u>Y</u> |
| <u>B</u> | <u>Whether or not project is claimed to be a Committed Project</u> | <u>Y</u> | <u>Y</u> |
| <u>C</u> | <u>Whether Project Sponsor intends to request cost allocation</u> | <u>Y</u> | <u>N</u> |
| <u>D</u> | <u>Identify the Enrolled Party Needs to be addressed and whether any such Enrolled Party Needs are driven by Public Policy Requirements</u> | <u>Y</u> | <u>Optional</u> |
| <u>E</u> | <u>Identify location of project, including map of proposed route</u> | <u>Y</u> | <u>Y</u> |
| <u>F</u> | <u>Any new facilities comprising the project (e.g., new substations and transmission lines)</u> | <u>Y</u> | <u>Y</u> |
| <u>G</u> | <u>Voltage level</u> | <u>Y</u> | <u>Y</u> |

Table A. Project Data Requirements

| | <u>(including AC or DC)</u> | | |
|----------|---|----------|-----------------|
| <u>H</u> | <u>Structure type (wood, steel, single-circuit, double-circuit, etc.)</u> | <u>Y</u> | <u>Y</u> |
| <u>I</u> | <u>Conductor type, mileage, configuration, and electrical parameters of components as necessary to model them accurately in power flow simulations (e.g., resistance, reactance, charging, ratings, etc.)</u> | <u>Y</u> | <u>Y</u> |
| <u>J</u> | <u>Project terminal facilities and any reactive elements (in MVAR)</u> | <u>Y</u> | <u>Y</u> |
| <u>K</u> | <u>"Estimated Cost" of project</u> | <u>Y</u> | <u>Optional</u> |
| <u>L</u> | <u>Development schedule of the project</u> | <u>Y</u> | <u>Y</u> |
| <u>M</u> | <u>Planned in-service date of the project</u> | <u>Y</u> | <u>Y</u> |
| <u>N</u> | <u>Whether the project is being proposed as an Interregional Transmission Project (ITP)</u> | <u>Y</u> | <u>N</u> |
| <u>O</u> | <u>If the project is an Interregional Transmission Project, a list of all Relevant Planning Regions to which the Interregional Transmission Project has been, or is to be,</u> | <u>Y</u> | <u>N</u> |

Table A. Project Data Requirements

| | | | |
|----------|--|----------|-----------------|
| | <u>submitted for evaluation</u> | | |
| <u>P</u> | <u>Whether the project is a Merchant Transmission Project</u> | <u>N</u> | <u>Y</u> |
| <u>Q</u> | <u>Additional technical studies and analysis, if performed</u> | <u>Y</u> | <u>Y</u> |
| <u>R</u> | <u>Economic Considerations¹</u> | <u>Y</u> | <u>Optional</u> |

If the Enrolled Parties Planning Committee determines that additional information is necessary or appropriate, it may request the additional information at any time and the Project Sponsor shall promptly provide such other information as may reasonably be requested.

5.2.3.6 Additional Information about Potential Cost Allocation Projects

Within fifteen (15) calendar days of submitting a Request for Cost Allocation for a Potential Cost Allocation Project in accordance with Section 5.2.3.2, the Qualified Sponsor/Qualified Developer of such Potential Cost Allocation Project shall, to the extent not already provided, submit the following additional information about the Potential Cost Allocation Project:

- (i) Qualified Sponsor's/Qualified Developer's anticipated role regarding the Potential Cost Allocation Project (e.g., intends to be the developer, owner, and/or operator of the Potential Cost Allocation Project) and the identity of any other entity that proposes to participate in the development, ownership, or operation of the Potential Cost Allocation Project;
- (ii) Required steps for developing the Potential Cost Allocation Project, such as granting of state, federal, and local approvals and obtaining easements necessary to develop

¹ Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.

- and construct the Potential Cost Allocation Project so as to timely meet the Enrolled Party Need(s), and the current status regarding any such steps;
- (iii) Anticipated transfer capability or path rating increase associated with the Potential Cost Allocation Project;
 - (iv) A list of new facility outages that should be analyzed as a result of the Potential Cost Allocation Project; and
 - (v) All data underlying the calculation of estimated costs; must share sufficient detail to allow the Cost Allocation Task Force to determine the Cost of the Potential Cost Allocation Project (Note: cost estimates may be compared to the WECC calculator).

The Enrolled Parties Planning Committee or the Cost Allocation Task Force may request additional information at any time and the Qualified Sponsor/Qualified Developer shall promptly provide such other information as may reasonably be requested.

5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan

Any Sponsored Project included in the prior Regional Transmission Plan for which the Project Sponsor does not intend to request Cost Allocation in the current Planning Cycle must be re-submitted as a Sponsored Project within the Submittal Window, along with updates to the information required by Table A, to be considered in the then-current Planning Cycle. To the extent a Project Sponsor fails to submit updated information identified in Table A, then only that information readily available to the Enrolled Parties Planning Committee shall be utilized. Sponsored Projects included in the prior Regional Transmission Plan will no longer be included in the Regional Transmission Plan for the current Planning Cycle if:

- (i) Such project no longer satisfies an Enrolled Party Need; or
- (ii) The Project Sponsor has withdrawn its project.

5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan

The previously Qualified Developer of any Cost Allocation Project selected in the prior Regional Transmission Plan must again qualify in the current Planning Cycle as a Qualified Developer under Section 7.1.2 by submitting, within the Submittal Window, updates to the information required by Table B, until such Cost Allocation Project either (i) is no longer to be included in a Regional Transmission Plan or (ii) has been demonstrated by the Qualified Developer to be a Committed Project. Updates to the information listed in Table A and Section 5.2.3.6 is also requested. However, to the extent a Qualified Developer fails to submit updated information identified in Table A and Section 5.2.3.6, only that information that is readily available to the Enrolled Parties Planning Committee and the Cost Allocation Task Force shall be utilized. Cost Allocation Projects selected in the prior Regional Transmission Plan will not be included in the Regional Transmission Plan as a Cost Allocation Project for the current Planning Cycle if, in the Planning Cycle, it is determined that:

- (i) All who originally submitted a Request for Cost Allocation on behalf of such project no longer satisfy the criteria in the current Planning Cycle as Qualified Developers under Section 7.1.2;
- (ii) Such project no longer satisfies an Enrolled Party Need;
- (iii) All that properly submitted a Request for Cost Allocation with respect to such Cost Allocation Project have withdrawn their Requests for Cost Allocation;
- (iv) The project is no longer determined to be a more efficient or cost-effective solution to an Enrolled Party Need; or
- (v) Such project has been in the Regional Transmission Plan for three successive Planning Cycles and the Qualified Developer has not demonstrated that such project has achieved the status of being a Committed Project.

5.2.4 Submittal Form and Due Date

All data/information, including Request for Cost Allocation, submitted pursuant to the requirements described in Sections 5.2.1 through 5.2.3 shall be submitted within the Submittal Window to NorthernGrid using the Data Submittal Form (available on the NorthernGrid Website), consistent with the instructions available on the NorthernGrid Website.

5.2.5 Use of Submitted Information

By submitting data/information pursuant to this Attachment K, the submitting entity authorizes the use of the information in all NorthernGrid processes without compensation in any form. Any data/information made available or otherwise provided shall be "AS IS" and any reliance on such information is at one's own risk, without warranty and without any liability of NorthernGrid (or any committee or committee members of NorthernGrid), Transmission Provider, or any entity supplying information.

5.3 Review of Submitted Information

The Enrolled Parties Planning Committee is to review the information submitted in accordance with Section 5.2.3. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to meet the information requirements set forth in Section 5.2.3, the Enrolled Parties Planning Committee is to notify the Project Sponsor/Qualified Sponsor/Qualified Developer of the reasons for such failure. Each Project Sponsor/Qualified Sponsor/Qualified Developer shall have an opportunity to remedy deficiencies in their submitted data/information. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to fully remedy such deficiencies by the first April 15th of the Planning Cycle, that Project Sponsor's/Qualified Sponsor's/Qualified Developer's proposed transmission project and/or Request for Cost Allocation shall be deemed withdrawn.

5.4 Untimely or Improperly Submitted Requests or Submittals of Information

Untimely (i.e., information received by NorthernGrid prior to the opening of the Submittal Window or after the Submittal Window has closed, with the exception of information submitted on or before the first April 15th of the Planning Cycle to remedy a deficiency notice from the Enrolled Parties Planning Committee) or improperly submitted requests made pursuant to 5.2.3, will not be considered.

6. Development of Draft Regional Transmission Plan

6.1 Study Scope Development

The Enrolled Parties Planning Committee is to develop a draft Study Scope. The draft Study Scope shall describe:

- a. Projects submitted, and data gathered in accordance with Section 5.2;
- b. Any Committed Projects (If any project included in the prior Regional Transmission Plan is determined by the Enrolled Parties Planning Committee to be a Committed Project, such project shall be included in the Draft Regional Transmission Plan as a Committed Project and shall not be subject to further evaluation in this Planning Cycle);
- c. The detailed study methodology;
- d. Reliability criteria to be considered;
- e. Enrolled Party Needs, including needs driven by Public Policy Requirements;
- f. Assumptions (including loads, resources, desired flows, constraints);
- g. Baseline Projects of Enrolled Parties;
- h. Each Alternative Project to be considered;
- i. Each Non-Transmission Alternative to be considered;
- j. Databases to be utilized; and
- k. Evaluation scenarios.

6.2 Review and Comment; Consideration of Comments; Update Study Scope

Upon completion of the development of the draft Study Scope, the Enrolled Parties Planning Committee is to provide the draft Study Scope to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the draft Study Scope. The Enrolled Parties Planning Committee will make modifications to the draft Study Scope as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the draft Study Scope and solicit comments from stakeholders. NorthernGrid is to post the

draft Study Scope and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the draft Study Scope to stakeholders for comment. Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the draft Study Scope. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that either Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond; and
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, and finalize the Study Scope.

After considering stakeholder comments, NorthernGrid is to post the final Study Scope on the NorthernGrid Website. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan, including the rationale for selecting and excluding transmission needs driven by Public Policy Requirements.

6.3 Analysis; Documentation in Draft Regional Transmission Plan

The Enrolled Parties Planning Committee is to evaluate combinations of the Baseline Projects of Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs ("Regional Combination"). If a project does not meet any Enrolled Party Need, it will not be considered by Enrolled Parties for inclusion in the Draft Regional Transmission Plan.

Once the Enrolled Parties Planning Committee becomes aware of a Material Adverse Impact on a Neighboring System caused by a Sponsored Project or Alternative Project identified in the Regional Combination, the Project Sponsor is to coordinate with the Neighboring Systems to assess the facilities necessary to mitigate the Material Adverse Impact on the Neighboring Systems. If the Material Adverse Impact cannot be mitigated (by actions within the Enrolled Region or the Neighboring Systems), or the Project Sponsor does not identify solutions to mitigate the

Material Adverse Impact on the Neighboring Systems, the Sponsored Project or Alternative Project identified in the Regional Combination will not be selected into the Draft Regional Transmission Plan. The Project Sponsor will provide the Mitigation Cost for each Material Adverse Impact to the Enrolled Parties Planning Committee. The Enrolled Parties Planning Committee will determine the Mitigation Cost for each Material Adverse Impact for any Conceptual Solution. The Enrolled Parties Planning Committee will review and adjust the Mitigation Cost for each project and then associate the Mitigation Cost of each Material Adverse Impact to each project causing the Material Adverse Impact. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan.

6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan

Upon development of the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to provide the Draft Regional Transmission Plan to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the Draft Regional Transmission Plan. The Enrolled Parties Planning Committee will make modifications to the Draft Regional Transmission Plan as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the Draft Regional Transmission Plan and solicit comments from stakeholders. The Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the Draft Regional Transmission Plan to stakeholders for comment. Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the Draft Regional Transmission Plan. Comments may include changes to the data provided pursuant to Section 5.2.

Enrolled Parties Planning Committee is to:

- a. ~~The Biennial Study Plan;~~ Post any written comments received;

- b. ~~Updates to the Biennial Study Plan (if any);~~ Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Enrolled Party Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. ~~The Regional Transmission Plan, and~~ Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Study Scope based upon additional information about new or changed circumstances related to loads, resources, transmission projects or Alternative Solutions, or identified changes to data provided and then, based upon the updated Study Scope, update the analysis performed in accordance with Section 6.3 "Analysis; Documentation in the Draft Regional Transmission Plan;" and
- d. ~~The start and end dates of the current Regional Planning Cycle, along with notices for each upcoming regional planning meeting that is open to all parties.~~ Make modifications in response to comments received and/or make modifications resulting from the updated analysis performed in accordance with sub-section (c) above, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Regional Transmission Plan.

~~3.4. Stakeholder Participation~~

~~3.4.1. Participation Through Public Meetings: Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings. The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.~~

~~3.4.2. Participation Through Committees: Any stakeholder may participate in Steering Committee,~~

~~Planning Committee and Cost Allocation Committee meetings according to the terms and conditions of the Steering Committee, Planning Committee Charter, and the Cost Allocation Committee Charter, respectively. The date, time, and location of the public committee meetings shall be posted on the NTTG Website not less than seven (7) days prior to each meeting, in addition to posting the meeting materials prior to the meeting, as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter.~~

~~3.4.3. Participation Through Commenting: In addition to commenting orally during stakeholder meetings as set forth in Section 3.4.1 or during committee meetings as set forth in Section 3.4.2, any stakeholder may submit written comments to a committee chair at any time through info@nttg.biz <mailto:info@nttg.biz>.~~

~~3.5 Sensitive Information~~

~~3.5.1. Critical Energy Infrastructure Information ("CEII"): Any participant in an NTTG process must adhere to the Commission's rules and/or guidelines concerning CEII. Additional information concerning CEII, including a summary list of the data that is determined by the supplying party to be deemed CEII, shall be posted on the Transmission Provider's OASIS, and updated regularly.~~

~~3.5.2. Confidential Information: In the event a participant in an NTTG process claims that information is confidential, another participant seeking access to such information must agree to adhere to the terms of the Confidentiality Agreement. The form of Transmission Provider's Confidentiality Agreement shall be posted on the Transmission Provider's OASIS. Confidential information shall be disclosed in compliance with the Standards of Conduct, and provided only to those participants that require such information and execute the Confidentiality Agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.~~

~~3.6. Dispute Resolution~~

~~3.6.1. Scope: Transmission Provider, signatories to the Planning Committee Membership Agreement, and Eligible Customers and stakeholders that participate in the regional planning process shall utilize the dispute resolution process set forth in this Section 3.6 to resolve procedural and substantive disputes related to the regional planning process.~~

~~3.6.2. Process: Disputes shall be resolved according to the following process:~~

~~Step 1 - In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.~~

~~Step 2 - The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.~~

~~Step 3 - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in~~

~~Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission's dispute resolution service to facilitate mediation of the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.~~

~~Step 4 - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the pro forma Open Access Transmission Tariff to resolve the dispute.~~

~~3.6.3. Timeliness: To facilitate the completion of the Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 3.6 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier. Nothing contained in this Section 3.6 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.~~

~~3.7. Preparation of Regional Transmission Plan. The Planning Committee will biennially prepare a long-term (10-year) bulk transmission expansion plan (the "Regional Transmission Plan"). The regional transmission planning process is comprised of the activities set forth in this section during the Regional Planning Cycle.~~

~~3.7.1. Pre-qualify for Cost Allocation~~

6.5 Comparability

In developing the Study Scope and the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to consider all timely submitted information, including information and comments

received from stakeholders, comparably to address Enrolled Party Needs including reliability requirements, economic considerations, and Public Policy Requirements.

7. Qualifying to Request Cost Allocation

7.1 Qualification Process for/to Submit a Project for Cost Allocation

7.1.1 Qualification to Request Cost Allocation

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3) or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does not intend to develop the project for which it intends to submit a Request for Cost Allocation, is deemed a Qualified Sponsor. Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does intend to develop the project for which it intends to submit a Request for Cost Allocation must first qualify in accordance with Section 7.1.2 to become a Qualified Developer.

7.1.2 Qualification Process

~~3.7.1.1. Who must Pre-Qualify: A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a "Project Sponsor") that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee and Cost Allocation Committee in accordance with this Section 3.7.1. A Project Sponsor must requalify to be considered a qualified Project Sponsor during the next Regional Planning Cycle.~~
Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that intends to develop a project for which it intends to submit a Request for Cost Allocation must submit, within the Submittal Window, the qualification data described in Table B below, through the NorthernGrid Website, using the Developer Qualification Data Form found on the NorthernGrid Website.

~~3.7.1.2. How to Pre-Qualify: A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through info@nttg.biz <<mailto:info@nttg.biz>>, by October 31st of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor~~

~~shall use the Sponsor Qualification Data Form found on the NTTC Website to submit the data.~~

| Table B. Developer Qualification Data Requirements | | |
|---|---|--|
| <u>Category</u> | <u>Information to be Provided</u> | <u>Criteria for Evaluation of Information</u> |
| <u>Project Sponsor's Identification</u> | <ol style="list-style-type: none"> <u>1. name</u> <u>2. address</u> <u>3. primary contact information, including:</u> <ol style="list-style-type: none"> <u>(i) name and title</u> <u>(ii) phone number</u> <u>(iii) address</u> <u>(iv) email address</u> | <u>Assess whether required data was submitted.</u> |
| <u>Project Sponsor's Experience</u> | <ol style="list-style-type: none"> <u>1. years in business</u> <u>2. description of any relevant experience, including management and technical experience, developing, constructing, owning, and/or operating a project of similar size and scope as the Sponsored Project</u> | <u>Assess whether information indicates experience, including managerial and technical expertise in developing, constructing (or managing construction), owning, and/or operating comparable projects.</u> |
| <u>Reliance on Third Parties</u> | <ol style="list-style-type: none"> <u>1. identification of any third parties that the Project Sponsor intends to rely on for management, development, operating, or technical expertise</u> <u>2. description of the expertise the third party is expected to provide</u> <u>3. information from which such third party's financial ability to perform can be evaluated, which may include</u> | <u>Assess whether information indicates the third party has experience, including managerial and technical expertise in developing, constructing (or managing construction), and/or operating</u> |

Table B. Developer Qualification Data Requirements

| <u>Category</u> | <u>Information to be Provided</u> | <u>Criteria for Evaluation of Information</u> |
|-------------------------------------|--|---|
| | <u>information substantially similar to the information listed with regard to the Project Sponsor's financial ability below</u> | <u>comparable projects.</u> |
| <u>Project Sponsor's Financials</u> | <u>1. demonstrate that Project Sponsor, or Project Sponsor's parent, has either an investment grade rating or has a minimum tangible net worth of \$1,000,000 or total assets of \$10,000,000</u> <u>2. provide information from which Project Sponsor's creditworthiness can be evaluated, which may include the following (to the extent they exist):</u> <u>(i) most recent annual report</u> <u>(ii) most recent quarterly report</u> <u>(iii) last two most recent audited year-end financial statements</u> <u>(iv) rating agency reports</u> <u>(v) any material issues that could affect the credit rating, including any pending or expected litigation or investigations</u> <u>(vi) other information supporting Project Sponsor's financial ability</u> | <u>Assess whether the information was submitted and satisfied the criteria.</u> |
| <u>Affirmation</u> | <u>a signed affirmation by an authorized officer of Project Sponsor that the information provided under</u> | <u>Assess whether the information was submitted.</u> |

Table B. Developer Qualification Data Requirements

| <u>Category</u> | <u>Information to be Provided</u> | <u>Criteria for Evaluation of Information</u> |
|-----------------|--|---|
| | <u>this Section is true, accurate, and compete to the best of such authorized officer's knowledge and belief</u> | |

7.1.3 Evaluation of Project Sponsor Submissions

~~The Planning Committee and Cost Allocation Committee will apply the sponsor qualification criteria as summarized in Table 1 below in a comparable and non-discriminatory manner to both Incumbent and Nonincumbent Transmission Developers. The sufficiency of the qualification data will be determined by the Planning Committee and Cost Allocation Committee, in consultation with stakeholders, at regularly scheduled meetings in November of Quarter 8 of the prior Regional Planning Cycle.~~ data submitted pursuant to Section 7.1.2 shall be evaluated to determine whether such entity has the minimum qualifications to develop the project submitted. For each Planning Cycle the Cost Allocation Task Force is to apply the criteria identified in Table B in a comparable and non-discriminatory manner. The sufficiency of the qualification data will be determined by the Cost Allocation Task Force. The Cost Allocation Task Force Co-Chairs are to provide the Project Sponsor with written notice of the Cost Allocation Task Force's determinations. The notice will provide either that the entity satisfies the qualification data requirements or will identify specific deficiencies. An entity that has satisfied the qualification data requirements is referred to as a "Qualified Developer."

~~The Planning Committee Chair and the Cost Allocation Committee Chair will jointly provide the Project Sponsor with notice of the committees' determinations within five business days following the date a determination has been made by both committees. The notice will provide either that the Project Sponsor satisfied the qualification data requirements, or will identify specific deficiencies.~~

~~The Project Sponsor has until March 31st of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not~~

~~eured by the end of March of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with updated information and data deficiencies cured.~~

Table 1. Sponsor Qualification Data – Submit Quarter 8 Prior to the Regional Planning Cycle¹

| | Category | Qualification Data | How Sponsor Qualification Data Will be Evaluated |
|---|---|---|--|
| 1 | Project Sponsor description | <ol style="list-style-type: none"> 1. Name and address. 2. Years in business. 3. Operating environment (nature of business). | Assess whether the required data was submitted. |
| 2 | Project summary | <ol style="list-style-type: none"> 1. Voltage. 2. Single or double circuit. 3. AC or DC. 4. Estimated cost. 5. Approximate construction period. 6. Project location. 7. Points of interconnection with the transmission grid. | Assess whether the required data was submitted. |
| 3 | Project Name | <ol style="list-style-type: none"> 1. Project Name. | Assess whether the required data was submitted. |
| 4 | Project Sponsor demonstration of technical expertise to develop, construct and own the proposed project | <ol style="list-style-type: none"> 1. Management’s experience in developing, constructing (or managing construction), and owning a project of similar size and scope. 2. Clear discussion of Project Sponsor’s depth and breadth of technical expertise, including Project Sponsor’s internal expertise or external expertise, or both, to develop, construct, and own the proposed project. 3. Name, location, and description of a project of similar scale that demonstrates Project Sponsor’s technical expertise to develop, construct, and own the proposed project. | Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or managing construction) and owning comparable projects. |
| 5 | Project Sponsor financial expertise to develop, construct, and own the proposed project | <p>Creditworthiness review requires the following information, if available:</p> <ol style="list-style-type: none"> 1. Most recent annual report. 2. Most recent quarterly report. 3. Last two most recent audited year end financial statements. 4. Rating agency reports. 5. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable). 6. Other information supporting Project Sponsor’s financial expertise. | Assess whether the qualification data was submitted and satisfied the required qualitative criteria. |

| | | | |
|----|--|---|---|
| | | In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following test:— A. Has a minimum tangible net worth of \$1,000,000 or total asset of \$10,000,000. | |
| 6 | Proposed project financing plan | 1. Describe how the project will be financed.— 2. List investors and percentage ownership of each.— 3. Proposed sources of debt and equity capital and the percentages of each. | Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4. |
| 7 | Project Sponsor ability to maintain and operate proposed project | Clear description of Project Sponsor, its parent organization, or the third party contractor(s) the Project Sponsor plans to retain to operate and/or maintain the proposed project.— To the extent the Project Sponsor plans to rely on a third party contractor(s) that is not yet under contract, the Project Sponsor must also indicate when it plans to enter into a definitive agreement with its contractor(s). Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor's consultant or outsourced entity. | Assess whether the qualification data was submitted and satisfied the required qualitative criteria.— |
| 8. | Primary Project Contact | 1. Name.— 2. Title.— 3. Phone.— 4. Email. | Assess whether the required data was submitted. |
| 9. | Signature | Signature of authorized representative | Assess whether the document was signed. |

~~†All information supplied to the Planning Committee or subcommittees must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:—~~

~~a) Public.~~

~~b) Contains Critical Energy Infrastructure Information – Do Not Release. (<http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>)~~

~~c) Contains Privileged Information – Do Not Release.~~

~~3.7.2. Quarter 1 – Data Gathering and Project Submittal~~

~~3.7.2.1. Data Gathering: Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.2.2.7 and Section 3.3.4) and stakeholder input, which may include ideas for consideration, applicable to the planning horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider's Local Transmission Plan and prior Regional Transmission Plan. A stakeholder shall use the Data Submittal Form found on the NTTG Website to submit its data. Any stakeholders wishing to submit input without submitting a Data Submittal Form can submit such input by email. Stakeholders shall submit such data and/or input by email to NTTG, through info@nttg.biz <mailto:info@nttg.biz>, no later than March 31st of Quarter 1.~~

~~3.7.2.2. Proposing a Project for Consideration: A Project Sponsor (refer to footnote 1 of Table 2) may propose a transmission project for consideration in the Regional Transmission Plan (a "Sponsored Project") by submitting to the Planning Committee chair the information identified in the "Sponsored Project" column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning Committee chair via info@nttg.biz <mailto:info@nttg.biz> the information identified in the "Unsponsored Project" column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair via info@nttg.biz <mailto:info@nttg.biz> the information identified in the "Merchant Developer Project" column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an "Applicant." Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG Website to submit its project. By March 31st of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through info@nttg.biz <mailto:info@nttg.biz>.~~

| Table 2: Minimum Information Required (Yes required or No not required) | | | | |
|--|---|-------------------|---------------------|----------------------------|
| | | Sponsored Project | Unsponsored Project | Merchant-Developer-Project |
| A | Load and resource data (1) | Y | Y | N (2) |
| B | Forecasted transmission service requirements, if any (5) | Y | Y | N (3) |
| C | Whether the proposed project meets reliability or load service needs | Y | Y | N (3) |
| D | Economic considerations (6) | Y | Y | N (4) |
| E | Whether the proposed project satisfies a transmission need driven by Public Policy Requirements | Y | Y | N (3) |
| F | Project location | Y | Y | Y |
| G | Voltage level (including whether AC or DC) | Y | Y | Y |
| H | Structure type | Y | Y | Y |
| I | Conductor type and configuration | Y | Y | Y |
| J | Project terminal facilities | Y | Y | Y |
| K | Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement | Y | Y | N |
| L | Project development schedule | Y | Y | Y |
| M | Current project development phase | Y | Y | Y |
| N | In-service date | Y | Y | Y |
| O | A list of all planning regions to which an interregional project has been submitted for evaluation | Y | Y | N |
| <p>1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the load intended to be served with the line and the generation resource intended to inject energy into the line for the identified load.</p> <p>2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.</p> <p>3. Provide this information only to the extent it is readily available when the information is due.</p> <p>4. To the extent applicable and data is readily available for the proposed transmission project; provide that approximate location of the congestion that this project is proposed to address.</p> <p>5. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in row "A," then do not provide them in response to this data request. If not provide, then provide the data.</p> <p>6. Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.</p> | | | | |

~~3.7.2.3. Proposing a Project for Consideration for Cost Allocation: In addition to the information specified in Section 3.7.2.2 above, an Applicant shall use the Cost Allocation Data Form found on the NTTG~~

~~Website to propose its project for cost allocation and submit the additional information requested below. By March 31st of Quarter 1, Applicant shall submit a completed form to NTTG, through info@nttg.biz ~~<mailto:info@nttg.biz>~~. Such Applicants are encouraged but not required to also provide following information:~~

- ~~a) A statement as to whether the project was selected in a transmission provider's local plan;~~
- ~~b) A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource development and operation (i.e., as part of an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a transmission provider;~~
- ~~c) If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;~~
- ~~d) If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;~~
- ~~e) To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;~~
- ~~f) To the extent not already provided, copies of any WECC planning entity determinations relative to the project;~~

~~g) To the extent not set forth in the material provided in response to items (b) – (c), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;~~

~~h) Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.~~

~~3.7.2.4. Submission of Economic Study Requests: Stakeholders may submit Economic Study Requests as set forth in Section 3.11.~~

~~3.7.2.5. Updates to Previously Selected Projects: For projects selected in the prior Regional Transmission Plan, the Applicant must submit an updated project development schedule to the Planning Committee. The Applicant must also submit updated information for its third-party contractor(s), to the extent such information or the timeline for entering into a definitive agreement is different than the information previously provided pursuant to Table 1 above. Applicants shall use the Data Submittal Form found on the NTTG Website. By March 31st of Quarter 1, Applicants shall submit an updated form to NTTG through info@nttg.biz <<mailto:info@nttg.biz>>.~~

~~3.7.2.6. Review for Completeness: The Planning Committee will review the information submitted pursuant to this Section 3.7.2 for completeness. If an Applicant fails to meet the information requirements set forth above, the Planning Committee shall notify the Applicant of the reasons for such failure. The Planning Committee will attempt to remedy deficiencies in the submitted information through informal communications with the Applicant. If such efforts are unsuccessful by April 15th of Quarter 2, the Planning Committee shall return the Applicant's information, and Applicant's request shall be deemed withdrawn. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, Applicant may resubmit the project, with updated information and data deficiencies cured,~~

~~for consideration in the Regional Transmission Plan and may request cost allocation consideration. Figure 1. "Project Submittal Process" below, summarizes the process described in this Section 3.7.2 for submitting a project to be considered in the development of the Draft Regional Transmission Plan.~~

~~Figure 1. "Project Submittal Process"~~

~~3.7.3. Quarter 2 - Development of the Biennial Study Plan~~

~~3.7.3.1. Evaluate the Data: The Planning Committee shall identify the loads, resources, point-to-point transmission requests, **desired flows, constraints** and other technical data needed to be included and met by the development of the Regional Transmission Plan. The Planning Committee shall evaluate all stakeholder submissions, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers. The Planning Committee shall evaluate solutions based on a comparison of their ability to meet reliability requirements, address **economic considerations**, and meet transmission needs driven by Public Policy Requirements.~~

~~3.7.3.2. Development of the Biennial Study Plan: The Planning Committee will develop the Biennial Study Plan, which describes:~~

- ~~a) The detailed study methodology;~~
- ~~b) Reliability criteria;~~
- ~~c) Transmission needs driven by Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;~~
- ~~d) Assumptions;~~
- ~~e) Databases;~~
- ~~f) Analysis tools;~~

~~g) Projects (including unsponsored projects) included in the prior Regional Transmission Plan that will be reevaluated according to Section 3.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);~~

~~h) The projects included in each of the Full Funders' Local Transmission Plans;~~

~~i) Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, unsponsored projects identified by the Planning Committee and unsponsored projects submitted by stakeholders; and~~

~~j) Cost allocation scenarios.~~

~~The projects identified in (g) and (h) are collectively referred to as the IRTP. The projects identified in (i) are referred to as the "Alternate Projects." The cost allocation scenarios referenced in (j) are developed by the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, for those parameters that will likely affect the amount of total benefits and their distribution among Beneficiaries as set forth in Section 3.8.2.3.~~

~~When developing the draft Biennial Study Plan, the Planning Committee will, under certain circumstances described in Section 3.9 below, identify projects selected in the prior Regional Transmission Plan that will be reevaluated and potentially replaced or deferred.~~

~~At a Quarter 2 public meeting, the Planning Committee and the Cost Allocation Committee will present the draft Biennial Study Plan to stakeholders for comment. The Planning Committee will recommend the draft Biennial Study Plan to the Steering Committee for approval.~~

~~After considering the draft Biennial Study Plan, the Steering Committee may remand it to the Planning Committee for any of the following reasons:~~

~~(aa) the draft Biennial Study Plan lacks details;~~

~~(bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or~~

~~(cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.~~

~~Further, the Steering Committee may also remand the draft Biennial Study Plan to the Cost Allocation Committee on any of the following additional grounds:~~

~~(dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or~~

~~(ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.~~

~~In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.~~

~~3.7.3.3. Selection of transmission needs driven by Public Policy Requirements and Public Policy Considerations Used in the Biennial Study Plan~~

~~3.7.3.3.1. Overview: NTTG's regional planning process, through the Planning Committee, receives transmission needs driven by Public Policy Requirements, Public Policy Considerations, and data from the local transmission plans and stakeholders during the Quarter 1 data gathering submittal period pursuant to Section 3.7.2.1. NTTG's Regional Transmission Plan only includes~~

~~consideration of transmission needs driven by Public Policy Requirements. Public Policy Considerations as agreed upon by the Planning Committee, with stakeholder input, during Quarter 2 Biennial Study Plan development, will be evaluated as to whether they create additional transmission needs. Together, these transmission needs driven by Public Policy Requirements and Public Policy Considerations are approved by the Steering Committee as part of the Biennial Study Plan approval process at the end of Quarter 2.~~

~~3.7.3.3.2. Process: The Planning Committee applies the following process, shown in Figure 2 “Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations” and described below (in the event of conflict between the figure and the text, the text controls) to transmission needs driven by Public Policy Requirements and Public Policy Considerations data.~~

| | |
|--|--|
| Q1 Transmission Needs Driven by Public Policy Data Submitted | |
| Transmission Provider | Stakeholder |
| Q2 Develop Biennial Study Plan Define Transmission Needs Driven by Public Policy Requirements & Public Policy Considerations | |
| With stakeholder and state regulator input, identify transmission needs driven by Public Policy Requirements and Public Policy Considerations to include in Regional Transmission Plan | |
| Requirement included in Regional Transmission Plan | Considerations included in scenario analysis |
| Q2 (June) | |
| Rationale for selection and exclusion of transmission needs driven by Public Policy Requirements and Public Policy Considerations posted on NTTG Website | |
| Q3 Start Technical Analysis | |
| Transmission needs driven by Public Policy Requirements to be evaluated with other projects within biennial planning process | |

Figure 1. “Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations”

~~In Quarter 1, transmission needs and associated facilities driven by Public Policy Requirements and Public Policy Considerations are received from the transmission providers' local transmission plans and received from stakeholders using NTTG's data submittal forms. Refer to Section 3.7.2.1.~~

~~In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the transmission needs driven by Public Policy Requirements to be used in the Biennial Study Plan, as well as the transmission needs driven by Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2.~~

~~In June of Quarter 2, the Steering Committee approves the Biennial Study Plan, including the transmission needs driven by Public Policy Requirements for the Regional Transmission Plan and transmission needs driven by Public Policy Considerations for additional study analysis. Refer to Section 3.7.3.2.~~

~~3.7.3.3.3. Identification: During the Regional Planning Cycle, the Planning Committee determines if there is a more efficient or cost-effective regional solution to meet the transmission needs driven by Public Policy Requirements set forth in the Biennial Study Plan. The selection process and criteria for regional projects meeting transmission needs driven by Public Policy Requirements are the same as those used for any other regional project chosen for the Regional Transmission Plan. Rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs, the Planning Committee evaluates them in its technical analysis along with other regional projects.~~

~~3.7.3.3.4. Posting: After the Steering Committee approves the Public Policy Requirements and the Public Policy Considerations, the Planning Committee will post on the NTTG Website which transmission needs driven by Public Policy Requirements and Public Policy Considerations will and will not be evaluated in the Regional Planning Cycle, along with an explanation of why particular transmission needs driven by Public Policy Requirements and Public Policy Considerations were or were not considered.~~

~~3.7.3.4 Identification of Un-sponsored Transmission Projects by Planning Committee: The Planning Committee may, using its knowledge of the transmission systems and its professional judgment, identify an un-sponsored project.~~

~~3.7.4. Quarters 3 and 4 Preparation of the Draft Regional Transmission Plan~~

~~3.7.4.1. Analysis and Methodology: The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the IRTP based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing Non-Committed Project(s) in the IRTP with one or more of the Alternative Projects. Each Change Case will be compared against the IRTP for the tenth year of a ten-year planning horizon counted from the first year of the Regional Planning Cycle. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the IRTP's incremental capital-related cost for replaced or deferred project(s) and incremental Monetized Non-Financial Incremental Costs. The set of projects (either the IRTP or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. When making such a decision the Planning Committee may utilize the cost allocation~~

~~scenarios developed in Section 3.8.2.3 to test the robustness of projects considered for the Draft Regional Transmission Plan. If there are projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan those projects will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2. As used in this paragraph, "Monetized Non-Financial Incremental Costs" means those incremental costs associated with an Alternative Project that are not directly evaluated and measured in dollars of changed revenues, expenses, or capital investment. Such incremental costs, which are non-financial in nature, will be monetized by applying an appropriate index or conversion factor to convert the units in which the incremental costs were directly evaluated and measured into a dollar value. (For example, losses are measured in megawatt hours. That quantity will be converted to dollars by multiplying the quantity by a dollar per megawatt hour index.)~~

~~3.7.4.2. Analysis Criteria: Criterion (a), (b), and (c) below will be used to determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the IRTP based upon the methodology set forth in Section 3.7.4.1:~~

~~a) Capital-Related Costs. A change in Annual Capital-Related Costs between a Change Case and the IRTP captures benefits related to transmission needs driven by both reliability and Public Policy Requirements. This benefit metric captures the extent that a project in the IRTP can be displaced (either deferred or replaced) while still meeting all regional transmission needs, including reliability standards (associated with serving existing, as well as new, service obligations) such that the Change Case has lower capital-related costs. The displacement of a project in the IRTP may be due to a Change Case or due to the determination that more than one project in the IRTP is meeting the same transmission need. This same benefit metric also captures the extent to which a Change Case may displace one or more projects in the IRTP for purposes of meeting Public Policy Requirements~~

~~because it is determined to have lower capital-related costs, while still meeting the same Public Policy Requirements.~~

~~"Annual Capital-Related Costs" will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.~~

~~Those entities affected by the change in Annual Capital-Related Costs shall be identified for use in the cost allocation process.~~

- ~~b) Energy Losses. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the IRTP measures the energy impact of changing (either displacing or adding) projects within the IRTP with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.~~

- ~~e) Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the IRTP measures the energy impact of changing projects within the IRTP with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.~~

~~Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the IRTP. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital Related Costs would be computed for years 6 through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.~~

~~3.7.4.3. Analysis of Additional Alternatives: The Planning Committee, as part of its analysis performed under Section 3.7.4.1, shall consider the Transmission Providers' and stakeholders' identified transmission needs vis-à-vis the projects identified in the Biennial Study Plan to determine whether there are other alternatives (including unsponsored projects) which may be more efficient or cost effective in meeting the region's transmission needs.~~

~~3.7.4.4. Impacts on Neighboring Regions: The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the IRTP or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or IRTP may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation~~

~~solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or IRTP will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated, as necessary, until the Change Case or IRTP is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.~~

~~3.7.4.5. Draft Regional Transmission Plan: The Planning Committee shall produce a Draft Regional Transmission Plan by the end of Quarter 4. The projects selected into the Draft Regional Transmission Plan are determined according to Section 3.7.4.1, and the projects selected into the Draft Regional Transmission Plan for cost allocation are determined according to Section 3.8.~~

~~3.7.5. Quarter 5 Stakeholder Review of Draft Regional Transmission Plan~~

~~3.7.5.1. Public Review: The Planning Committee will facilitate stakeholder review and comment on the Draft Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process.~~

~~3.7.5.2. Public Comment and Updates: Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan, through info@nttg.biz <mailto:info@nttg.biz>. Stakeholder comments may include identification of a new unsponsored project. New unsponsored projects will be considered to the extent feasible, as determined by the Planning Committee, without delaying the development of the Regional Transmission Plan. New~~

~~unsponsored projects that are not considered during the current Regional Planning Cycle will be noted in the Regional Transmission Plan and carried forward for consideration in the following Regional Planning Cycle. In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in Quarter 1 above need to be submitted. Changes to third party contractor(s) information or the timeline for entering into a definitive agreement with a third party contractor(s) is considered a material change and must be updated, to the extent the information is different than the information provided in Quarter 1. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.~~

~~3.7.5.3. Submission of Economic Study Requests: Stakeholders may submit Economic Study Requests as provided for in Section 3.11.~~

~~3.7.6. Quarter 6 - Updates to the Biennial Study Plan~~

~~3.7.6.1. Updated Biennial Study Plan: The Biennial Study Plan will be updated based on the Planning Committee's review of stakeholder submitted comments received during Quarter 5, additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions, or identified changes to data provided in Quarter 1.~~

~~3.7.6.2. Cost Allocation: The Cost Allocation Committee will begin allocating costs of projects selected into the Draft Regional Transmission Plan to Beneficiaries as described in Section 3.8.2.~~

~~3.7.6.3. Draft Final Regional Transmission Plan: The Planning Committee will produce by the end of Quarter 6, the Draft Final Regional Transmission Plan.~~

~~3.7.7. Quarter 7 – Draft Final Regional Transmission Plan Review~~

~~3.7.7.1. The Planning Committee will facilitate a stakeholder process for review and comment on the Draft Final Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process. The Planning Committee will document and consider simultaneous feasibility of identified projects, cost allocation recommendations and stakeholder comments. The Planning Committee will produce a revised Draft Final Regional Transmission Plan, if necessary, after considering stakeholder comments.~~

~~3.7.8. Quarter 8 – Regional Transmission Plan Approval~~

~~3.7.8.1. The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan in the next local transmission planning cycle (see Section 2.2.2) and will share the Regional Transmission Plan as part of the Annual Interregional Information exchanged for the next Annual Interregional Coordination Meeting (as specified in Section 4.2).~~

~~Any unsponsored project in the Final Regional Transmission Plan may be resubmitted using the process described in Sections 3.7.1 and 3.7.2 above, as a Sponsored Project by a pre-qualified Project Sponsor for consideration in the next Regional Planning Cycle for purposes of cost allocation. Pursuant to Section 3.9 below, such project shall be subject to reevaluation unless it is a Committed Project.~~

~~3.7.9. Quarterly Meetings~~

~~3.7.9.1. The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the~~

~~development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.~~

~~3.8. Cost Allocation. A Project Sponsor intending to submit its Sponsored Project for cost allocation must satisfy the pre-qualification requirements set forth in Section 3.7.1, submit the Sponsored Project as set forth in Section 3.7.2.2, and request cost allocation as set forth in Section 3.7.2.3. An Applicant desiring for its project to be considered for cost allocation as an unsponsored project must submit the unsponsored project as set forth in Section 3.7.2.2 and request cost allocation as set forth in Section 3.7.2.3. Transmission Provider may elect to allocate costs of its project through either participant funding as set forth in Section 3.8.1 or through NTTG's cost allocation process as set forth in Section 3.8.2 as either a Sponsored Project or unsponsored project, provided that the Transmission Provider complies with the applicable requirements specified above.~~

~~3.8.1. Participant Funding~~

~~3.8.1.1. Open Season Solicitation of Interest: Transmission Provider may elect at its discretion to provide an "open season" solicitation of interest to secure additional project participants for any project. Upon a determination to hold an open season solicitation of interest for a project, Transmission Provider will:~~

~~3.8.1.1.1. Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;~~

~~3.8.1.1.2. Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and~~

~~3.8.1.1.3. Post information about the proposed project on its OASIS.~~

~~For any project entered into by Transmission Provider where an open season solicitation of interest process has been used, the Transmission Provider will choose to allocate costs among project participants in proportion~~

~~to investment or based on a commitment to transmission rights, unless the parties agree to an alternative mechanism for allocating project costs. In the event an open season process results in a single participant, the full cost and transmission rights will be allocated to that participant.~~

~~3.8.1.2. Projects without a Solicitation of Interest: Transmission Provider may elect to proceed with projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.~~

~~3.8.1.3. Other Sponsored Projects. Funding structures for non-Transmission Provider projects are not addressed in this Tariff. Nothing in this Tariff is intended to preclude any other entity from proposing its own funding structure.~~

~~3.8.2. Allocation of Costs: The Cost Allocation Committee will allocate the costs of projects the Planning Committee selects into the Draft Regional Transmission Plan for purposes of cost allocation according to this section. The Cost Allocation Committee shall use the methodology set forth in Section 3.8.2.2 to allocate project costs to Beneficiaries.~~

~~3.8.2.1. Project Qualification: To be eligible for cost allocation, and therefore selected into the Draft Transmission Plan for purposes of cost allocation, the Planning Committee shall verify that the project:~~

~~(a) Was proposed for such purpose by a pre-qualified sponsoring entity, was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);~~

~~(b) Was selected in the Draft Regional Transmission Plan, and~~

~~(c) Has an estimated cost exceeding \$20 million.~~

~~3.8.2.2. Allocation of Project Costs to Beneficiaries: The Cost Allocation Committee and the Planning Committee initially identify Beneficiaries as all those entities that may be affected by the project based upon the application of the analysis criteria set forth in Section 3.7.4.2 and using the cost allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to Section 3.7.4.1, and remove those entities that do not receive a benefit from the project being evaluated.~~

~~Before allocating a transmission project's cost, the Cost Allocation Committee will adjust, as appropriate, the calculated initial net benefits for each Beneficiary based upon the following criteria:~~

- ~~—(a) The net benefits attributed in any scenario are capped at no less than 50% and no more than 150% of the average of the unadjusted, net benefits (whether positive or negative); and~~
- ~~—(b) If the average of the net benefits, as adjusted by (a) above, across the cost allocation scenarios is negative, the average net benefit to that Beneficiary is set to zero.~~

~~Each of these adjustments is applied to each Beneficiary independent of other Beneficiaries. The initial (and adjusted) net benefits for the selected Change Case are the sum of the benefits (which numerically may be positive or negative) across each of the analysis criteria. A Beneficiary will be included in the steps above even if only one of the analysis criteria is applicable to that Beneficiary and the estimated benefits for the other analysis criteria are, by definition, zero.~~

~~The adjusted net benefits, as determined by applying the limits in the two conditions above, are used for~~

~~allocating project costs proportionally to Beneficiaries. However, Beneficiaries other than the Applicant will only be allocated costs such that the ratio of adjusted net benefits to allocated costs is no less than 1.10 (or, if there is no Applicant, no less than 1.10). If a Beneficiary has an allocated cost of less than \$100,000, the cost allocated to that Beneficiary is set to zero. The following examples demonstrate the application of the benefit-to-cost ratio:~~

7.1.4 Opportunity to Cure Deficiencies and Failure to Cure

If the Cost Allocation Task Force identifies deficiencies in the qualification data submitted by an entity, such entity has fifteen (15) calendar days from the date of notice of deficiencies to cure the identified deficiencies. If deficiencies are not timely cured, the Cost Allocation Task Force Chair is to provide the entity with written notice that it is not qualified to develop the project for which it intended to request cost allocation pursuant to Sections 5.2.3.2 or 5.2.3.3 in the Planning Cycle. An entity that fails to become a Qualified Developer may seek to qualify during the Submittal Window in the next Planning Cycle.

8. Cost Allocation

8.1 Projects Eligible for Cost Allocation Consideration

The Cost Allocation Task Force is to identify whether a cost allocation analysis is required for any Potential Cost Allocation Project that was identified within a Regional Combination in Section 6.3 and included in the Draft Regional Transmission Plan. This is to be accomplished by the Cost Allocation Task Force confirming that each such Potential Cost Allocation Project has Estimated Costs exceeding \$20 million. Such a Potential Cost Allocation Project is then referred to as a "Project for Cost Allocation Consideration." Any Potential Cost Allocation Project with Estimated Costs that do not exceed \$20 million will no longer be considered for cost allocation in the Planning Cycle.

8.2 Cost of Projects for Cost Allocation Consideration

The Cost Allocation Task Force is to determine the Cost of each Project for Cost Allocation Consideration as set forth in this Section 8.2.

8.2.1 Cost of a Project That Is Not an ITP

When determining the Cost of a project that is not an ITP, the Cost Allocation Task Force shall include the following, as applicable:

- a. Estimated Cost submitted pursuant to row K of the Table found in Section 5.2.3.5, as such may be updated pursuant to either Section 5.2.3.8 or Section 6.4;
- b. Mitigation Cost identified in Section 6.3, to mitigate the Material Adverse Impact on the Neighboring Systems associated with a Project for Cost Allocation Consideration.

When doing so, the Cost Allocation Task Force may make adjustments to the Estimated Cost and Mitigation Cost submitted, using the WECC Transmission Capital Costs Calculator (or some other recognized means), as the members of the Cost Allocation Task Force in their professional judgment determine to be necessary. Such adjustments are to be explained in the Draft Regional Transmission Plan.

8.2.2 Cost of an ITP

With respect to the Cost of an ITP, the Cost Allocation Task Force shall use the Assigned Regional Costs from Interregional Cost Allocation, as determined in accordance with Section 11.6.

8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to evaluate the Projects for Cost Allocation Consideration to determine whether any such projects are a more efficient or cost-effective solution to an Enrolled Party Need.

In determining whether a Project for Cost Allocation Consideration is the more efficient or cost-effective solution to an Enrolled Party Need, the Cost Allocation Task Force is to consider the following factors:

- a. Sponsorship and degree of development;
- b. Feasibility;
- c. Coordination with any affected transmission system;
- d. Economics;

- e. Effectiveness of performance;
- f. Satisfaction of an Enrolled Party's Need, including the extent to which the proposed solution satisfies multiple Enrolled Parties' Needs;
- g. Mitigation of any Material Adverse Impact of such proposed solution on any transmission system; and
- h. Consistency with applicable state, regional, and federal planning requirements and regulations.

No single factor is necessarily to be determinative in evaluating proposed solutions to address Enrolled Party(ies) Needs.

Any Project for Cost Allocation Consideration that is determined to be more efficient or cost-effective will then be incorporated within the Draft Regional Transmission Plan as an "Eligible Cost Allocation Project." The Cost Allocation Task Force is to document its analysis and results in the Draft Regional Transmission Plan, including analysis and results regarding any Project for Cost Allocation Consideration that is determined to not be the more efficient or cost-effective and thus not eligible for cost allocation.

8.4 Benefits of An Eligible Cost Allocation Project

The Benefits of any Eligible Cost Allocation Project are, Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability directly attributable to such Eligible Cost Allocation Project. Each Benefit is described and will be evaluated as set forth below. In calculating the net present value of a Benefit, the Cost Allocation Task Force is to apply an interest rate equal to the prime rate published in the first issue of the Wall Street Journal in the then-current year.

8.4.1 Deferred Costs

Deferred Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Deferred Costs of an Enrolled Party for an Eligible Cost Allocation Project are the projected avoided costs of such Enrolled Party's deferred transmission facilities and operations and maintenance costs over the Regional Planning Horizon that are directly attributable to such Eligible Cost Allocation Project. Deferred Costs are to be calculated for each Enrolled Party based on the borrowing costs (i.e., interest costs) projected to be avoided by such Enrolled Party during the Regional Planning Horizon as a result of the deferral of the capital investment of such deferred facilities (rather than the

capital costs themselves of such facilities), plus the incremental operations and maintenance costs of such deferred facilities projected to be avoided by such Enrolled Party during the Regional Planning Horizon as a direct result of such Eligible Cost Allocation Project. These Deferred Costs will be adjusted to net present value as of the end of the Planning Cycle.

8.4.2 Avoided Capital Costs

Avoided Capital Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Avoided Capital Costs of an Enrolled Party for an Eligible Cost Allocation Project are the avoided costs of eliminated transmission facilities for such Enrolled Party during the Regional Planning Horizon that are directly attributable to such Eligible Cost Allocation Project. Avoided Capital Costs are to be calculated for each Enrolled Party based on the portion of the projected avoided depreciation expense of such Enrolled Party's eliminated facilities that falls within the Regional Planning Horizon, plus the projected incremental operation and maintenance costs of such eliminated facilities avoided by such Enrolled Party during the Regional Planning Horizon as a direct result of such Eligible Cost Allocation Project. These Avoided Capital Costs will be adjusted to net present value as of the end of the Planning Cycle.

8.4.3 Increased Useful Available Transfer Capability ("ATC")

Increased Useful ATC of an Enrolled Party is a Benefit to such Enrolled Party. The Increased Useful ATC of an Enrolled Party for an Eligible Cost Allocation Project is the increased revenue from sales at cost-based rates projected to be accrued by such Enrolled Party over the Regional Planning Horizon due to an increase in transmission capacity on such Enrolled Party's Transmission System, where such increase in transmission capacity is a direct result of such Eligible Cost Allocation Project. The increased revenue from sales includes both sales enabled on existing transmission facilities as a result of the Eligible Cost Allocation Project and sales revenue for sales on the Eligible Cost Allocation Project. The Qualified Sponsor(s)/Qualified Developer(s) of such Eligible Cost Allocation Project and other Enrolled Parties projected to receive increased sales revenue as a result of the Eligible Cost Allocation Project each may receive a Benefit. This increased revenue will be adjusted to net present value as of the end of the Planning Cycle.

8.5 Allocation of Project Costs to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to identify the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project, evaluate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project, and, if Benefit-to-Cost Ratio is satisfied, allocate Costs of each Eligible Cost Allocation Project to the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project.

8.5.1 Identification of Enrolled Party Beneficiaries

For each Eligible Cost Allocation Project, the Cost Allocation Task Force is to identify the Enrolled Parties that have a Benefit pursuant to Sections 8.4.1, 8.4.2, and/or 8.4.3 directly attributable to such Eligible Cost Allocation Project (each Enrolled Party that has a Benefit is referred to as an "Enrolled Party Beneficiary").

8.5.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to calculate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project by summing the Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3 for all Enrolled Party Beneficiaries as determined in Section 8.5.1 and dividing that sum by the Cost of such Eligible Cost Allocation Project as determined in Section 8.2.1 (as adjusted for net present value). If the Benefit-to-Cost Ratio calculated for the Eligible Cost Allocation Project is greater than or equal to 1.25, such project is a "Preliminary Cost Allocation Project." In the event the Benefit-to-Cost Ratio for the Eligible for Cost Allocation Project is less than 1.25, such project is no longer eligible for cost allocation. The Cost Allocation Task Force is to incorporate the results into the Draft Regional Transmission Plan and document the reasons for the decisions made.

~~Example 1: Project Cost = \$800M; B's adjusted net benefits = \$483M; C's (Project Sponsor) adjust net benefits = \$520M. B is allocated \$385M (i.e., the lesser of $\$800M * (\$483 / (\$483 + \$520)) = \$385M$ OR $\$483M / 1.1 = \$439.1M$) and C is allocated \$415M (i.e., $\$800 - \$385 = \$415$).~~ Application of Benefit-to-Cost Ratio (for illustrative purposes only)

~~Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the lesser of~~

~~$\$950M * (\$483 / (\$483 + \$520)) = \$457.5M$ OR $\$483 / 1.10 = \439.1 and C is allocated $\$511M$ (i.e., $\$950 - \$439 = \$511$).~~

~~Unallocated costs due to the limitations above are reallocated among the remaining Beneficiaries. Reallocation will continue among regional Beneficiaries, which are still above the benefit-cost threshold (i.e., the 1.10 ratio of adjusted net benefits to allocated costs) until either all costs are allocated or there are no Beneficiaries above the 1.10 benefit-cost threshold. The Applicant may voluntarily accept any remaining project costs. Otherwise, if the thresholds prevent all costs from being reallocated among Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.~~

Cost of Eligible Cost Allocation Project = \$1,000M

Beneficiary A's Benefits = \$600M

Beneficiary B's Benefits = \$500M

Beneficiary C's Benefits = \$900M (Beneficiary C is the Sponsor)

Total benefits = \$2,000M

In this example, the Benefit-to-Cost Ratio exceeds 1.25 and, therefore, the Eligible Cost Allocation Project becomes classified as a "Preliminary Cost Allocation Project."

8.5.3 Allocation of Costs to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to calculate the allocation of the Cost of each Preliminary Cost Allocation Project to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project. Costs of each Preliminary Cost Allocation Project (less any amount voluntarily accepted by a Person pursuant to Section 8.5.4) shall be allocated to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project based upon the Benefits (in dollars) applicable to each such Enrolled Party Beneficiary divided by the total Benefits (in dollars) applicable to all Enrolled Party Beneficiaries of such Preliminary Cost Allocation Project with that result multiplied by the Cost of the Preliminary Cost Allocation Project as expressed in the Formula 1

(the "Cost Allocation Methodology"). The Cost Allocation Task Force shall as soon as practical provide each Enrolled Party Beneficiary with the results from its application of the Cost Allocation Methodology for any Preliminary Cost Allocation Project.

Formula 1: Allocation of Costs to Enrolled Party Beneficiaries

$$D = (B/C)A$$

Where, for a Preliminary Cost Allocation Project:

"A" equals the Cost of the Preliminary Cost Allocation Project as determined in Section 8.2.1 (less any amount accepted by a Person pursuant to Section 8.5.4).

"B" equals the dollar amount of Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3, for a specific Enrolled Party Beneficiary.

"C" equals the dollar amount of the sum of Benefits calculated in Sections 8.4.1, 8.4.2, and 8.4.3, for all Enrolled Party Beneficiaries.

"D" equals the dollar amount of the Cost of the Preliminary Cost Allocation Project to be allocated to the specific Enrolled Party Beneficiary for which "B" applies.

This formula is to be applied to each Enrolled Party Beneficiary of the Preliminary Cost Allocation Project.

Example 2: Allocation of Costs to Enrolled Party Beneficiaries (for illustrative purposes only)

Example 2 builds upon the facts described in Example 1 above, and allocates the Preliminary Cost Allocation Project's \$1,000M costs to each Enrolled Party Beneficiary as follows:

Enrolled Party Beneficiary A:

$$\underline{(\$600M/\$2,000M)\$1,000M=\$300M}$$

Enrolled Party Beneficiary B:

$$\underline{(\$500M/\$2,000M)\$1,000M = \$250M}$$

Enrolled Party Beneficiary C:

$$\underline{(\$900M/\$2,000M)\$1,000M = \$450M}$$

$$\underline{\text{Total} = \$1,000M}$$

8.5.4 Acceptance of Costs; Removal from Cost Allocation

~~The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership rights or Ownership-Like Rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or Ownership-Like Rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary. "Ownership-Like Rights," as used in this paragraph, refers to those arrangements where an entity has rights in certain transmission facilities or a transmission path owned by another entity (or entities), which are based upon a percentage of the facility or path's rated capacity, and which rights remain through the in-service life of the facility or path.~~Upon receipt of the results of the Cost Allocation Task Force's application of the Cost Allocation Methodology to a Sponsored Preliminary Cost Allocation Project pursuant to Section 8.5.3 and prior to the Cost Allocation Task Force transmitting it's results to the Planning Committee for inclusion in the Draft Regional Transmission Plan, the Enrolled Parties shall have thirty (30) calendar days to arrange participant funding for the Preliminary Cost Allocation Project (the "Negotiation Period"). On or before the conclusion of the Negotiation Period, the Project Sponsor shall notify the Cost Allocation Task Force of its election to proceed based upon one of the following three options:

~~3.8.2.3. Cost Allocation Scenario: As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create cost allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries.~~

~~The variables in the cost allocation scenarios will include, but are not limited to, load levels by load-serving entity and geographic location, fuel prices, and fuel and resource availability. For example, cost allocation scenarios could include a~~

~~range of future load levels. Future projections of load levels in a given scenario will be based on factors such as, but not limited to, projected demand for irrigation, economic development, and heating/cooling demands necessitated by weather forecasts in particular geographic locations. These load level projections will be compared against a range of future resource options. Future projections of resource options in a given scenario will be based on factors such as, but not limited to, projected fuel prices and projected yields of particular types of generation resources (e.g. wind, hydro, etc.). In the development of the cost allocation scenarios the Cost Allocation Committee will give consideration to alternative resource planning scenarios developed by transmission providers within the NTTG Footprint as well as scenarios developed by other regional and Western Interconnection entities.~~

~~The Cost Allocation Committee shall consider such cost allocation scenarios in its assessment of project benefits and their distribution among Beneficiaries.~~

~~Use of cost allocation scenarios recognizes that estimates of the amount and distribution of benefits may be highly uncertain and dependent on key assumptions and projections. By using scenarios that choose data across a range of outcomes for these parameters, the potential impact of these uncertainties is estimated and incorporated in the calculation of net benefits used in cost allocation.~~

- a. Continue with Cost Allocation - whereby the Cost Allocation Task Force is to proceed with notifying the Planning Committee of the results of its cost allocation.
- b. Hybrid Allocation-whereby the Project Sponsor includes with its notice of election a writing signed by one or more Persons (excluding Beneficiaries) agreeing to accept a specific allocation of the Cost of a Preliminary Cost Allocation Project ("Voluntary Allocation").
- c. Withdrawal -whereby the Project Sponsor voluntarily withdraws its request for cost

allocation of the Preliminary Cost Allocation Project in the Planning Cycle.

In the event the "Continue with Cost Allocation" option is selected, the Cost Allocation Task Force shall provide the Planning Committee with the results of its cost allocation.

In the event the "Hybrid Allocation" option is selected, the Cost Allocation Task Force shall subtract the amount of Voluntary Allocation from the Cost of the Preliminary Cost Allocation Project. The Cost Allocation Task Force shall then allocate the remainder of the Cost of the Preliminary Cost Allocation Project to the Beneficiaries in accordance with the methodology set forth in Section 8.5.3 and provide the Planning Committee with the results of its cost allocation that takes into account the Voluntary Allocation.

In the event the "Withdrawal" option is selected, the Cost Allocation Task Force shall notify the Planning Committee that the Project Sponsor has withdrawn its request for cost allocation.

8.5.5 **Results from Cost Allocation Methodology;
Documentation in Draft Final Regional
Transmission Plan**

Unless a Preliminary Cost Allocation Project is removed from cost allocation consideration, the Cost Allocation Task Force is to select only Qualified Developer submitted Preliminary Cost Allocation Projects submitted for purposes of cost allocation ("Cost Allocation Project") and incorporate the results from its application of the Cost Allocation Methodology for such Cost Allocation Project in the Draft Final Regional Transmission Plan. The Cost Allocation Task Force will then incorporate and document the analysis, rationale, and results associated with the Qualified Developer's submitted Preliminary Cost Allocation Projects and the conclusion of any negotiation efforts, into the Draft Final Regional Transmission Plan and document the reasons for the decisions made.

~~8.6 3.8.3. Exclusions: The cost for projects~~

Projects undertaken in connection with requests for interconnection or transmission service under ~~Sections II, III, IV or V of the~~this Tariff will be governed solely by the provisions of the Tariff applicable ~~cost allocation methods associated with those requests under the Tariff.~~ to such requests for interconnection or transmission service.

~~3.9. Reevaluation~~

~~3.9.1. Reevaluation of the Regional Transmission Plan: NTTG expects the sponsor of an Original Project to inform the Planning Committee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-submits its project development schedule during Quarter 1. If the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original Project in the context of the current Regional Planning Cycle using an updated in-service date.~~

~~Committed Projects are Original Projects that have all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of quarter 1 of the current Regional Planning Cycle. Committed Projects are not subject to reevaluation, unless the Original Project fails to meet its development schedule milestones such that the needs of the region will not be met, in which case, the Original Project loses its designation as a Committed Project.~~

~~If it is a Non-Committed Project the Original Project — whether selected for cost allocation or not — shall be reevaluated, and potentially replaced or deferred, in the current Regional Planning Cycle only in the event that:~~

- ~~(a) the Project Sponsor fails to meet its project development schedule such that the needs of the region will not be met,~~
- ~~(b) the Project Sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or~~

~~(c) the needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently or cost-effectively.~~

~~If condition (a), (b) or (c) is true, then the incumbent transmission provider may propose solutions that it would implement within its retail distribution service territory or footprint (the "New Project"). Both the Original Project and the New Project will be reevaluated or evaluated, respectively, in Quarter 2 as any other project for consideration in the Regional Transmission Plan.~~

~~During such reevaluation the Planning Committee shall only consider remaining costs to complete the Original Project against the costs to complete of the other projects being evaluated.~~

~~3.9.2. Reevaluation of Cost Allocation: A cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed a Committed Project pursuant to Section 3.9.1.~~

~~3.10. Calculations: The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.~~

~~3.11. Economic Study Requests~~

~~3.11.1. Submission of Economic Study Requests: Any stakeholder may submit a:~~

~~a. Local Economic Study Request to the Transmission Provider as provided for in Section 2.7.2; and~~

~~b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12;~~

~~Be aware that local and regional Economic Study processes have different submission windows and requirements. Stakeholders must comply with each process's submission windows and requirements.~~

~~3.11.2. Review for Completeness: The Planning Committee or the Transmission Provider will review the information it receives pursuant to this Section 3.11 for completeness. If a stakeholder fails to meet the information requirements, the Planning Committee or Transmission Provider shall notify the stakeholder of the reasons for such failure. The Planning Committee or Transmission Provider will attempt to remedy deficiencies in the submitted information through informal communications with the stakeholder. If such efforts are unsuccessful within 15 calendar days of the close of the submission window, the Planning Committee or Transmission Provider shall return the stakeholder's information, and the stakeholder's request shall be deemed withdrawn. The Planning Committee or Transmission Provider may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a request set forth in a withdrawn submission. Stakeholder may resubmit the request for consideration during the next submission window with updated information and data deficiencies cured.~~

~~3.11.3. Categorization and Processing of Economic Study Requests: All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request or a Regional Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Section 2.7.2. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12.~~

~~3.12. Regional Economic Study Requests~~

~~3.12.1. Submission Windows: Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 31st of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG Website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit the completed Economic Study Request Form and signed Economic Study Agreement to the transmission provider from which it obtained the Economic Study Agreement and provide a copy of the Economic Study Request Form and Economic Study Agreement to the Planning Committee, through info@nttg.biz <mailto:info@nttg.biz>.~~

~~3.12.2. Studies Performed: The Planning Committee will complete up to two (2) Regional Economic Studies per Regional Planning Cycle. By April 30th each year, the Planning Committee will determine the Regional Economic Study(ies) to be performed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle. If the Regional Economic Study cannot be completed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle, the Planning Committee will notify the study request sponsor of the delay, provide an explanation of the delay, and provide an estimated completion date. If the Planning Committee receives more than two (2) Regional Economic Study Requests per Regional Planning Cycle, it will prioritize the requests and determine which Regional Economic Study Request(s) will be performed based on an evaluation of the following:~~

- ~~a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and~~
- ~~b. Input from stakeholders at the Planning Committee meeting.~~

~~The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.~~

~~3.12.3. Additional Studies: The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by emailing the Planning Committee chair, through info@nttg.biz <mailto:info@nttg.biz>. Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.~~

~~3.12.4. Clustering Studying Requests: The Planning Committee will cluster and study together Regional Economic Study Requests if all of the Point(s) of Receipt and Point(s) of Delivery match one another or, in the alternative, it is reasonably determined by the Planning Committee that the Regional Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group~~

9. Regional Transmission Plan

9.1 Preparation and Posting of Draft Final Regional Transmission Plan

The Enrolled Parties Planning Committee is to post a Draft Final Regional Transmission Plan by the end of the last September in the Planning Cycle. The Draft Final Regional Transmission Plan is to include:

- i. A list of each Cost Allocation Project along with the results of the application of the Cost Allocation Methodology for such Cost Allocation Project including identification of each Enrolled Party Beneficiary, the Cost allocated to each such Enrolled Party Beneficiary, and the Benefits identified for each such Enrolled Party Beneficiary;
- ii. Whether, and, if so, the extent to which costs of any Cost Allocation Project were voluntarily assumed by any other Person;
- iii. A list of any ITP(s) for which joint evaluation has been requested; and

- iv. A list of any projects listed as Cost Allocation Projects in the prior Regional Transmission Plan that, in accordance with Section 5.2.3.8, will not be included in the current Regional Transmission Plan as a Cost Allocation Project.

9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan

The Enrolled Parties Planning Committee is to provide the Draft Final Regional Transmission Plan to the Enrolled Parties and States Committee. The Enrolled Parties and States Committee is to provide its written comments, if any, to the Enrolled Parties Planning Committee within thirty (30) calendar days following receipt of the Draft Final Regional Transmission Plan. The Enrolled Parties Planning Committee will make modifications to the Draft Final Regional Transmission Plan as the Enrolled Parties Planning Committee deems appropriate, in response to such comments received. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to present the Draft Final Regional Transmission Plan, as such Draft Final Regional Transmission Plan may be modified as a result of consideration of the Enrolled Parties and States Committee's comments and solicit comments from stakeholders. NorthernGrid is to post the Draft Final Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

Stakeholders have fifteen (15) calendar days following the meeting to submit written comments on the Draft Final Regional Transmission Plan. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Final Regional Transmission Plan; and

d. Cause the Final Regional Transmission Plan developed through the processes outlined in this Attachment K to be issued.

~~3.12.5. Unaccommodated Economic Study Requests: All Regional Economic Study Requests not accommodated within the current study cycle will be deemed withdrawn and returned to the stakeholder without action and the stakeholder may submit the Regional Economic Study Request in the next Regional Planning Cycle.~~

~~3.12.6. Study Schedule: In Quarters 1 and 5, Regional Economic Study Requests are submitted by Stakeholders to the Planning Committee. In Quarters 2 and 6, study plans are developed by the Planning Committee for the Regional Economic Study Requests that will be modeled. In Quarters 3 and 7, Regional Economic Studies are performed by the Planning Committee or under the Planning Committee's direction. In Quarters 4 and 8, results of the regional Economic Studies are reported by the Planning Committee in the Draft Regional Transmission Plan and the Regional Transmission Plan, respectively, and provided to the requesting party.~~

Part D. Interregional Coordination and Cost Allocation Process

10. ~~4.~~ **Interregional Coordination and Cost Allocation Process**

10.1 Introduction

This Section ~~4~~10 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order No. 1000 interregional provisions. ~~NTPG~~NorthernGrid is to conduct the activities and processes set forth in this Section ~~4~~10 of Attachment K in accordance with the provisions of this Section ~~4~~10 of Attachment K and the other provisions of this Attachment K.

Nothing in this ~~section~~Section 10 of Attachment K will preclude any transmission owner or transmission provider from taking any action it deems necessary or appropriate with respect to any transmission facilities it needs to comply with any local, state, or federal requirements.

Any Interregional Cost Allocation regarding any ITP is solely for the purpose of developing information to be used in the regional planning process of each Relevant Planning Region, including the regional cost allocation process and methodologies of each such Relevant Planning Region.

References in this ~~section~~Section 10 of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order No. 1000.

~~4.1. Definitions~~

~~The following capitalized terms were used in this Section 4 of Attachment K, are defined as follows:~~

~~**Annual Interregional Coordination Meeting:** shall have the meaning set forth in Section 4.3 below.~~

~~**Annual Interregional Information:** shall have the meaning set forth in Section 4.2 below.~~

~~**Interregional Cost Allocation:** means the assignment of ITP costs between or among Planning Regions as described in Section 4.5.2 below.~~

~~Interregional Transmission Project ("ITP"):~~ means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions in accordance with Section 4.4.1.

~~Planning Region:~~ means each of the following Order No. 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG, and WestConnect.

~~Relevant Planning Regions:~~ means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional transmission needs in accordance with Section 4.4.2, at which time it shall no longer be considered a Relevant Planning Region.

~~10.2 4.2.~~ **Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, ~~NTTG~~NorthernGrid is to make available by posting on the ~~NTTG~~NorthernGrid Website or otherwise provide to each of the other Planning Regions the following information, to the extent such information is available in its regional transmission planning process, relating to regional transmission needs ~~in NTTG's transmission planning region and potential solutions~~(Enrolled Party Needs) in NorthernGrid's Enrolled Region and Potential Solutions thereto:

- ~~(i) study plan~~(i) Study Scope or underlying information that would typically be included in a ~~study plan~~Study Scope, such as:
 - ~~a. (a) identification~~a. Identification of base cases;
 - ~~b. (b) planning~~b. Planning study assumptions; and
 - ~~c. (c) study~~c. Study methodologies; ~~and~~
- ~~(ii) initial study reports (or system assessments); and~~(ii) Regional Transmission Plan.

~~(iii) regional transmission plan (collectively~~ Collectively referred to as "Annual Interregional Information.")

NTTCNorthernGrid is to post its Annual Interregional Information on the NTTCNorthernGrid Website according to its regional transmission planning process. Each other Planning Region may use in its regional transmission planning process NTTCNorthernGrid's Annual Interregional Information. NTTCNorthernGrid may use, in its regional transmission planning process, the Annual Interregional Information provided by other Planning Regions.

NTTCNorthernGrid is not required to make available or otherwise provide to any other Planning Region: (i) any information not developed by NTTCNorthernGrid in the ordinary course of its regional transmission planning process; (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region; or (iii) any information if NTTCNorthernGrid reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission's Standards of Conduct or any other legal requirement.

Annual Interregional Information made available or otherwise provided by NTTCNorthernGrid shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NTTCNorthernGrid's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by NTTCNorthernGrid shall be "AS IS" and any reliance by the receiving Planning Region on such Annual Interregional Information is at its own risk, without warranty and without any liability of NTTC, theNorthernGrid, Transmission Provider, any entity supplying information in Transmission Provider's local transmission planning process, or any entity supplying information in NTTCNorthernGrid's regional transmission planning process, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

10.3 ~~4.3.~~ **Annual Interregional Coordination Meeting**

NTTCThe NorthernGrid Enrolled Region is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTCNorthernGrid is to host the Annual Interregional Coordination Meeting in turn with the other Planning Regions and is to seek to convene such meeting in February, but not later

than March 31st. The Annual Interregional Coordination Meeting is to be open to stakeholders. ~~NTTC~~NorthernGrid is to provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

At the Annual Interregional Coordination Meeting, topics discussed may include the following:

- ~~(i) — each~~1. Each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
- ~~(ii) — identification~~2. Identification and preliminary discussion of interregional solutions, including ~~conceptual solutions~~Conceptual Solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost effectively or efficiently; and
- ~~(iii) — updates~~3. Updates of the status of ~~ITPs~~any ITP being evaluated or previously included in ~~NTTC's regional transmission plan~~NorthernGrid's Regional Transmission Plan.

10.4 ~~4.4.~~ **ITP Joint Evaluation Process**

10.4.1 ~~4.4.1~~ **Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section ~~4.4.2~~10.4.2 by submitting the ITP into the regional transmission planning process of each Relevant Planning Region in accordance with such Relevant Planning Region's regional transmission planning process and no later than March 31st of any even-numbered calendar year. Such proponent of an ITP seeking to connect to a transmission facility owned by multiple transmission owners in more than one Planning Region must submit the ITP to each such Planning Region in accordance with such Planning Region's regional transmission planning process. In addition to satisfying each Relevant Planning Region's information requirements, the proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions to which the ITP is being submitted.

10.4.2 ~~4.4.2~~ **Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section ~~4.4.1,~~ ~~NTTG~~10.4.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) is to participate in a joint evaluation by the Relevant Planning Regions that is to commence in the calendar year of the ITP's submittal in accordance with Section ~~4.4.1~~10.4.1 or the immediately following calendar year. With respect to any such ITP, ~~NTTG~~the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) is to confer with the other Relevant Planning Region(s) regarding the following:

- (i) ~~(i)~~ ITP data and projected ITP costs; and
- (ii) ~~(ii) the~~The study assumptions and methodologies it is to use in evaluating the ITP pursuant to its regional transmission planning process.

For each ITP that meets the requirements of Section ~~4.4.1,~~ ~~NTTG~~10.4.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region):

- a. ~~(a) is~~Is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect ~~NTTG~~NorthernGrid's evaluation of the ITP;

- b. ~~(b) is~~ Is to provide stakeholders an opportunity to participate in ~~NTTG~~NorthernGrid's activities under this Section ~~4.4.2~~10.4.2 in accordance with its regional transmission planning process;
- c. ~~(c) is~~ Is to notify the other Relevant Planning Regions if ~~NTTG~~the NorthernGrid Enrolled Region determines that the ITP will not meet any of its regional transmission needs; thereafter ~~NTTG~~the NorthernGrid Enrolled Region has no obligation under this Section ~~4.4.2~~10.4.2 to participate in the joint evaluation of the ITP; and
- d. ~~(d) is to determine under~~ Is to process the ITP in accordance with its regional transmission planning process ~~if such ITP is a more cost effective or efficient solution to one or more of NTTG's regional transmission needs.~~

10.5 ~~4.5.~~ **Interregional Cost Allocation Process**

10.5.1 ~~4.5.1~~ **Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section ~~4.4.1, 10.4.1,~~ a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from ~~NTTG~~the NorthernGrid Enrolled Region and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

10.5.2 ~~4.5.2~~ **Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section ~~4.5.1,~~ ~~NTTG~~10.5.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) ~~(i) assumptions~~ Assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in

- accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) ~~(ii) NPTG~~ the NorthernGrid Enrolled Region's regional benefits stated in dollars resulting from the ITP, if any; and
 - (iii) ~~(iii) assignment~~ Assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to Section ~~4.6.2 below~~ 10.6.2) to each Relevant Planning Region using the methodology described in this Section ~~4.5.2.~~ 10.5.2.

For each ITP that meets the requirements of Section ~~4.5.1,~~ ~~NPTG~~ 10.5.1, the NorthernGrid Enrolled Region (if it is a Relevant Planning Region):

- a. ~~(a) is~~ Is to seek to resolve with the ~~other~~ other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect ~~NPTG~~ NorthernGrid's analysis;
- b. ~~(b) is~~ Is to provide stakeholders an opportunity to participate in ~~NPTG~~ NorthernGrid's activities under this Section ~~4.5.2~~ 10.5.2 in accordance with its regional transmission planning process;
- c. ~~(c) is~~ Is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in ~~NPTG,~~ ~~NPTG~~ the NorthernGrid Enrolled Region, NorthernGrid is to use its regional cost allocation methodology, as applied to ITPs;
- d. ~~(d) is~~ Is to calculate its assigned pro rata share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;
- e. ~~(e) is~~ Is to share with the other Relevant Planning Regions information regarding what its regional cost allocation would be if it

were to select the ITP in its ~~regional-~~
~~transmission plan~~Regional Transmission Plan
for purposes of Interregional Cost
Allocation; ~~NTTGT~~the NorthernGrid Enrolled
Region may use such information to identify
its total share of the projected costs of
the ITP to be assigned to ~~NTTGT~~the
NorthernGrid Enrolled Region in order to
determine whether the ITP is a more ~~cost-~~
~~effective or~~ efficient or cost-effective
solution to a transmission need in ~~NTTGT~~the
NorthernGrid Enrolled Region;

f. ~~(f) is~~Is to determine whether to select
the ITP in its ~~regional-transmission-~~
~~plan~~Regional Transmission Plan for purposes
of Interregional Cost Allocation, based on
its regional transmission planning process;
and

g. ~~(g) is~~Is to endeavor to perform its
Interregional Cost Allocation activities
pursuant to this Section ~~4.5.2~~10.5.2 in the
same general time frame as its joint
evaluation activities pursuant to Section
~~4.4.2.4.6.10.4.2.~~

10.6 **Application of Regional Cost Allocation Methodology to Selected ITP**

10.6.1 ~~4.6.1~~ **Selection by All Relevant Planning Regions**

If ~~NTTGT~~the NorthernGrid Enrolled Region (if it is a Relevant
Planning Region) and all of the other Relevant Planning Regions
select an ITP in their respective regional transmission plans for
purposes of Interregional Cost Allocation, ~~NTTGT~~the NorthernGrid
Enrolled Region is to apply its regional cost allocation
methodology to the projected costs of the ITP assigned to it
under Sections ~~4.5.2~~10.5.2 (d) or ~~4.5.2~~10.5.2(e) above in
accordance with its regional cost allocation methodology, as
applied to ITPs.

10.6.2 ~~4.6.2~~ **Selection by at Least Two but Fewer than All Relevant Planning Regions**

If the ~~NTTGT~~NorthernGrid Enrolled Region (if it is a Relevant
Planning Region) and at least one, but fewer than all, of the
other Relevant Planning Regions select the ITP in their
respective regional transmission plans for purposes of

Interregional Cost Allocation, ~~NTPG~~NorthernGrid is to evaluate (or reevaluate, as the case may be) pursuant to Sections ~~4.5.210.5.2~~ (d), ~~4.5.210.5.2~~ (e), and ~~4.5.210.5.2~~ (f) above whether, without the participation of the non-selecting Relevant Planning Region(s), the ITP is selected (or remains selected, as the case may be) in its ~~regional transmission plan~~Regional Transmission Plan for purposes ~~for of~~ Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective ~~regional transmission plans of NTPG~~Regional Transmission Plans of the NorthernGrid Enrolled Region and at least one other Relevant Planning Region, ~~NTPG~~the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections ~~4.5.210.5.2~~ (d) or ~~4.5.210.5.2~~ (e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

11. ITPs, Joint Evaluation, and Interregional Cost Allocation

11.1 Introduction

This Section 11 of Attachment K only applies to ITPs for which the NorthernGrid Enrolled Region is a Relevant Planning Region and does not apply to any ITP for which the NorthernGrid Enrolled Region is not a Relevant Planning Region.

11.2 Entities That May Submit an ITP for Joint Evaluation

Any Person that seeks to submit an ITP for joint evaluation pursuant to Sections 10 and 11 of this Attachment K must submit the ITP into the NorthernGrid Enrolled Region's regional transmission planning process in accordance with Section 5.2.3 of this Attachment K, and must submit the ITP into the planning process of all Relevant Planning Regions.

11.3 Confirmation from Relevant Planning Regions

NorthernGrid is to seek to confirm with each other Relevant Planning Region that such Enrolled Party or ITP Proponent has submitted such ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s). In the event that NorthernGrid

is unable to confirm that the Enrolled Party or ITP Proponent has submitted its ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s), NorthernGrid is to notify the ITP Proponent in writing, and the ITP Proponent is to have thirty (30) calendar days from the date of such notice to provide NorthernGrid evidence, reasonably acceptable to NorthernGrid, that the ITP Proponent has timely submitted its ITP for evaluation to each other Relevant Planning Region(s). If an ITP Proponent fails to provide such evidence, the ITP Proponent's ITP is to be deemed withdrawn.

11.4 Submit ITP Information

Prior to commencing the joint evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, an ITP Proponent that is seeking such evaluation of an ITP is to submit to the NorthernGrid Enrolled Region information in accordance with Section 5.2.3 of this Attachment K, which is, to the extent permitted by law, to include a copy of all ITP data being submitted by the ITP Proponent to any of the other Relevant Planning Regions for such ITP.

11.5 Joint Evaluation Implementation

For purposes of the NorthernGrid Enrolled Region's evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, evaluation of such ITP is to be through the NorthernGrid Enrolled Region's transmission planning processes as set forth in this Attachment K.

11.6 Interregional Cost Allocation Process

For each ITP that meets the requirements of Sections 11.1 and 11.2, the NorthernGrid Enrolled Region (if and so long as it is a Relevant Planning Region) is to:

- (i) Pursuant to item (c) of Section 10.5.2 of this Attachment K, determine the amount, if any, of Regional Benefits for Purposes of Interregional Cost Allocation resulting from such ITP;
- (ii) Pursuant to item (ii) of Section 10.5.2 of this Attachment K, notify each of the other Relevant Planning Regions with respect to such ITP of the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP so determined;

- (iii) Pursuant to item (d) of Section 10.5.2, calculate the NorthernGrid Enrolled Region's assigned pro rata share of the projected costs of such ITP (such share is also referred to as "Assigned Regional Costs from Interregional Cost Allocation"), which share is to be equal to the product of the projected costs of such ITP multiplied by a fraction, the numerator of which is to be the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and the denominator of which is to be the sum of (a) the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and (b) the sum of the regional benefits of each other Relevant Planning Region as calculated with respect to such ITP by such other Relevant Planning Region in accordance with its regional transmission planning process and provided to the NorthernGrid Enrolled Region by such other Relevant Planning Region;
- (iv) If an ITP is identified as an Eligible Cost Allocation Project pursuant to Section 8.3, NorthernGrid's Cost Allocation Task Force is to proceed with the cost allocation analysis described in Section 8.5. Pursuant to item (e) of Section 10.5.2 of this Attachment K, NorthernGrid is to share the above determination with the other Relevant Planning Regions with regard to such ITP; and
- (v) If NorthernGrid receives information pursuant to item (e) of Section 10.5.2 of Attachment K from one or more other Relevant Planning Regions regarding what such Relevant Planning Region's regional cost allocation would be if it were to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation and what, if any, additional amount of projected project costs of such ITP its methodology would be attributable to the NorthernGrid Enrolled Region, the NorthernGrid Enrolled Region may use such information to identify an additional amount of projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region if such additional amount is properly allocable to an Beneficiary(ies) as an owner(s) or

operator(s) of such ITP (any such additional, properly allocable, amount is also referred to as "Additional Regional Costs from Interregional Cost Allocation").

Part E. Economic Study Request

12. Economic Study Requests

12.1 Performance of Economic Studies

12.1.1 Regional

NorthernGrid, in coordination with Enrolled Parties and the Enrolled Parties Planning Committee, is to perform in accordance with this Part E of this Attachment K economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.1 of this Attachment K related to conditions within the Enrolled Party Region.

12.1.2 Local

Transmission Provider, in accordance with this Part E of this Attachment K, is to perform economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.2 of this Attachment K related to conditions within the Transmission Provider's Transmission System.

12.2 Stakeholder Requests to Perform an Economic Study

12.2.1 Regional

A stakeholder, which includes Enrolled Parties, may request that NorthernGrid initiate a study to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;
- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate or regional basis (a "Regional Economic Study").

12.2.2 Local

A stakeholder may request that Transmission Provider initiate a study related to conditions within the Transmission Provider's Transmission System to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;

- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate basis (a "Local Economic Study").

12.2.3 Study Characteristics

Any economic study performed must focus on evaluating high-level metrics depicting various possible future scenarios of expanding the power system and quantifying the advantages and disadvantages associated with each scenario. Any Economic Study Request that seeks to focus on the performance of individual assets shall not be performed.

12.2.4 Study Report

A Regional Economic Study is documented in a stand-alone report that is separate from the Regional Transmission Plan. A Local Economic Study is documented in a stand-alone report that is separate from the Local Transmission Plan and the Regional Transmission Plan.

12.3 Submission, Consideration and Prioritization of Economic Study Requests

Requests for a Regional Economic Study or a Local Economic Study shall be submitted, considered and prioritized as follows:

- a. Between January 1 and March 31 each year, a stakeholder may submit a Regional Economic Study request to NorthernGrid through the NorthernGrid Website, and a stakeholder may submit a Local Economic Study request to the Transmission Provider consistent with Sections 2 and 12 of this Attachment K and the Transmission Provider's transmission planning business practice posted on OASIS.
- b. Any Economic Study Request must describe the information to be evaluated and include information known by the requester that is relevant to the requested study.
- c. The Enrolled Parties Planning Committee, in the context of a request for a Regional Economic Study, is to develop a rough work scope and cost estimate for all requested Regional Economic Studies and develop a preliminary prioritization

or a recommendation to cluster, based on the Enrolled Parties Planning Committee's perceived regional benefits, to assist in the prioritization of Regional Economic Study requests. The Transmission Provider, in the context of a request for a Local Economic Study, is to develop a rough work scope and cost estimate for all requested Local Economic Studies associated with the Transmission Provider, and develop preliminary prioritization based on the Transmission Provider's perceived local benefits, to assist in the prioritization of Local Economic Study requests, which may include clustering, if appropriate.

- d. By no later than June 1 of each year, NorthernGrid is to hold a meeting of the Enrolled Parties Planning Committee for the members of the Enrolled Parties Planning Committee to discuss, identify, and prioritize, up to one (1) Regional Economic Study to be performed in a given year by NorthernGrid, and at no cost to the requestor, taking into consideration its impact on the NorthernGrid budget and other priorities. By no later than June 1 of each year, Transmission Provider receiving a Local Economic Study Request is to identify and prioritize, up to one (1) Local Economic Study to be performed in a given year by the Transmission Provider, at no cost to the requestor, taking into consideration the impact of performing such study on the Transmission Provider's budget and its other priorities. Regional Economic Studies and Local Economic Studies are intended to be completed by calendar year-end.
- e. The Enrolled Parties Planning Committee in the context of a Regional Economic Study or the Transmission Provider in the context of a Local Economic Study may respectively agree to hold additional meetings to further discuss and resolve any issue concerning the substance of the Regional Economic Studies or Local Economic Studies themselves and/or their prioritization.
- f. The Enrolled Parties Planning Committee is to publish a notice on the NorthernGrid Website detailing the prioritization of the Regional Economic Studies. The Transmission Provider is to

publish a notice on its OASIS detailing the prioritization of Local Economic Studies.

The foregoing timelines are subject to adjustment as determined by the Enrolled Parties Planning Committee in the context of Regional Economic Studies or the Transmission Provider in the context of Local Economic Studies.

Any study proponent may request and pay for NorthernGrid to perform a Regional Economic Study beyond the one Regional Economic Study per year identified in Section 12.3(d), and any study proponent may request and pay for the Transmission Provider to perform a Local Economic Study beyond the one Local Economic Study per year identified in Section 12.3(d).

12.4 Support for the Preparation of Economic Studies

12.4.1 Regional

For the development of each Regional Economic Study, the Enrolled Parties Planning Committee is to coordinate with the Enrolled Parties to support NorthernGrid's performance of any economic study. To facilitate this support, NorthernGrid is to post on the NorthernGrid Website the models, files, cases, contingencies, assumptions, and other information used to perform an economic study. NorthernGrid may establish requirements that any Enrolled Party or member of the Enrolled Parties Planning Committee must satisfy in order to access certain information used to perform the economic study, due to CEII constraints. NorthernGrid may ask Enrolled Parties or Enrolled Parties Planning Committee members with special expertise to provide technical support or perform studies required to assess one or more potential needs that will be considered in the Regional Economic Study process. NorthernGrid is to convene meetings open to any representative of an entity that is a member of the Enrolled Parties Planning Committee to facilitate input on draft Regional Economic Studies.

12.4.2 Local

For the development of a Local Economic Study, the Transmission Provider is to post on its OASIS the models, files, cases, contingencies, assumptions, and other information used to perform the Local Economic Study. The Transmission Provider may establish requirements that must be satisfied in order to access certain information used to perform the Local Economic Study, due to CEII constraints.

12.5 Publication of Economic Study Report

The Enrolled Parties Planning Committee is to post its Regional Economic Study reports on the NorthernGrid Website, subject to CEII constraints. Transmission Provider is to post its Local Economic Study reports on its OASIS, subject to CEII constraints. Economic Studies containing CEII will be posted as password-protected documents.

Part F. DISPUTE RESOLUTION

13. Dispute Resolution.

13.1 Scope

Transmission Provider and Any Enrolled Party, Non-Incumbent Transmission Developer, ITP Proponent, Merchant Transmission Developer, Eligible Customer, or stakeholder that participates in the local or regional planning processes outlined in this Attachment K shall utilize the dispute resolution process set forth in this Section 13 to resolve procedural and substantive disputes related thereto.

13.2 Process

The following dispute resolution process shall be followed, in an effort to resolve all disputes related to this Attachment K:

Step 1 - The disputing entity shall provide prompt written notice of the dispute to the chairs of the Enrolled Parties Planning Committee; or to the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 by submitting a completed Dispute Resolution form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.

Step 2 - An executive representative from the disputing entity shall participate in good faith negotiations with the chairs the Enrolled Parties Planning Committee; or an executive representative from the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 to resolve the dispute as promptly as practicable. In the event the executive representative and the chairs or Transmission Provider executive representative are unable to resolve the dispute by mutual agreement within thirty (30) calendar days of the written notice of dispute, or such other period as the parties may mutually agree upon, the parties shall proceed to Step 3.

Step 3 - In furtherance of efforts to resolve the dispute the parties may utilize an agreed-upon third-party, or the Commission's dispute

resolution service, to facilitate mediation to resolve the dispute. If the dispute remains unresolved after Step 3, the disputing entity shall proceed to Step 4.

Step 4 - As a last resort, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

13.3 Timeliness

To facilitate the timely completion of the Local Transmission Plan and Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 13 be raised more than 30 calendar days after a decision is made in the study process or the posting of a document, whichever is earlier. Except to the extent that a binding arbitration decision has been rendered pursuant to Step 4 above, nothing contained in this Section 13 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

ATTACHMENT K EXHIBITS
FOLLOW

Exhibit A

Cost Allocation Task Force Charter

NORTHERNGRID

COST ALLOCATION TASK FORCE

CHARTER

Economic Study Agreement

~~This Economic Study Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.~~

Recitals

- ~~A. — The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of performing Economic Congestion Studies within the Northern Tier footprint¹ as requested by stakeholders following the process described in the Transmission Provider’s Attachment K;~~
- ~~B. — The Planning Committee operates according to the terms and conditions set forth in the Planning Committee Charter which may be amended from time to time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, www.nttg.biz <<http://www.nttg.biz>>;~~

COST ALLOCATION TASK FORCE

CHARTER

~~C. This Agreement is intended to document an entity's obligations regarding the Economic Study process, as described herein;~~

OF

~~NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:~~

NORTHERNGRID

~~Section 1. Duration and Termination~~

~~1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the "Commission"); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.~~

~~Section 2. Obligations of the Undersigned~~

~~2.1 By executing the signature page set forth below, the undersigned, agrees to:~~

- ~~(a) Submit Economic Study Requests to the Transmission Provider during the Economic Study Request windows and provide the data required to perform the study;~~
(An Unincorporated Association)

~~¹The Northern Tier's footprint is defined by the service territories of those entities that have executed the Northern Tier Funding Agreement, as may be amended from time to time.~~

- ~~(b) Acknowledge that Economic Study Requests will be evaluated and voted upon by the Planning Committee for potential clustering and selection for the up to two studies that will be performed during the Regional Planning Cycle;~~
- ~~(c) Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in Section 3.6 of Attachment K;~~

- ~~(d) If the Economic Study requests are not selected as one of the up to two studies, be subject to reimburse NTTG for the actual costs to perform the studies;~~
- ~~(e) Act in a good faith manner to further the completion of the Economic Study Request according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time to time by the Steering Committee;~~
- ~~(f) The extent practicable, provide support from internal resources to complete the Economic Study;~~
- ~~(g) Bear its own costs and expenses associated with participation in and support of the Economic Study; and~~
- ~~(h) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.~~

Section 3. — Miscellaneous

This document sets forth the charter of the NorthernGrid Cost Allocation Task Force ("Taskforce").

ARTICLE 1. **PURPOSE AND LIMITATIONS**

1.1 Purpose. The Taskforce is convened by the Enrolled Parties and States Committee. The Taskforce's function is to carry out the responsibilities assigned to the Taskforce in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Taskforce shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements.

1.2 Limitations. The Taskforce does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any participant appointed to this Taskforce from acting in accordance with any legal requirement.

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

ARTICLE 2. **PARTICIPATION**

2.1 Participants. The Taskforce is composed of individuals appointed by Enrolled Parties and States to perform the work assigned to the Taskforce. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

2.2 Appointment of Participants (participant list). Each Enrolled Party may appoint one (1) participant to the Taskforce. Each State may appoint one (1) participant to the Taskforce. Each Enrolled Party and each State may appoint a participant or change its participant at any time; provided, however, a participant must be appointed at least one (1) business day in advance of a work session for that person to be eligible to participate in decision making at the work session. Enrolled Parties and States are encouraged to appoint participants with appropriate skillsets. Notices of appointment and contact information for each participant shall be submitted through the NorthernGrid website, www.northerngrid.net. Each Enrolled Party and State should appoint its participant in the first January of each Planning Cycle to enable the Taskforce to begin work promptly when required.

2.3 Eligibility to Make Decisions. Only the participants of Enrolled Parties and States appointed to the Taskforce are eligible to make decisions on matters before the Taskforce.

2.4 Participant Disclaimer. Actions or positions taken or not taken by a participant appointed by a State through this Taskforce do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that participant's State.

2.5 No Compensation from NorthernGrid. Participants shall not receive compensation or reimbursement of expenses from NorthernGrid; rather, a participant may be compensated or reimbursed by his or her appointing Enrolled Party or State.

ARTICLE 3. **WORK SESSIONS**

~~3.1—Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages-~~

~~associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement's terms and conditions.~~**3.1 Work Sessions; Notice.** The Taskforce shall convene at such times and locations as the Taskforce shall from time-to-time establish. Notice of all work sessions shall be emailed by the chair to all participants at least seven days before the work session. Notice may be waived for a work session by all participants.

~~3.2—**No Joint Action.** This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.~~**3.2 Procedure.** The chair shall establish the agenda for all work sessions.

~~3.3—**Ownership of Products.** The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee.~~**3.3 Quorum.** To make a decision, a quorum of 75% of the participants appointed to the Taskforce from the Enrolled Parties (see Section 2.2) must be present at the work sessions at which a decision is to be made.

~~3.4—**Amendments.** The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.~~**3.4**

Decision Making. Except as set forth in Section 4.1, a Taskforce decision is valid if 75% of the participants present at the work session approve.

~~3.5—**Waiver.** A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.~~**3.5 Remote Participation.** Participants may participate in Taskforce work sessions by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the work session.

~~3.6—**Severability.** If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.~~

~~3.7—**Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.~~

~~3.8—**Third Party Beneficiaries.** All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.~~

~~3.9 — Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.~~

~~3.10 — Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.~~

ARTICLE 4.

CHAIR

4.1 Election of Chair. The Taskforce shall be managed by a chair. At the first work session of the Taskforce convened by the Enrolled Parties and States Committee in a Planning Cycle or following a resignation, the participants shall elect a chair from the participants appointed by an Enrolled Party. This decision shall be by majority vote of the participants that are present at the work session in which the decision is made.

4.2 Resignation. The chair may resign at any time by giving written notice to the Taskforce. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that participant from the Taskforce.

ARTICLE 5.

MISCELLANEOUS

5.1 Amendments. This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Taskforce should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

_____ ~~IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.~~

(Signature)

(Name of Company or Organization)

(Phone)

(Print Signature)

(Street Address)

(Fax)

(Title)

(City, State, Zip Code)

(Email)

Exhibit B

Enrolled Parties Planning Committee
Charter

NORTHERNGRID

STEERING ENROLLED PARTIES PLANNING COMMITTEE

CHARTER

Adopted: September 19, 2016

TABLE OF CONTENTS

| | |
|---|--|
| ARTICLE 1. 2 PURPOSE AND LIMITATIONS | 92 |
| 1.1 1.1 Purpose | 2 92 |
| 1.2 1.2 Limitations | 2 92 |
| 1.3 Confidential Information | 92 |
| ARTICLE 2. 2 PARTICIPATION | 93 |
| 2.1 Membership Classes | 2 |
| 2.2 Eligibility for Membership; Becoming a Member | 2 |
| 2.1 Participants | 93 |
| 2.2 Definition | 93 |
| 2.3 2.3 Stakeholder Participation; Eligibility to Vote | 2 93 |
| ARTICLE 3. 3 REPRESENTATIVES | 93 |
| 3.1 3.1 General Powers | 3 93 |
| 3.2 3.2 Appointment of Member Representative | 3 Representatives or Alternates 93 |
| 3.3 Alternate | |
| 3.3 Identification of Committee Members | 94 |
| 3.4 Alternates | 94 |
| 3.5 Authority | 94 |
| 3.6 Representative | 3 |
| 3.4 State Representatives | 3 |
| 3.5 Resignation | 4 |
| 3.6 Removal | 4 Disclaimer |
| 94 | |
| 3.7 Non-Attendance | 94 |
| 3.7 3.8 No Compensation from Northern Tier | 4 NorthernGrid 95 |
| ARTICLE 4. 4 REPRESENTATIVE MEETINGS | 95 |
| 4.1 4.1 Open Meetings and Limitations | 4 95 |
| 4.2 4.2 Regular Meetings; Notice and Minutes | 4 95 |
| 4.3 Other Sessions | 95 |
| 4.3 4.4 Procedure | 5 96 |
| 4.4 Member 4.5 Representative List | 5 96 |
| 4.5 4.6 Quorum | 5 96 |
| 4.6 Voting | 5 |
| 4.7 Action Without Meeting | 5 |
| 4.7 Decision Making | 96 |
| 4.8 Telephone 4.8 Remote Participation | 5 96 |
| ARTICLE 5. 6 CHAIR | 96 |
| 5.1 Officers 5.1 Officer, Election, and Term | 6 96 |
| 5.2 Co 5.2 Chairs | 6 97 |

| | |
|---|-------------|
| 5.2.1 Joint Responsibility | 6 |
| 5.2.2 Utility Co Chair Responsibility | 6 |
| 5.2.3 State Co Chair Responsibility | 6 |
| 5.3 Vice Chairs | 6 |
| 5.4 5.3 Removal | 7 97 |
| 5.5 5.4 Resignation | 7 97 |
| 5.6 Vacancies | 7 |
| ARTICLE 6 7 MISCELLANEOUS | 97 |
| 6.1 Sub Committees | 7 |
| 6.2 6.1 Dispute Resolution | 7 97 |
| 6.3 6.2 Amendments | 7 97 |
| CERTIFICATION | 8 |

STEERING

ENROLLED PARTIES PLANNING COMMITTEE

CHARTER

OF

NORTHERN TIER TRANSMISSION GROUP NORTHERNGRID

(An Unincorporated Association)

This document ~~currently and completely~~ sets forth the charter of the ~~Northern Tier Transmission Group's ("Northern Tier") Steering Committee ("Committee") and supersedes all prior charters whether amended or restated.~~ NorthernGrid Enrolled Parties Planning Committee ("Committee").

ARTICLE 1. PURPOSE AND LIMITATIONS

~~1.1.1~~ **Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below and the co-chairs of the Enrolled Parties and States Committee, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ~~of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall provide governance and direction on initiatives undertaken by the Northern Tier Full Funders and Nominal Funders, and approved by the Steering Committee. Those initiatives include, but are not limited to, increasing the efficiency and use of the transmission system to the benefit of customers, and furtherance of markets, regional transmission tariffs, and other transmission products, services, or structures that are economically justified.~~ ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with ~~such~~the Attachment ~~KsK~~, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

~~1.2.1.2~~ **Limitations.** The Committee does not have the authority to amend, alter or repeal ~~anany~~ Attachment K, ~~or any resolution of any other Northern Tier committee.~~ Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

ARTICLE 2.
PARTICIPATION
MEMBERSHIP

~~2.1. Membership Classes~~

2.1 Participants. The Committee is composed of ~~two classes of members, Class 1 and Class 2,~~ representatives of the Enrolled Parties, and the co-chairs of the Enrolled Parties and States Committee.

~~2.2. Eligibility for Membership; Becoming a Member.~~ 2.2 Definition. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K.

~~(a) Eligibility. Class 1 members shall consist only of those entities enrolled in Northern Tier as a Full Funder or Nominal Funder. Class 2 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (the “Regulators”).~~

~~(b) Becoming a Member. An entity that satisfies the criteria of the Funding Agreement becomes a member of Class 1 by signing the Funding Agreement. Regulators that satisfy the criteria of Class 2, and that submit a letter requesting membership in the class are members of the class. A Regulator shall submit the letter requesting membership to the Steering Committee through info@nttg.biz.~~

2.3.2.3 Stakeholder Participation; Eligibility to Vote. Any stakeholder may participate in Committee meetings. However, only ~~Committee members are eligible to vote during~~ the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties appointed to the Committee, and the co-chairs of the Enrolled Parties and States Committee are eligible to vote on matters before the Committee ~~meetings~~.

**ARTICLE 3. ~~MEMBER~~
REPRESENTATIVES**

~~3.1.— General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.~~

3.1 General Powers. The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2, and the co-chairs of the Enrolled Parties and States Committee. The co-chairs of the Enrolled Parties and States Committee participate in this Committee as representatives of the Enrolled Parties and States Committee. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

~~3.2.— Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chairs of the Committee using such form as may be established by the chairs for such purposes.~~

~~3.3.— Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chairs of the Committee using such form as may be established by the chairs for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.~~

~~3.4.— State Representatives. Neither the actions nor~~

3.2 Appointment of Representatives or Alternates. Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each Enrolled Party may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. An Enrolled Party may appoint and/or change its own representative(s) or

alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting.

3.3 Identification of Committee Members. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, www.northerngrid.net. A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. Contact information of the co-chairs of the Enrolled Parties and States Committee is to be found on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

3.4 Alternates. Except as provided in Section 5.1 as to eligibility for election as a chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

3.5 Authority. An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party.

3.6 Representative Disclaimer. Actions or positions taken or not taken by ~~Northern Tier, any committee of Northern Tier, or member~~a representative ~~or alternate shall~~of a state through this Committee do ~~not~~ constitute a prejudgment of any issue in ~~a proceeding before a state utility commission or state transmission siting agency.~~

~~3.5. — Resignation. A member representative or an alternate may resign at any time by giving written notice to the chairs. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a~~

~~resignation becomes effective, quorum and voting thresholds shall be reduced accordingly, until the eligible entity appoints a new member representative.~~

~~3.6. Removal. A member representative is automatically removed as a member representative to the Committee if the member representative does not participate directly or through an alternate in any proceeding at any time before any agency of that representative's state.~~

3.7 Non-Attendance. If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings- (whether regular or special). ~~The chairs shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting, that position no longer counts for purposes~~ until of establishing a quorum on this Committee. At such time as the ~~member appoints a new member representative and the representative so~~ representative or a newly appointed representative attends a ~~Committee~~ meeting, that position again counts for purposes of establishing a quorum.

3.7.3.8 No Compensation from Northern Tier. ~~No member representative or alternate shall~~ NorthernGrid. Representatives and the co-chairs of the Enrolled Parties and States Committee shall not receive compensation or ~~any~~ reimbursement of expenses from ~~Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement.~~ ~~A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.~~ NorthernGrid.

ARTICLE 4. ~~MEMBER~~ REPRESENTATIVE MEETINGS

4.1.4.1 Open Meetings and Limitations. ~~All~~ Public meetings held by the Committee ~~meetings are public and~~ open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2.4.2 Regular Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating

dates, times, and locations. Special meetings of the Committee may be called at any time by the chairschair. Notice of all ~~special~~ meetings shall be transmitted by email by or on behalf of the chairschair to all ~~member~~-representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each meeting. Notice shall also be ~~transmitted by email and~~ posted on ~~Northern Tier~~NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the ~~Northern Tier~~NorthernGrid website prior to meeting. The chairschair shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on ~~Northern Tier~~NorthernGrid's website.

4.3 Other Sessions. The chair may convene non-public sessions as may be necessary or as requested by any representative or the co-chairs of the Enrolled Parties and States Committee. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each such meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

4.3.4.4 Procedure. The chairschair shall establish the ~~order of business at agenda for~~ all meetings. ~~In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.~~

~~4.4. Member~~ 4.5 Representative List. The ~~member~~chair shall update and post the representative ~~or alternate list in each class shall be established~~list including appointed alternates on the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

4.5.4.6 Quorum. ~~Sixty~~Subject to the provisions of Section 3.7, seventy-five percent (~~60~~75%) of the ~~member~~-representatives ~~set forth on the membership list in each class must be present at a meeting for voting and the~~

co-chairs of the Enrolled Parties and States Committee must participate in a meeting for a decision to occur at the meeting.

~~4.6. Voting.~~ **4.7 Decision Making.** Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. ~~Each member representative or designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting; provided, however, should the Utility Co-chair or Vice-chair determine that a Class 1 member has failed to timely fund its allocated share as provided for in the Northern Tier Funding Agreement, its right to vote shall be suspended and shall not be considered in determination of quorum or voting percentages; provided, further, that a suspended Class 1 member's voting rights shall be reinstated upon a determination by the Utility Co-chair or Vice-chair that said member has fully funded its allocation share. The Committee shall work to achieve unanimity for any items that require approval. However, if unable to achieve unanimity, the act of two-thirds (2/3) of the member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.~~ The Committee shall strive to make its decisions by consensus. A representative or either of the co-chairs of the Enrolled Parties and States Committee may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the individuals in attendance (the representatives and the co-chairs of the Enrolled Parties and States Committee) is required to act at a meeting.

~~4.7. Action Without Meeting.~~ Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

~~4.8. Telephone~~ **4.8 Remote Participation.** ~~Member representatives and their alternates~~ Representatives and the co-chairs of the Enrolled Parties and States Committee may participate in Committee meetings by means of ~~a conference telephone or similar~~ communications equipment where all persons ~~participating in the meeting can hear each other at the~~

~~same time~~ may participate and be heard. Participation ~~of a member representative or designated alternate~~ by such means ~~shall constitute~~ constitutes presence ~~in person~~ at the meeting.

~~ARTICLE 5.~~ ARTICLE 5.

CHAIR

OFFICERS

~~5.1.— Officers, Election, and Term.— The officers of the Committee shall be the co-chairs and vice-chairs. The Committee may elect such other officers and assistant officers as it shall deem necessary. On an annual basis coinciding with the first meeting of the Committee in each calendar year, the Committee shall elect from its member representatives (not alternates) two (2) chairs and two (2) vice-chairs. One co-chair and vice-chair shall be a Class 2 member representative that is also a state regulatory utility commissioner (“State Co-chair” and “State Vice-chair”) and one co-chair and vice-chair shall be a member representative of a Class 1 Full Funder (“Utility Co-chair” and “Utility Vice-chair”).~~

~~5.2.— Co-Chairs.—~~

~~(a)— Joint Responsibility.— The co-chairs are responsible for ensuring the Committee’s purposes are achieved, and are the primary public spokespersons for the Committee.— The co-chairs shall have such additional powers and duties as shall be prescribed by the Steering Committee.—~~

~~(b)— Utility Co-Chair Responsibility.— The Utility Co-chair shall have the responsibility to:~~

- ~~• Initiate discussions among the Class 1 member representatives to review budget increases or financing for additional work streams approved by the Steering Committee; and~~
- ~~• Initiate and coordinate the dispute resolution process outlined in Attachment K.~~

~~(c)— State Co-Chair Responsibility.— The State Co-chair shall have the responsibility to:~~

- ~~• Lead Steering Committee process and enforce Steering Committee process rules;~~
- ~~• Declare an impasse in any dispute resolution pursuant to the process outlined in Attachment K; and~~
- ~~• Ensure Northern Tier cost allocation processes are followed and send acknowledgement that the process has been followed to regulatory agencies.~~

5.1 Officer, Election, and Term. The officer of the Committee shall be the chair. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a chair. Chair term is for two (2) years.

~~5.3. Vice Chairs. The vice chairs shall perform all duties usually inherent in such office. A vice chair shall perform the duties of a co chair in the event of absence or withdrawal of one of the co chairs. In addition, if one of the member representatives serving as co chair ceases being a member representative for any reason or submits his resignation as co chair of the Committee, a vice chair shall perform the duties of the co chair for the remainder of the prior co chair's term. The vice chair shall have such additional powers and duties as shall be prescribed by the co chairs. The vice chairs shall be the individuals intended to become the next co chairs of the Committee.~~
5.2 Chairs. The chair shall preside at all meetings of the Committee. The chair shall otherwise perform the other duties usually inherent in such office. The chair may appoint an acting chair when not able to attend a meeting. The appointment of an acting chair does not create a vacancy.

5.4.5.3 Removal. The Committee, acting as a whole, may remove ~~any officer whenever, in the Committee's judgment,~~ the chair whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote as defined in Section 4.7, it is decided that removal will serve the best interests of ~~Northern Tier and~~ the Committee.

5.5.5.4 Resignation. ~~Any officer~~ The chair may resign from the chair position at any time by giving written notice to the co chairs (or, if one of the co chairs, by giving notice to the other co chair and to the vice chairs) Committee. Any resignation shall take effect on the date of the receipt of that notice or at any later and time specified by that notice, and, unless otherwise specified in that notice, the. The acceptance of the resignation shall is not be necessary to make it effective. The resignation of a position as chair does not itself remove that representative from the Committee.

5.6.5.5 Vacancies. Vacancies in ~~any office~~ the chair arising from any cause may be filled by the Committee at any regular or special meeting, shall be filled by the Enrolled Party representatives, at the next meeting by a majority vote as provided in Section 5.1. The newly appointed chair will complete the vacancy term.

ARTICLE 6.
MISCELLANEOUS

~~6.1. Sub-Committees. The Committee chairs may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee co-chairs.~~

~~6.2.6.1 **Dispute Resolution.** Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.~~

~~6.3.6.2 **Amendments.** This charter may be amended, in allwhole or anyin part, by the **Committee.** ~~At least once a year~~Enrolled Parties. Periodically, the Committee should review this charter ~~to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.~~and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.~~

CERTIFICATION

~~The undersigned hereby certifies that the foregoing Steering Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 19th day of September, 2016, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.~~

~~_____ /s/ Ray Brush _____ /s/ Travis Kavulla
By _____ By _____
Ray Brush, Utility Co-Chair Travis Kavulla, State Co-Chair
Steering Committee Steering Committee
Northern Tier Transmission Group Northern Tier Transmission Group~~

Exhibit C

Enrolled Parties and States
Committee Charter

NORTHERNGRID

~~PLANNING~~ ENROLLED PARTIES AND STATES COMMITTEE

CHARTER

~~Adopted: August 27, 2013~~

TABLE OF CONTENTS

| | |
|--|--|
| ARTICLE 1. 1.1 PURPOSE AND LIMITATIONS | 100 |
| 1.1.1 1.1 Purpose | 1.1 100 |
| 1.2.1 1.2 Limitations | 1.2 100 |
| 1.3. Reporting to Steering Committee. | 1.3 |
| 1.3 Confidential Information | 100 |
| ARTICLE 2. 2.1 PARTICIPATION | 101 |
| 2.1. Membership Classes. | 2.1 Participant |
| 2.2. Eligibility for Membership. | 2.2 |
| 2.2 Definition of Classes | 101 |
| 2.3.2.3 Stakeholder Participation; Becoming a Member | 2.3 Eligibility to Vote 101 |
| ARTICLE 3. 3.1 REPRESENTATIVES | 101 |
| 3.1.3.1 General Powers | 3.1 101 |
| 3.2.3.2 Appointment of Member Representative. | 3.2 |
| 3.3. Alternate Representative. | 3.3 101 |
| State Representatives | 3.4 or Alternates |
| 101 | |
| 3.5. Resignation. | 3.5 |
| 3.6. Removal. | 3.6 |
| 3.3 Alternates | 102 |
| 3.4 Authority | 102 |
| 3.5 Representative Disclaimer | 102 |
| 3.6 Non-Attendance | 102 |
| 3.7.3.7 No Compensation from Northern Tier. | 3.7 NorthernGrid 102 |
| ARTICLE 4. 4.1 REPRESENTATIVE MEETINGS | 103 |
| 4.1.4.1 Open Meetings and Limitations | 4.1 103 |
| 4.2.4.2 Regular Meetings; Notice and Minutes | 4.2 103 |
| 4.3 Other Sessions | 103 |
| 4.3.4.4 Procedure | 4.3 103 |
| 4.4. Member 4.5 Representative List | 4.4 103 |
| 4.5.4.6 Quorum | 4.5 104 |
| 4.6. Voting. | 4.6 |
| 4.7. Action Without Meeting. | 4.7 |
| 4.7 Decision Making | 104 |
| 4.8. Telephone 4.8 | 4.8 Remote Participation 4.8 104 |
| ARTICLE 5. 5.1 OFFICERS | 104 |
| 5.1.5.1 Officers, Election, and Term | 5.1 104 |
| 5.2. Chair. | 5.2 104 |

| | |
|---|--------------------------|
| 5.3. Vice Chair. | 16 |
| <u>5.2</u> <u>Co-Chairs</u> | <u>105</u> |
| 5.4. <u>5.3</u> <u>Removal.</u> | 16 <u>105</u> |
| 5.5. <u>5.4</u> <u>Resignation.</u> | 16 <u>105</u> |
| 5.6. <u>5.5</u> <u>Vacancies.</u> | 16 <u>105</u> |
| ARTICLE 6. | 16 |
| 6.1. Sub <u>5.6</u> <u>Participation in Other Committees.</u> | 16 <u>105</u> |
| <u>ARTICLE 6. MISCELLANEOUS</u> | <u>105</u> |
| <u>6.1</u> <u>Taskforce</u> | <u>105</u> |
| 6.2. <u>6.2</u> <u>Dispute Resolution.</u> | 16 <u>106</u> |
| 6.3. <u>6.3</u> <u>Amendments.</u> | 16 <u>106</u> |
| CERTIFICATION | 17 |

| **PLANNING**

ENROLLED PARTIES AND STATES

COMMITTEE CHARTER

OF

NORTHERN TIER TRANSMISSION GROUP NORTHERNGRID

(An Unincorporated Association)

This document ~~currently and completely~~ sets forth the charter of the ~~Northern Tier Transmission Group's ("Northern Tier") Planning Committee ("Committee") and supersedes all prior charters whether amended or restated.~~ NorthernGrid Enrolled Parties and States Committee ("Committee").

ARTICLE 1.

PURPOSE AND LIMITATIONS

~~1.1.1~~ **Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ~~of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties as assigned by the Steering Committee ("Attachment K").~~ Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with ~~such~~ the Attachment ~~Ks~~ K, this charter, ~~and the Steering Committee's directions,~~ and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

~~1.2. — Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.—~~

~~1.2 Limitations~~~~1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair. . The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.~~

1.3 Confidential Information. Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

ARTICLE 2.
PARTICIPATION
MEMBERSHIP

~~2.1. Membership Classes. The Committee is composed of three (3) classes of members: Class 1, and Class 2, and Class 3.~~

~~2.2. Eligibility for Membership. Class 1 members shall consist only of those transmission providers or transmission developers engaged in or intending to engage in the sale of electric transmission service within the Northern Tier Footprint (the "Transmission Provider/Developer Class"). Class 2 members shall consist only of those transmission users engaged in the purchase of electric transmission service within the Northern Tier Footprint, or other entity, which has, or intends to enter into, an interconnection agreement with a transmission provider within the Northern Tier Footprint (the "Transmission User Class"). Class 3 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (collectively, the "Regulators," and the "Regulatory Class"). Each entity is entitled to only one membership.~~

2.1 Participant Classes. The Committee is composed of representatives of two classes, Enrolled Parties and States.

2.2 Definition of Classes. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

~~2.3. Stakeholder Participation: Becoming a Member. Any stakeholder may participate in Committee meetings without signing the Planning Committee Membership Agreement. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, and execute the Planning Committee Membership Agreement that is attached as Exhibit A to this charter, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders~~

~~eligible to vote during Committee meetings.~~ 2.3 Stakeholder Participation; Eligibility to Vote

~~Each signatory of the Northern Tier Funding Agreement that is subject to Federal Energy Regulatory Commission (“Commission”) jurisdiction under the Federal Power Act shall maintain the current form of the Planning Committee Membership Agreement approved by the Steering Committee as an exhibit to this charter, which in turn is an attachment to its respective OATT. Stakeholders seeking to join the Committee as a member of Class 1 (other than a funder) or Class 2 are not required to sign the Planning Committee Membership Agreement of any specific transmission provider. Rather, each stakeholder may choose and execute whichever form it desires to sign. However, a stakeholder must return the executed Planning Committee Membership Agreement to the transmission provider from which it obtained the form and to the Committee chair through info@nttg.biz <mailto:info@nttg.biz>.~~

~~Upon receipt of an executed Planning Committee Membership Agreement, that transmission provider will notify the Commission of its execution via the Electronic Quarterly Reports, and the chair of the Committee will cause Northern Tier to maintain a list on its website that identifies every stakeholder that has signed a Planning Committee Membership Agreement. Signatories to the Northern Tier Funding Agreement are automatically members of the Committee, and will be identified on the Northern Tier website as a member of the Committee.~~

~~The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of each signatory of the Planning Committee Membership Agreement, each signatory of the Northern Tier Funding Agreement, and the Regulators that have requested Committee membership.~~ Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties and States appointed to the Committee are eligible to vote on matters before the Committee.

ARTICLE 3.

REPRESENTATIVES

MEMBER REPRESENTATIVES

~~3.1.— General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.~~

~~3.2.— Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its~~

~~representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.~~

~~3.3. — Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf of the member representative terminates automatically if the member that appointed the member representative replaces the member representative.~~

~~3.4. — State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.~~

~~3.5. — Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.~~

~~3.6. — Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.~~

~~3.7. — No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.~~

~~ARTICLE 4—
MEMBER REPRESENTATIVE MEETINGS~~

~~4.1.— Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.~~

~~4.2.— Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time to time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.~~

~~4.3.— Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.~~

~~4.4.— Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.~~

~~4.5.— Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.~~

~~4.6.— Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in the Transmission Provider/Developer's Class and one other class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.~~

~~4.7.— Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.~~

~~4.8. — Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.~~

~~ARTICLE 5.— OFFICERS~~

~~5.1. — Officers, Election, and Term. The officers of the Committee shall be the chair and vice chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) that are Full Funders of Class 1, a chair and a vice chair.~~

~~5.2. — Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.~~

~~5.3. — Vice Chair. The vice chair shall perform all duties usually inherent in such office. The vice chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice chair shall have such additional powers and duties as shall be prescribed by the chair. The vice chair shall be the individual intended to become the next chair of the Committees.~~

~~5.4. — Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.~~

~~5.5. — Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.~~

~~5.6. — Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.~~

~~ARTICLE 6.-~~
~~MISCELLANEOUS~~

~~6.1.— Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.~~

~~6.2.— Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.~~

~~6.3.— Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.~~

CERTIFICATION

~~The undersigned hereby certifies that the foregoing Planning Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27th day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.~~

~~_____ /s/ Ray Brush _____ /s/ Travis Kavulla
By _____ By _____
Ray Brush, Utility Co Chair Travis Kavulla, State Co Chair
Steering Committee Steering Committee
Northern Tier Transmission Group Northern Tier Transmission Group~~

Exhibit A

Planning Committee Membership Agreement

This ~~Planning Committee Membership Agreement~~ (“~~Agreement~~”) between the ~~Transmission Provider~~ and the undersigned is entered into by signing below.

Recitals

~~A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of producing a regional transmission plan for the Northern Tier Footprint, and coordinating the transmission plan and its development with other regional planning groups;—~~

~~B. —The Planning Committee operates according to the terms and conditions set forth Attachment K and the Planning Committee Charter, which may be amended from time to time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, www.nttg.biz <<http://www.nttg.biz>>;~~

~~C. —Attachment K and the Planning Committee Charter provide that any stakeholder may attend and participate in Planning Committee meetings but limits those entities that may formally vote to those entities that become members of the committee and appoint a member representative;—~~

~~D. —This Agreement is intended to document an entity’s membership on the Planning Committee and commit the entity to act in a good faith manner to further the purpose of the Planning Committee and Northern Tier;—~~

~~E. —A list of all members of the Planning Committee is maintained on the Northern Tier website; and—~~

~~F. —The Planning Committee is funded by the signatories to the Northern Tier Funding Agreement (“Funding Members”), as it may be amended from time to time, and which has been filed with the Commission and posted on the Northern Tier website.~~

~~NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:~~

Section 1. —Duration and Termination

~~1.1 —This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.—~~

Section 2. —Obligations of the Undersigned

~~2.1—By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class of the Planning Committee, and agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:~~

- ~~(a) Acting in a good faith manner to carry out the responsibilities assigned to the Planning Committee in Attachment K, the purposes the Planning Committee Charter, and the governance of the Steering Committee, as each may be amended from time to time;~~
- ~~(b) Be bound by the decisions of the Steering Committee, the Planning Committee, and the Cost Allocation Committee, and/or resolve disputes according to the process set forth in Attachment K;~~
- ~~(c) To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter and the responsibilities assigned to the Planning Committee in Attachment K;~~
- ~~(d) Bear its own costs and expenses associated with participation in and support of the Planning Committee;~~
- ~~(e) Be responsible for the costs of meeting facilities and administration, including third-party contract resources, associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and~~
- ~~(f) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data or non-public information.~~

Section 3.—Miscellaneous

~~3.1—Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement's terms and conditions.~~

3.1 General Powers. The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

~~3.2—No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.~~

3.2 Appointment of Representatives or Alternates. Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each State may appoint up to two (2)

representatives and one (1) alternate for each representative so appointed by that State. Each Enrolled Party or State may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. As examples, Enrolled Parties might appoint individuals with roles in transmission planning; States might appoint individuals from agencies such as state utility commissions, state customer advocates, or state transmission siting agencies. An Enrolled Party or State may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, www.northerngrid.net. A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

~~3.3— Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee and/or the Cost Allocation Committee.~~ **3.3 Alternates.** Except as provided in Section 5.1 as to eligibility for election as a co-chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

~~3.4— Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.~~ **3.4**

Authority. An appointed representative has authority to act

on this Committee on behalf of his or her appointing Enrolled Party or State.

~~3.5 — Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.~~

3.5 Representative Disclaimer. Actions or positions taken or not taken by a representative of a State through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's State.

~~3.6 — Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.~~

3.6 Non-Attendance. If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.

~~3.7 — Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.~~

3.7 No Compensation from NorthernGrid

~~3.8 — Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.~~

~~3.9 — Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.~~

~~3.10 — Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.~~

Representatives shall not receive compensation or reimbursement of expenses from NorthernGrid; rather, a representative may be compensated or reimbursed by his or her appointing Enrolled Party or State.

ARTICLE 4. REPRESENTATIVE MEETINGS

4.1 Open Meetings and Limitations. Public meetings held by the Committee are open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical

energy infrastructure information, or other legal or regulatory requirements.

4.2 Regular Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the co-chairs. Notice of all meetings shall be transmitted by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each meeting. Such notice shall be transmitted by email to the representatives and alternates and posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The co-chairs shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

4.3 Other Sessions. The co-chairs may convene non-public sessions as may be necessary or as requested by any representative. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each such meeting. Such notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

4.4 Procedure. The co-chairs shall establish the agenda for all meetings.

4.5 Representative List. The co-chairs shall update and post the representative list including appointed alternates on the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

4.6 Quorum. Subject to the provisions of Section 3.6, seventy-five percent (75%) of the representatives in each class must participate in a meeting for a decision to occur at the meeting.

4.7 Decision Making. Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the representatives in attendance of each class is required to act at a meeting. When only a single class approves of a proposed action, that class may provide a report detailing the issue and positions to the Planning Committee for their consideration.

4.8 Remote Participation. Representatives may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation of a representative by such means constitutes presence at the meeting.

ARTICLE 5.

OFFICERS

5.1 Officers, Election, and Term. The officers of the Committee shall be the co-chairs. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a co-chair. On a biannual basis coinciding with the first meeting of the Committee in an odd-numbered calendar year, the States shall elect, by majority vote, from among the State representatives a co-chair. Co-chair terms are for two (2) years, except as provided in the next sentence. At the beginning of the first biennial Planning Cycle commencing on January 1, 2020, a co-chair from each class will be elected, and that first State co-chair term will be for one (1) year. The name and contact information of the co-chairs shall be posted on the NorthernGrid website.

5.2 Co-Chairs. A co-chair shall preside at all meetings of the Committee. The co-chairs shall otherwise perform the other duties usually inherent in such office, including representation of the decisions made by this Committee in other NorthernGrid committees, as may be necessary and appropriate.

5.3 Removal. The Committee, acting as a whole, may remove any officer from the officer position whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote of seventy-five percent (75%) of the representatives present, it is decided that removal will serve the best interests of the Committee.

5.4 Resignation. Any officer may resign from the co-chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as co-chair does not itself remove that representative from the Committee.

5.5 Vacancies. Vacancies in any office arising from any cause shall be filled by the class of representatives from which the vacant position arose, at the next meeting by a majority vote of the representatives as provided in Section 5.1. The newly appointed officer will complete the vacancy term.

5.6 Participation in Other Committees. The co-chairs are representatives to the Member Planning Committee and the Enrolled Parties Planning Committee.

ARTICLE 6.

MISCELLANEOUS

6.1 Taskforce. The co-chairs shall convene the Cost Allocation Taskforce within ten (10) business days upon a co-chair's receipt of a Project Sponsor's Request for Cost Allocation. Appointment of the participants on the Cost Allocation Taskforce shall occur in the manner defined in the Cost Allocation Taskforce Charter.

6.2 Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K.

6.3 Amendments. This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Committee

or such other date as may be set by the Federal Energy Regulatory Commission.

~~IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.~~

~~Requested Membership Class _____~~

(Signature)

(Name of Company or Organization)

(Phone)

(Print Signature)

(Street Address)

(Fax)

(Title)

(City, State, Zip Code)

(Email)

Exhibit D

Form of Non-

Enrolled Developer Agreement

Non-Enrolled Developer Agreement

This Non-Enrolled Developer Agreement ("Agreement") is by and between _____ ("Developer") and each of the Enrolled Parties of NorthernGrid, each of which hereafter shall be referred to individually as "Party" and collectively as "Parties."

RECITALS

- A. NorthernGrid is an unincorporated association of its members formed for the purpose of coordinating regional transmission planning for the NorthernGrid members;
- B. Developer is (i) a Non-Incumbent Transmission Developer, (ii) a Merchant Transmission Developer, or (iii) an Interregional Transmission Project (ITP) Proponent;
- C. Developer intends to propose a transmission project for evaluation in the NorthernGrid regional plan in accordance with the provision entitled "Proposing a Project" in the regional portion of the Enrolled Parties Attachment K (as defined below);
- D. This Agreement is for the Planning Cycle that begins January 1, _____, and ends December 31, _____; and
- E. The Parties desire to define their rights and obligations related to participation in the NorthernGrid planning process.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the Parties hereby agree as follows:

- 1. Term. This Agreement shall be effective on the later of (i) the first day of the Planning Cycle stated in the recitals above or (ii) the Execution Date indicated below, and shall continue in effect until the end of the Planning Cycle stated in the recitals above ("Term").
- 2. Definitions.
 - a. "Commission" or "FERC" means the Federal Energy Regulatory Commission or any successor entity.
 - b. "Enrolled Parties Attachment K" means the Attachment K to the Open Access Transmission Tariffs of the Enrolled Parties that have an Attachment K approved by FERC.

- c. "Finance Administrator" means the entity that is selected to serve in the role of the Finance Administrator pursuant to the NorthernGrid Funding Agreement as may be amended from time to time.
- d. "Funding Agreement" or "NorthernGrid Funding Agreement" means the current version of the agreement among the parties funding the activities of NorthernGrid as may be amended from time to time.
- e. "Member" is an entity that has executed the NorthernGrid Funding Agreement.
- f. "Planning Cycle" means each two-year process beginning on January 1 of even-numbered years and ending on December 31 of odd-numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.
- g. "Project Coordinator" means the entity to be engaged to perform and/or facilitate transmission planning activities.

Except as may otherwise be expressly provided herein, capitalized terms in this Agreement shall have the meanings provided in the Enrolled Parties Attachment K.

3. Study Fee.

- a. Upon execution of this Agreement, a Non-Incumbent Developer or Merchant Transmission Developer shall pay \$10,000 to the Finance Administrator for the study fee for participating in the NorthernGrid planning processes. In no event will this study fee be refunded.
- b. An ITP Proponent is not required to pay the study fee.

4. Expectations. Developer agrees to:

- a. Comply with all applicable confidentiality requirements;
- b. Be bound by the decisions of the Planning Committee and the Cost Allocation Taskforce; and
- c. Actively participate in the transmission planning processes set forth in the Enrolled Parties Attachment K.

To the extent anything in this Agreement is inconsistent with the Enrolled Parties Attachment K, the Enrolled Parties Attachment K shall control.

5. Miscellaneous.

- a. Amendments. This Agreement shall not be modified, amended, or changed in any respect except by a written document signed by all Parties; provided, however, that such modification, amendment, or change shall be subject to acceptance by the Commission, if required, before it becomes effective.

- b. Applicable Law. No Party will be considered the drafter of this Agreement for purposes of interpreting this Agreement. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Oregon; provided that this Agreement shall, with respect to a Party that is a U.S. government entity, be interpreted, construed, and enforced in accordance with the laws of the United States.
- c. Assignment. No Party may transfer or assign this Agreement, in whole or in part, without the other Parties' prior written consent, except that any Party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or other business entity acquiring all or substantially all assets of the assignment Party.
- d. Binding Effect. This Agreement is binding upon and inures to the benefit of the successors and assigns of the Parties.
- e. Dispute Resolution. The Parties agree to resolve disputes according to the process set forth in the Enrolled Parties Attachment K.
- f. Execution in Counterparts. The Parties may sign this Agreement in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or email shall be effective as delivery of a manually executed counterpart hereof.
- g. Force Majeure. No Party shall be liable or responsible to any other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments hereunder), when and to the extent such failure or delay is caused by or results from the following force majeure events ("**Force Majeure Events**"): (i) acts of God; (ii) flood, fire, earthquake, or explosion; (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (iv) government order or law; (v) actions or blockades in effect on or after the date of this Agreement; (vi) action by any governmental authority; (vii) national or regional emergency; (viii) strikes, labor stoppages or slowdowns, or other industrial disturbances; (ix) shortage of adequate power or transportation facilities; and (x) other similar events beyond the

control of the Party impacted by the Force Majeure Event (the "**Impacted Party**"). The Impacted Party shall give notice within five (5) business days of the Force Majeure Event to the other Parties, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, to the extent practicable. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.

- h. *Headings.* The headings used in this Agreement are for convenience only and shall not be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.
- i. *Integration.* This Agreement, including any exhibits hereto, constitutes the complete agreement of the Parties and supersedes all prior or contemporaneous representations, statements, negotiations, understandings, or inducements with respect to the subject matter of this Agreement.
- j. *Jury Trial.* **To the fullest extent permitted by law, each Party waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under, or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.**
- k. *Limitation of Liability.* In no event shall any Party be liable under this Agreement to any other Party or to any third party for any consequential, incidental, indirect, exemplary, special, or punitive, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not the breaching party was advised of the possibility of such damages. The sole remedy for any breach of this Agreement is to enforce prospective compliance with this Agreement's terms and conditions.
- l. *No Joint Action.* This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership, or to impose any partnership obligations or liability.
- m. *Notice.* Any notice to Developer regarding this Agreement shall be made to:

Name: _____

Company:_____
Address:_____
City, State ZIP:_____
Email:_____

- n. Ownership of Products. All information, data, reports, results, or other products generated pursuant to the planning efforts undertaken by NorthernGrid will be available to all Parties for their undivided use; provided, however, that Parties retain the right to engage in separate agreements addressing specific ownership rights of information, data, reports, results, or other products funded through mechanisms outside the scope of NorthernGrid.
- o. Severability. If any portion of this Agreement is held to be void or unenforceable, the balance thereof shall continue to be effective.
- p. Third-Party Beneficiaries. All signatories of the NorthernGrid Funding Agreement for the current Planning Cycle are third-party beneficiaries of this Agreement.
- q. Waiver. A waiver by a Party of any default or breach by another Party of any covenants, terms, or conditions of this Agreement shall not limit the Party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on _____ ("Execution Date").

DEVELOPER

By:_____

Name:_____

Title:_____

Developer is (check one):

_____ Non-Incumbent Transmission Developer

_____ Merchant Transmission Developer

_____ Interregional Transmission Project (ITP) Proponent

AVISTA CORPORATION

COST ALLOCATION COMMITTEE

CHARTER

By: _____

Name: _____

Title: _____

IDAHO POWER COMPANY

By: _____

Name: _____

Title: _____

MATL LLP

Adopted: August 27, 2013

TABLE OF CONTENTS

| | |
|--|----|
| <u>ARTICLE 1:</u> | 24 |
| 1.1.— Purpose: | 24 |
| 1.2.— Limitations: | 24 |
| 1.3.— Reporting to Steering Committee: | 24 |
| <u>ARTICLE 2:</u> | 24 |
| 2.1.— Membership Classes: | 24 |
| 2.2.— Eligibility for Membership: | 24 |
| 2.3.— Stakeholder Participation; Becoming a Member: | 25 |
| <u>ARTICLE 3:</u> | 25 |
| 3.1.— General Powers: | 25 |
| 3.2.— Appointment of Member Representative: | 25 |
| 3.3.— Alternate Representative: | 25 |
| 3.4.— State Representatives: | 25 |
| 3.5.— Resignation: | 26 |
| 3.6.— Removal: | 26 |
| 3.7.— No Compensation from Northern Tier: | 26 |
| <u>ARTICLE 4:</u> | 26 |
| 4.1.— Open Meetings and Limitations: | 26 |
| 4.2.— Meetings; Notice and Minutes: | 26 |
| 4.3.— Procedure: | 27 |
| 4.4.— Member Representative List: | 27 |
| 4.5.— Quorum: | 27 |
| 4.6.— Voting: | 27 |
| 4.7.— Action Without Meeting: | 27 |
| 4.8.— Telephone Participation: | 27 |
| <u>ARTICLE 5:</u> | 27 |
| 5.1.— Officers, Election, and Term: | 27 |
| 5.2.— Chair: | 28 |
| 5.3.— Vice-Chair: | 28 |
| 5.4.— Removal: | 28 |
| 5.5.— Resignation: | 28 |
| 5.6.— Vacancies: | 28 |
| <u>ARTICLE 6:</u> | 28 |
| 6.1.— Sub-Committees: | 28 |
| 6.2.— Dispute Resolution | 28 |
| 6.3.— Amendments: | 29 |
| <u>CERTIFICATION</u> | 29 |

By: _____

Name: _____

Title: _____

NORTHWESTERN CORPORATION

COST ALLOCATION COMMITTEE CHARTER

By: _____

Name: _____

Title: _____

PACIFICORP

OF

NORTHERN TIER TRANSMISSION GROUP

By: _____

Name: _____

Title: _____

PORTLAND GENERAL ELECTRIC COMPANY

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Cost Allocation Committee ("Committee") and supersedes all prior charters whether amended or restated.

ARTICLE 1.
PURPOSE AND LIMITATIONS

1.1. — Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, the Steering Committee's directions, **and applicable legal and regulatory requirements.**

1.2. — Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.—

~~1.3.— Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.~~

~~ARTICLE 2.— MEMBERSHIP~~

~~2.1.— Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.~~

~~2.2.— Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a funder and that have appointed a representative to the Steering Committee. Class 2 members shall consist only of those state utility commissions, state consumer advocates, or state transmission siting agencies within the Northern Tier Footprint that have appointed a representative to the Steering Committee (the “Regulators”).~~

~~2.3.— Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2~~

~~ARTICLE 3.— MEMBER REPRESENTATIVES~~

~~3.1.— General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.~~

~~3.2.— Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative’s contact information to the chair of the Committee using such form as may be established by the chair for such purposes.~~

~~3.3.— Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the~~

~~member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.~~

~~3.4. — State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.~~

~~3.5. — Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.~~

~~3.6. — Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.~~

~~3.7. — No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.~~

~~ARTICLE 4.~~

~~MEMBER REPRESENTATIVE MEETINGS~~

~~4.1. — Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.—~~

~~4.2. — Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time to time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be~~

~~transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.~~

~~4.3. — Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.~~

~~4.4. — Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.~~

~~4.5. — Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.~~

~~4.6. — Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.~~

~~4.7. — Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.~~

~~4.8. — Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.~~

~~ARTICLE 5.— OFFICERS~~

~~5.1. — Officers, Election, and Term. The officers of the Committee shall be the chair and vice chair. The Committee may elect such other officers and assistant officers as it shall~~

~~deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) of Class 1, a chair and a vice chair.—~~

~~5.2.— Chair. The chair is responsible for ensuring the Committee’s purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.—~~

~~5.3.— Vice Chair. The vice chair shall perform all duties usually inherent in such office. The vice chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice chair shall perform the duties of the chair for the remainder of the prior chair’s term. The vice chair shall have such additional powers and duties as shall be prescribed by the chair. The vice chair shall be the individual intended to become the next chair of the Committee.—~~

~~5.4.— Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee’s judgment, removal will serve the best interests of Northern Tier and the Committee.—~~

~~5.5.— Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.—~~

~~5.6.— Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.—~~

~~ARTICLE 6.— MISCELLANEOUS~~

~~6.1.— Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.—~~

~~6.2.— Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.—~~

~~6.3.— Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a~~

~~year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.~~

By: _____

Name: _____

Title: _____

PUGET SOUND ENERGY, INC.

CERTIFICATION

The undersigned hereby certifies that the foregoing Cost Allocation Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27th day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

~~_____ /s/ Ray Brush _____ /s/ Travis Kavulla~~

By _____ By _____

~~Ray Brush, Utility Co-Chair _____ Travis Kavulla, State Co-Chair
Steering Committee _____ Steering Committee
Northern Tier Transmission Group _____ Northern Tier Transmission Group: _____~~

Name: _____

Title: _____

Document comparison by Workshare 9 on Thursday, September 5, 2019
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| Input: | |
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| Document 1 ID | file://S:\Non-Public Trans\TRANSMISSION\FERC Filings\Work In Progress_Attachment K Sept 2019 Filing\81_v8.0.0_Attachment K_Transmission Planning Process_A (Tariff_OATT Volume No. 11)-Clean-4858.docx |
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| Document 2 ID | file://S:\Non-Public Trans\TRANSMISSION\FERC Filings\Work In Progress_Attachment K Sept 2019 Filing\FINAL - PacifiCorp Attachment K - Full Clean (9.5.2019, 2pm).DOCX |
| Description | FINAL - PacifiCorp Attachment K - Full Clean (9.5.2019, 2pm) |
| Rendering set | Standard |

| Legend: | |
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| Insertion | |
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| Moved to | |
| Style change | |
| Format change | |
| Moved deletion | |
| Inserted cell | |
| Deleted cell | |
| Moved cell | |
| Split/Merged cell | |
| Padding cell | |

| Statistics: | |
|-------------|-------|
| | Count |
| Insertions | 1824 |
| Deletions | 1238 |

| | |
|----------------|------|
| Moved from | 29 |
| Moved to | 29 |
| Style change | 0 |
| Format changed | 0 |
| Total changes | 3120 |

From: efiling@ferc.gov
To: [Marble, Christian](#); [FERC Filings](#); efilingAcceptance@ferc.gov
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Notification of Acceptance for Filing

This is to notify that the FERC Office of the Secretary has accepted the following electronic submission for filing (Acceptance for filing does not constitute approval of any application or self-certifying notice):

-Accession No.: 201909065070
-Docket(s) No.: ER19-2763-000
-Filed By: PacifiCorp
-Signed By: Karen Kruse
-Filing Title: Tariff Filing
-Filing Description: PacifiCorp submits tariff filing per 35.13(a)(2)(iii): OATT Revised Attachment K - NorthernGrid Transm Planning Process to be effective 1/1/2020 under ER19-2763 Filing Type : 10
-Type of Filing Code: 10
-Earliest Proposed Effective Date: 1/1/2020
-Submission Date/Time: 9/6/2019 1:47:56 PM
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