



Steering Committee Charter

Purpose

The Northern Tier Transmission Group (“Northern Tier”) Steering Committee (“Steering Committee”) is established to provide governance and direction on the initiatives undertaken by the Northern Tier Transmission Group members and approved by unanimity of the Steering Committee, as set forth in this Steering Committee Charter (“Charter”). The Steering Committee is also established to provide a forum for facilitation of dispute resolution, to the extent agreed to by its member utilities.

Principles

The Northern Tier Steering Committee is committed to:

- Supporting the continuing development of open and transparent transmission planning processes in the Northern Tier and Western Electricity Coordinating Council footprint.
- Increasing the usage and efficiency of the existing transmission network for the benefit of electric transmission and end use customers, through increasing transparency into the workings of the existing transmission network.
- A focus on action and a collaborative, step-by-step approach that will deliver results promptly and cost-effectively.
- The furtherance of ancillary services markets, regional transmission tariffs, common and/or joint Open Access Transmission Tariffs, energy and/or regulation markets, and other transmission products or tariff structures if both economically justified and initiated by unanimity of the Steering Committee.
- Compliance with Federal Energy Regulatory Commission requirements pertaining to the federally regulated electric transmission system.
- Supporting the use of existing planning and coordinating forums, to the extent possible, to coordinate with other planning groups in the Western Interconnection.

Steering Committee membership

The Steering Committee membership shall be composed of (1) state regulatory utility commissioners appointed by each state's respective regulatory utility commission in the Northern Tier footprint¹, (2) executive level representatives appointed from each utility, or utility cooperative, who is a party to the funding agreement of Northern Tier, and (3) representatives appointed by state customer advocacy groups within the Northern Tier footprint.

No more than one representative from any sponsor organization shall be allowed to participate as a Steering Committee representative from each sponsor organization.

The Steering Committee shall elect two co-chairs from the membership of the Steering Committee upon approval of this Charter, and thereafter on an annual basis coinciding with the first meeting of each calendar year. Co-chairs shall be nominated by themselves, or others, and affirmed by a unanimous vote of the Steering Committee. One co-chair shall be a state regulatory utility commissioner (State Co-chair) and one co-chair shall be a utility, or utility cooperative, representative who is a Full Funder as outlined in the Northern Tier Funding Agreement (Utility Co-chair).

Applications for membership in Northern Tier shall be presented to both co-chairs. At the Steering Committee meeting subsequent to a new member application, new members meeting the criteria shall be accepted upon a unanimous vote of the Steering Committee. Application for membership in the Steering Committee is open to all entities meeting one of the three category types set forth in the Steering Committee membership section.

Notice shall be given to both co-chairs for representatives who wish to be removed from the Steering Committee membership. Steering Committee members requesting removal, without a designated replacement, shall be removed from all future minutes and public rosters of the Steering Committee, including membership rosters posted on the Northern Tier website. Steering Committee representatives who request removal shall designate a similarly empowered representative from their sponsor organization within 25 calendar days, if their removal does not represent a withdrawal of their sponsor organization from Northern Tier.

Steering Committee representatives not planning to attend a noticed meeting shall notice all other Steering Committee representatives via electronic email no later than one calendar day before a meeting of the Steering Committee if an alternate

¹ The NTTG footprint is defined by the service territories of those entities that have executed the NTTG Funding Agreement, as may be amended from time to time.

voting member will be designated to attend a meeting in their place. Alternate voting members shall be from the same sponsor organization as their designator. Alternate voting members, designated by a standing Steering Committee member, shall possess the same voting powers as their designee, at the Steering Committee meeting they are designated as an alternate to attend.

No Steering Committee representative shall receive compensation or any reimbursement of his or her expenses from Northern Tier or any party other than from the sponsor organization appointing him or her.

Responsibilities

The Steering Committee shall be responsible for approving:

- The addition of member representatives to the Steering Committee.
- Biennial transmission expansion plans from the member transmission owners, approval of which shall represent an acknowledgement of the completion of a full, robust, and open transmission planning process producing a plan meeting regional planning requirements.
- Project charters for Northern Tier initiatives and projects relating to electric transmission planning and increasing the usage, transparency, and efficiency of the existing electric transmission network.
- Third party resource monthly (or longer) work plans and priorities.
- Policy positions on issues relating to electric transmission planning and usage affecting systems in the Northern Tier footprint.
- Minutes of the Steering Committee processes.
- Appointment of co-chairs.
- Changes to this Charter.

Subject to the provisions of this Charter, the Steering Committee acknowledges that Steering Committee recommendations shall not be interpreted to prejudge any issue or otherwise be decisions binding on any state commission, and, as applicable, shall explicitly state that each state commission retains its decision-making authority; provided, that any state regulatory utility commissioner or any state commission's designated representative (or alternate) that is a member of the Steering Committee shall make reasonable efforts to support in good faith and to the extent possible the principles and objectives of Northern Tier and the Steering Committee.

The Utility Co-chair shall have the responsibility to:

- Present monthly resources and expenditures to Steering Committee for approval.
- Authorize payment of expenses associated with a Steering Committee approved work plan from Northern Tier funds.
- Initiate discussions between the Funding Members' Committee Representatives to review budget increases or financing for additional work streams approved by the Steering Committee.
- Initiate executive dispute resolution per dispute resolution processes outlined in the funding and planning agreements.
- Initiate the Western Electricity Coordinating Council Alternate Dispute Resolution process as outlined in the planning agreement following the declaration of an impasse by the state co-chair.
- Prepare and present the meeting agenda for each Steering Committee meeting.
- Represent Northern Tier in the press or other public forums.
- Delegate authority for any of these duties to a duly authorized person from the Utility Co-chairs sponsor organization upon approval by the Steering Committee.

The State Co-chair shall have the responsibility to:

- Lead Steering Committee process and enforce Steering Committee process rules.
- Declare an impasse in dispute resolution as outlined in the planning agreement.
- Ensure Northern Tier cost allocation processes are followed and send acknowledgement that the process has been followed to regulatory agencies as outlined in the cost allocation committee charter.
- Represent Northern Tier in the press or other public forums.

Voting and process

The Steering Committee shall pass approval items by unanimity. Voting shall be taken by members attending each meeting via phone poll, and noted in the official minutes. Items for voting by the Steering Committee shall be outlined on the Steering Committee agenda sent out by the Utility Co-Chair, or added to the agenda by a motion and second of the Steering Committee representatives.

A quorum of 2/3 of Steering Committee members, including designated alternates, is required to initiate an approval of any item by unanimity of the Steering Committee. A quorum of 100% of the Full Funders (as outlined in the Funding Agreement), as well as 2/3 of the Steering Committee members is required for any approval item requiring additional funding above the amount set forth as the Initial Budget in the Funding Agreement.

For each initiative requiring incremental funding, a budget shall be outlined in the approval item. If at any time, the actual expenditures aligned with an approval item are expected to exceed the budget outlined in the initial approved scope of an approved initiative by more than 25%, the revised budget and initiative must be re-affirmed by a unanimous vote of the Steering Committee as outlined in the Charter.

Meetings

The Steering Committee shall meet at least four times per calendar year, typically via conference call. The date and time for the next subsequent meeting shall be established at each Steering Committee meeting. Either co-chair of the Steering Committee shall have the authority to schedule an emergency meeting no fewer than 10 business days from either (1) the date of notice from the co-chair or (2) a previously scheduled Steering Committee meeting.

Agendas and minutes

The Steering Committee shall designate a person to take minutes for each Steering Committee meeting. The minutes of each Steering Committee meeting shall be approved in final form at the subsequent Steering Committee meeting, and posted on the Northern Tier website no later than 5 business days after approval by the Steering Committee.