



NTTG Order 1000 Stakeholder Comment and Input Form

Your input on Northern Tier's processes are important to us. Please submit comments to info @ nttg.biz

NTTG Response

All responses are dynamic and based upon assumptions that may be adjusted as options are fleshed out and alternatives considered; Unless otherwise indicated, responses are subject to change.

Received via info @ nttg on 1/17/12

1/19/12: Jointly assigned to the NTTG Cost Allocation Compliance and Planning Compliance Workgroups

Commentor Contact Information

Date: January 17, 2012

Name: Vicki M. Baldwin

Organization: UIEC

NTTG Tracking Info

Date Received: January 17, 2012 @ 3:21 pm (PST)

Committee Assignment: Jointly to NTTG O1K Cost Allocation and Planning

Date Assigned: January 19, 2012

Comments

DRAFT RESPONSE

Source Document	Page / ¶	Comment	Issue ID#	Issue Title	Draft Response Date	Draft Response
Meeting Summary of December 29, 2011 NTTG O1K Cost Allocation Compliance Work Group	para.2 p. 1	With respect to cost allocation, will existing projects be analyzed for cost allocation?	2	UIEC 2	1/30/2012	Existing projects, as in those currently in service, are not required by the Order to be analyzed for cost allocation. Order 1000 paragraph 162 states: "...the requirements of this Final Rule are intended to apply to new transmission facilities. Our intent is to enhance transmission planning processes prospectively to provide greater openness and transparency in the development of regional transmission plans."
		At what point in currently contemplated projects is cost allocation done?	3	UIEC 3	1/30/2012	Cost allocation for a new regional transmission project is considered after the new project is selected into a regional transmission plan.
		What weight will the cost allocation recommendation of the NTTG Cost Allocation Committee have with the project sponsor(s) under FERC Order 1000?	4	UIEC 4	1/30/2012	NTTG encourages constructive comments and suggestions from stakeholders on Order 1000 compliance. Speculating on what weight a cost allocation recommendation will have with a project sponsor is outside the scope of Order 1000 compliance.
		What motivation does an entity have to submit a project to NTTG for cost allocation?	5	UIEC 5	1/30/2012	NTTG encourages constructive comments and suggestions from stakeholders on Order 1000 compliance. Speculating on motivation of a project sponsor is outside the scope of Order 1000 compliance.

Comments			DRAFT RESPONSE			
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		If a project is a regional project but the project sponsor(s) does not submit to the NTTG Cost Allocation Committee for cost allocation, what results?	6	UIEC 6	1/30/2012	Assuming the project sponsor submitted the regional project to NTTG for planning analysis, it will be evaluated in a manner consistent with other submitted projects and alternatives. Order 1000 does not require or mandate that sponsors submit any projects for cost allocation. Order 1000 contemplates that projects are submitted for evaluation and cost allocation on a voluntary basis.
		What weight does the cost allocation recommendation of the NTTG Cost Allocation Committee have with project sponsor(s) today?	7	UIEC 7	1/30/2012	NTTG encourages constructive comments and suggestions from stakeholders on Order 1000 compliance. Speculating on what weight a cost allocation recommendation of the NTTG Cost Allocation Committee has with a project sponsor today is outside the scope of Order 1000 compliance.
		We do not support the option to work backwards from multi-state allocations as those often are the result of compromise with no relationship to cost causation.	8	UIEC 8	1/30/2012	The relevance of this comment to Order 1000 compliance is unclear, but NTTG encourages constructive comments/suggestions on this topic.
		It is noted that cost allocation to non-transmission providers is currently out of scope. Why is this?	9	UIEC 9	1/30/2012	NTTG has not reached any conclusions or excluded any category of entity as a potential beneficiary--and therefore a recipient of allocated costs--of a project selected for cost allocation. NTTG members have preliminarily considered that transmission providers fall under FERC's jurisdiction or may be reachable through a reciprocity agreement, and therefore a cost allocation to a transmission provider may more likely be enforceable by FERC than a cost allocation to a non-transmission provider. NTTG members have contemplated that Projects for which significant benefits go to parties whose agreement is required before costs can be allocated to them (e.g. parties in one region who benefit from projects in another) may be conditionally selected for cost allocation subject to those parties agreeing to pay the costs allocated to them. NTTG encourages any constructive stakeholder input on this topic.
		Are the cost allocation methodologies of ISOs/RTOs being evaluated; as it appears they have been doing this for some time.	10	UIEC 10	1/30/2012	Cost allocation methodologies of ISOs/RTOs are and will continue to be evaluated for applicability within NTTG, a non-ISO/RTO region.