

Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	February 19, 2010
Meeting Minutes Prepared By:	Lyndee Restad
Approved to post:	March 8, 2010

Attendee List: Brian DeKiep, Marshall Empey, Bryce Freeman, Sharon Helms, Sam Liu, Matt Muldoon, Marcy Norby, Larry Nordell, Lyndee Restad, Lou Ann Westerfield, Curt Winterfeld, Joni Zenger

Committee Members Not in Attendance: Rich Bayless, Marc Hellman, Jim Logan, Darrell Zlomke

1. Agenda:

- Review draft notes from the January 28, 2010 Cost Allocation Committee meeting; modify as required and approve to post
- 2010-2011 NTTG Biennial Cycle: Cost Allocation Committee scope and approach discussion
 - Review, modify and/or agree to questions and issues that affect the scope of the Cost Allocation Committee Charter and deliverables
 - Make assignments and agree upon schedule for resolving questions/issues
- Roundtable/Other Business
- Agree to date/time for next CAC meeting

2. Decisions / Discussions:

Discussion: Review draft notes from the January 28, 2010 Cost Allocation Committee meeting; modify as required and approve to post

- The January 28, 2010 Cost Allocation Committee meeting notes were approved to post as is on the NTTG website

Discussion: 2010-2011 NTTG Biennial Cycle: Cost Allocation Committee scope and approach discussion

Review, modify and/or agree to questions and issues that affect the scope of the Cost Allocation

- The goal of this discussion was to begin setting procedures in place to sharpen the focus on what the Committee is about and what value it can bring to the Stakeholders
 - A plan or methodology will be developed to carry out allocation of costs and benefits (projects and processes)
 - The Committee would like to have the capability to handle the needs of projects that have not been dealt with in the past
 - If a Transmission provider believes that their project is covered under the existing allocation rules, it will go through the process. If the project is not covered under the rules, it will not make it through the process
 - Transmission providers need to develop a system to cover projects that are not covered in the existing allocation rules
 - The providers will also need to define the project categories
 - Discussion began on the specifications the Committee processes should entail for projects
 - Decisions were not made during this meeting, the Committee will gather information and begin to develop a process during future meetings

- The Committee discussed the possibility of modifying the existing Charter
 - Focus was placed on the current language within the Charter and whether or not the Charter meets the minimum requirements for FERC, Order 890 and 890A
 - NTTG has not yet identified the FERC and 890 needs within the Charter
 - The Committee will research and determine if the language in the Charter is consistent with the Cost Allocation process that currently takes place
 - Committee members voiced concern on modifying the Charter as it is unclear what FERC and Congress rules will be set in place next year (i.e., rules may be a moving target)
 - Any modifications made to the Charter will need to be approved by the Steering Committee
- The Committee identified several questions that will be reviewed in their upcoming meetings. Below are the questions:
 - Does the Committee want to continue to look at projects that are covered under the current rules and traditional methods?
 - Should the Committee accept all major projects regardless if they are covered under the Cost Allocation rules or not?
 - What if a project seems to fit on the surface into the existing categories but once it is further investigated, it does not match the specifications of any of the categories? Should the Committee continue working on the project?

Decision: Curt Winterfeld will work with Matt Muldoon, Bryce Freeman and Larry Nordell on modifying the Workplan. The modifications will be based on the comments and suggestions that were provided in this meeting. The next version of the Workplan will be distributed to the Committee members for discussion and review.

- Regarding the survey of other methods for allocation of costs and benefits, Brian DeKiep has information on MISO and will develop a draft report for the Committee to review by the end of April. It was noted that FERC has not approved the MISO recommendations
- Regarding the examination of the methodology for allocation of costs and benefits, Committee members determined that a list will need to be assembled of all items that will need to be included in a future Cost/Benefit process
 - The intent is to have a plan together before one is needed
 - Creating this hypothetical process would allow for a basic template for the Committee to follow in the event that a new project was submitted that did not follow any of the current guidelines.
 - The Committee members found a benefit for this task and agreed to take action
- As an example of a project that may or may not fall within the traditional practice, the Committee discussed the approach that should be taken on handling the Collector systems
 - The Collector systems fall in a wide range of categories
 - Lou Ann W. and Brian D. have additional materials on Collector system cases and will distribute to the committee for review. The discussion will continue at the next Committee meeting.
- As part of the examination of the cost-benefit allocation methodology, Lou Ann W. will information on the Frontier Study project to use as a “case study” for examining details of a proposed methodology, which will be presented for the Committee’s consideration
 - Committee members that have information on the project are encouraged to email it to Lou Ann

Decision: With regard to the Committee’s on-going outreach effort to project sponsors, Committee members will each bring a current list of known projects and liaisons (and project sponsor information if it is available) to the next Committee meeting. Brian D. will submit information on the TransCanada project and Bryce F. will provide information on the Zephyr project.



Discussion: Roundtable/Other Business

- The Committee did not have any Roundtable or other business to discuss

Discussion: Agree to date/time for next CAC Meeting

- The Cost Allocation Committee meetings on February 22nd and March 1st are cancelled
- The duration of the Monday, March 8th Committee meeting will be expanded by 30 minutes

3. Assignments:

Item #	Assignment	Owner	Target Date	Status
1.	Develop a document outlining the type of projects subject to B/C Allocation	C. Winterfeld		
2.	Submit a report detailing the Cost Allocation duties other regions are currently involved in	B. DeKiep		
3.	Email Lou Ann Westerfield any relevant information on the Frontier Study project	Committee Members		
4.	Cancel the CAC meetings on 2/22 and 3/1	L. Restad	Completed	

Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for Monday, March 8th at 1pm Pacific.

- Voice Conference Mtg. **503-813-5600** (toll free #800-503-3360)
- Meeting ID **688444** and password **123456**