

Description of Meeting:	NTTG Cost Allocation Committee
Meeting Date:	March 30, 2018
Meeting Notes Prepared By:	Amy Wachsnicht
Approved for Posting:	April 9, 2018

1. Agenda:

- a. Establish Quorum Requirements & Agenda Review
- b. Approval of October 12, 2017 CA Committee Meeting Notes
- c. NTTG Cost Allocation Scenarios
 - i. WECC Data Confidentiality Requirements
 - ii. Attachment K Requirements
- d. Establish Cost Allocation Sub-committee responsible for the development of 2018-2019 cost allocation scenarios
- e. Round Table/Other Business

2. Discussions & Decisions:

Decision: Approval of October 12, 2017 CA Committee Meeting Notes

- With a motion by Shaun Foster and second from Belinda Kolb, the October 12, 2017 NTTG Cost Allocation Committee meeting notes were approved for posting.
 - Abstentions – UAMPS, Montana Consumer Council

Discussion: NTTG Cost Allocation Scenarios

- WECC Data Confidentiality Requirements
 - Last cycle while developing the allocation scenarios, the information provided was from the production cost modeling (PCM), which was not considered confidential. Subsequent to that, WECC has been discussing to include PCM data as confidential same as the power flow data.
 - John Leland indicated there was confusion on what data was consider confidential included in the spreadsheets sent to the Cost Allocation Committee (CAC) and Technical Workgroup (TWG) members. He requested that until WECC responds, that the CAC members respond to his email request if they have a WECC NDA or not.
- Attachment K Requirements
 - The Attachment K gives the framework for how the cost allocation scenarios will be used.
 - NTTG received a project for the 2018-2019 requesting cost allocation with a certified project sponsor. Should that project be selected into the regional plan, NTTG would need to allocate the benefits to the beneficiaries.
 - FERC has stated that regional cost allocation is firm and cannot change over time. Therefore, the allocation scenarios chosers are important.
 - The CAC in consultation with the Planning Committee will develop cost allocation scenarios. The Planning Committee, should they choose, can use the allocation scenarios to test the robustness of projects considered for the Draft Regional Transmission Plan.
 - Allocation scenarios will include but not limited to load levels, fuel prices, fuel and resource availability, etc. The process tries to account for the outliers and uncertainties incorporated in the calculation of benefits to beneficiaries.
- John Leland walked through the Cost Allocation Scenario Development document developed last cycle and attached to the 2016-2017 Study Plan.
 - Prior to doing so, he indicated that during the walk through of each allocation scenario, he is under the assumption the CAC will like choose the same or similar

- scenarios as the previous cycles. If different scenarios are chosen, then those would need to be developed.
- John Leland also indicated he is asking for help from the CAC member utilities who are technical as well as some of their TWG members to get the information from their companies IRP for each of the allocation scenarios.
 - Last cycle the CAC chose four allocation scenarios, two load forecast allocation scenarios and two resource location and type allocation scenarios.
 - The Load scenarios included a high load (adding 1,000 MW) and low load (subtracting 1,000 MW).
 - The base forecasted load are from each members IRP and the plus/minus 1,000 MW was prorated to come up with the total high and low load.
 - Two resource allocation scenarios were also chosen last cycle.
 - Scenario C was to replace 800 MW wind with 800 MW solar. For example, wind in Wyoming or Montana could be replaced by solar, but the solar would be in Utah. John Leland also indicated the 800 was chosen because it was roughly half of the forecasted solar.
 - The data looked at what the incremental wind was for each utility and prorated the megawatts for each company equal to 800 megawatts.
 - Much the same, solar looked at the incremental solar and prorated back 800 megawatts. This was done on a one for one megawatt, and did not consider the different capacity factors for wind and solar.
 - Scenario D had coal replaced by wind and solar, which was chosen prior to the announcement of Colstrip 1 & 2 retirements. The scenario removed 1,000 megawatts of coal and was replaced by equivalent amount of energy in equal shares of wind and solar in the appropriate geographical locations.
 - John Leland indicated the table included in the document showed the calculations for the scenarios.
 - Following the walk through of the document, questions were raised regarding Scenarios C & D from TWG members and the likelihood of a project actually being proposed to meet that particular need. There was also concern that each time there is change in resources and load, there is a change in the future and therefore could be a change in the beneficiaries.
 - A new project that is selected into the plan for cost allocation is based on a particular future. The CAC is trying to determine, should the project move forward under a different future, will the beneficiaries be the same. The cost allocation process uses the results of the four scenarios to adjust the costs to all the beneficiaries as an attempt to minimize the impact a utility has.
 - Clarification was asked regarding the criteria in how these allocation scenarios are being used. It was indicated the Attachment K, lays out the cost allocation process clearly on how the allocation scenarios will be used.
 - Going back to Scenarios C & D, it was indicated the TWG had many questions regarding the dispatching last cycle, and it as asked if these resources could be looked at more geographically in the region instead of specific type.
 - Following the discussion, John Leland asked if there were any CAC members who had input on the four scenarios used in the last cycle, was there an appetite to use them again, something similar, or something different.
 - A couple CAC members indicated over all the four scenarios seemed reasonable; however, they requested additional time to review the document and scenarios and provide input at a later date.
 - Given the short time frame for developing the allocation scenarios and the current meeting almost out of time, John Leland suggested to have another CAC meeting prior to the next scheduled meeting on April 18th.
 - The purpose of the meeting would be to decide on the allocation scenarios and select a small working group, which would be responsible for developing the allocation scenarios, and report their recommendations to CAC members.



- Amy Wachsnicht was tasked with sending out a doodle poll to CAC and TWG members with proposed times for a meeting on April 9th.

Decision: Establish Cost Allocation Sub-committee responsible for the development of 2018-2019 cost allocation scenarios

- Discussion of this agenda item was deferred until April 9th meeting.

Discussion: Round Table/Other Business

- On April 11th there will be a Joint Planning and Cost Allocation Committee meeting to review the Quarter 1 Data submittals.
- Any CAC member who has not responded to John Leland's NDA email request, please do so and if needed the necessary steps in deleting the information from their email and hard drive.

Assignments:

Item #	Assignment	Owner	Target Date	Status
1.				
2.				
3.				
4.				

Next Meeting: The next Northern Tier Cost Allocation Committee Meeting is scheduled for April 9th.

- Dial: **(626) 425-3121**
- Access Code: **432-608-245**



Attendees:

NTTG Cost Allocation Committee Member Representatives

Membership Class 1		
Marshall Empey, UAMPS	Patience Kerchinsky, PacifiCorp	Courtney Waites, Chair, Idaho Power
Shaun Foster, Portland General	Kim McClafferty, NorthWestern	

Membership Class 2

Bob Decker, MT PSC	Marci Norby, WY PSC	Bela Vastag, UT OFC CS
Belinda Kolb, WY OFC CA	Jamie Stamason, MT CC (Proxy)	

Other NTTG Members & Guests

Jared Ellsworth, Idaho Power	Rachel Meeker, WY PSC	Rikin Shah, PacifiCorp
Sharon Helms, NTTG	Ron Schellberg, NTTG	Amy Wachsnicht, NTTG
John Leland, NTTG	BJ Schubert, NorthWestern	Curtis Westhoff, Idaho Power
Chelsea Loomis, NorthWestern		

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