

Description of Meeting:	NTTG Cost Allocation Committee
Meeting Date:	Monday March 10, 2008
Meeting Minutes Prepared By:	Christine Draper
Edited By:	Sharon Helms
Approved for Posting:	March 13, 2008

Attendee List: Bryan Baldwin, Christine Draper, Sharon Helms, Marshall Empey, Jim Logan, Marcy Norby, Larry Nordell, Lou Ann Westerfield, Becky Wilson, Darrell Zlomke,

Not in Attendance: Brian DeKiep, Bryce Freeman, Marc Hellman, Richard House, Curt Winterfeld

1. Agenda:

1. Introduction & Overview
2. State Siting Write-ups
 - A. Individual States – ID, MT, OR, UT, WY
 - B. Should we just compile the write-ups?
 - C. Potential Use on NTTG and State Websites
3. Annual Economic Study Inputs for First Biennial Planning Process
 - A. Study Requests
 - B. Coordination with Transmission Use and Planning Committees
 - C. Data inputs
 - D. Economic Assumptions
4. Options for Fast Track Projects
 - A. Address Now – Based on Other Economic Studies, RMATS, WECC
 - B. Fold Projects into First Biennial Planning process
 - C. Documentation Process
5. Cost Allocation Workplan for Q1-Q2 s008
6. Future Conference Calls – Timing and Frequency

2. State Siting Write Ups: Goal is to develop materials that identify entities with responsibility for siting. Once developed, state commissions, consumer counsel and other state agencies can post on their websites if desired and/or point customers to the NTTG website.

- A. Status of Individual States Write Ups - ID, MT, OR, UT, WY
 - o Siting procedures for Montana, Utah, Idaho and Wyoming were included in the RMATS study.
 - o Modifications have been submitted to correct Montana and Utah write ups.
 - Idaho's process is still accurate.
 - o Need updates for WY and OR.
 - Wyoming: Per Darrell Zlomke, Wyoming state law has not changed. Darrell committed to review the RMATS write up for WY and confirm its accuracy or provide revisions by March 17, 2008.
 - Oregon: Lou Ann will follow up with Mark Hellman to verify that the Oregon Facility Siting Council website is the appropriate link/material for Oregon.



- B. Should we just compile the write-ups?
 - o Put all the different write ups together on a short document and post on the NTTG website.
- C. Potential Use of NTTG and State Websites
 - o Make it available to any other state agencies within our footprint.
 - o Add the NTTG logo and post to the site.
 - o Contact the states outside of the footprint and make them aware of what we are doing.
 - o Sharon will compile the write ups and send out for review at the next meeting.

Questions and Answers:

- **Question:** Do you plan on having lines that will go outside the NTTG footprint? If so, we should have some explanation or links to put state processes outside the footprint.
Answer: Yes, have thought of that due to the LS power proposal in Nevada.
Comments: Wouldn't hurt to get a description of the Nevada process on the website and run by Nevada State Government.
Should have one for Washington also.
- **Question:** Who is going to work with the Nevada and Washington Commissions to close this gap?
Answer: Lou Anne will send an email to their staff and let them run it up the ladder and see if they are interested in having that information on the NTTG website.
- **Question:** Is there a new RMA study about Washington?
Answer: There is nothing in there about Washington and Oregon. It has Wyoming, Utah, Idaho and Montana. Although RMAs is far reaching and went over to the West Coast area, there is nothing about siting beyond that four state region.

Comments: There is a site on the Western Governor's study that would be a good starting point.

3. Annual Economic Study Inputs for First Biennial Planning Process

- Sharon, Kip and Lou Ann had a meeting on how to coordinate the capacity planning process with the annual economic study requirements and the cost allocation committee involvement. Under NTTG Charter document and FERC's order 890 there is a requirement to complete up to two economic studies per planning cycle (one per year). As of today, March 10th, three requests have been posted on North Western Energy's Oasis website
- Cost Allocation will determine what type of data input they think should go into the planning process.
 - o Will come up with a list of economic assumptions and data inputs that should be considered.
 - o Integration with the other committees is required to ensure a common set of data inputs and economic assumptions for the studies.
 - o Start working toward having weekly phone calls to formulate the inputs that go into the Biennial Planning Process.



Questions and Answers:

- **Question:** Would you expect the types of study requests submitted to drive the criteria or will it be more general criteria that that would be used on an ongoing basis?

Answer: Both. The type of request might make a big difference. One of the possibilities is wind development in our foot print area. If that becomes a dominant driver, we would need to think of the types of data and the economic assumptions that would go into the study.

Discussion:

- The process is to have a preliminary review of study inputs by the Cost Allocation, Transmission Use and Planning Committees. The April 8th stakeholder meeting will be the forum for stakeholder input, with final committee approval after the public meeting.
- Projects being submitted are at an early stage in their development.
- As Cost Allocation developed its principals, it was anticipating reviewing projects that were much further along.

Questions and Answers:

- **Question:** What is CA going to be doing at this early Stage?
- **Answer:** We'd be trying to lean toward generic economic assumptions that might be used to make the first cut to study requests that have come to North Western or taking their wind request and broadening it across the footprint.
- CAC requires information from potential projects to assess
- The CAC members are encouraged to participate in the April 8th planning meeting.
- Project requesters and developers should come in with their own proposals on cost allocation including their own economic assumptions and their own data.
- Lou Ann will develop a draft data request letter to project sponsors and circulate for review prior to the March 13th meeting of the CAC.

4. Options for Fast Track Projects

Discussion: A letter should be sent to each project developer giving them a choice to submit the documentation necessary to provide a cost allocation recommendation. The committee needs to determine if it is more desirable to look at the individual projects or collectively as a comprehensive regional plan. It may be best to give project developers the option to look at the project individually or in conjunction with the annual plan.

Questions and Answers:

- **Question:** Do the same arguments hold for the fast track projects we were just discussing for the economic studies?
- **Answer:** Absolutely. That's something else to bring up to Planning and Transmission Use Committees.

5. Cost Allocation Work Plan for Q1 – Q2 2008

Discussion:

- The economic study request process is the responsibility of the Planning group. They are looking to the Cost Allocation Committee for input.
- Expectations may not be met if people don't understand the information needed.



6. Future Conference Calls – Timing? Frequency?

- Keep conference regularly scheduled call on Thursdays. 1p PDT, 2p MDT beginning March 13, 2008.
- It is a public meeting and will be posted on website. Thursday will be the regular meeting time. Sharon will call Patty and make recurring call. For next 6-8 weeks.

Roundtable: None.

Next Meeting: The next Northern Tier Management meeting is scheduled for Thursday, March 13, at 1:00p PDT/ 2:00p MDT.

- Voice Conference Mtg. Call 503-813-5600 (toll free #800-503-3360)
- Mtg. ID: **688484** and password: **123456**