



NTTG Order 1000 Stakeholder Comment and Input Form				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.			
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04-23-2012: Assigned to the NTTG O1K Cost Allocation Compliance Workgroup				Date Received: April 23, 2012 @ 11:55 AM (PST) Committee Assignment: NTTG O1K Cost Allocation Compliance Workgroup Date Assigned: April 26, 2012			
Commentor Contact Information							
Date: 4/23/2012							
Name: Vicki M. Baldwin							
Organization: UIEC							
Comments				DRAFT RESPONSE			
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		Unless costs are allocated to beneficiaries at a more granular level than the Transmission Provider ("TP"), it would seem that the TP could be more vulnerable to prudency disallowances when trying to recover costs at the state retail level		25	UIEC #16	04.26.12	Vulnerability to prudency disallowances is a risk with any investment. Order 1000 addresses regional transmission planning and cost allocation subject to jurisdiction by FERC. FERC does not have jurisdiction to dictate how state public utility commissions determine prudency and allocate retail costs to retail customers. However, in the event a project is selected for purposes of cost allocation, Order 1000 does require that costs are allocated roughly commensurate with benefits. NTTG—including FERC-jurisdictional TPs, state regulatory commissions and consumer advocates—is developing processes to ensure relative certainty and robustness of a project's benefits and beneficiaries as a prerequisite for selection for purposes of cost allocation.
		The cost allocation committee has indicated that it does not have the staffing or resources to prepare cost benefit analyses and cost allocation analyses and that project sponsors consistently fail to provide such with their project proposals. In addition, it appears from the presentations that the NTTG budget will remain unchanged. How does NTTG then propose to be able to accomplish what it has recognized it does not have the staffing or resources to do?		26	UIEC # 17	04.26.12	NTTG is developing processes required for compliance with Order 1000 and has made no commitments or assumptions about future budgets or level of staffing need. As it is currently envisioned, NTTG's new draft planning process per Order 1000 is likely to streamline the Cost Allocation Committee's role by identifying upfront (1) the information required from each project sponsor, and (2) the assumptions and analyses to be performed by the Planning Committee for any project to be considered for cost allocation. The Cost Allocation Committee, as planned under the new draft process, will evaluate the results of this analysis beginning in Q6, request additional analysis from the Planning Committee if needed, and make its determination based on these inputs.
		If the cost allocation committee is unable to adequately accomplish cost benefit analyses and cost allocation analyses, it should admit this and allow this to be done in other venues. Its inability to perform adequately should not allow other forums to be frozen out of the opportunity to do so.		27	UIEC # 18	04.26.12	See response to the previous question. NTTG will establish processes compliant with Order 1000 and will devote the resources necessary to fulfilling those compliance obligations.

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		Will PacifiCorp's entire Gateway Project be subject to the cost allocation and planning procedures of FERC Order 1000? If not, please explain why not.	28	UIEC # 19	04.26.12	Each incumbent transmission provider—including PacifiCorp—and non-incumbent transmission developer participating in NTTG's planning process has the option of submitting its project(s) for consideration in the plan optimization process and, upon establishing eligibility, for consideration for selection into the plan for purposes of cost allocation. Selection by NTTG for cost allocation will be based on the same criteria applied to incumbent and non-incumbent projects. Further, FERC Order 1000 Paragraph 65 states that the Final Rule applies to new projects, or those subject to reevaluation in the planning process. FERC defers to the planning regions to determine the point at which a project is no longer considered "new" or subject to reevaluation, which NTTG is actively evaluating and encourages stakeholder input on.