



Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	June 20, 2011
Meeting Minutes Prepared By:	A. Lynn Jesus-Olhausen
Approved for Posting:	July 11, 2011

Attendee List: Brian DeKiep, Sharon Helms, A. Lynn Jesus-Olhausen, Sam Liu, Larry Nordell, Lou Ann Westerfield, Curt Winterfeld

Guests: John Leland

Committee Members Not in Attendance: Rich Bayless, Marshall Empey, Bryce Freeman, Marc Hellman, Jim Logan, Marci Norby, Laura Yetter Joni Zenger, Darrell Zlomke

1. Agenda:

- Agenda Review – All
- Approve June 1, 2011 Meeting Notes – All
- NTTG Planning Committee 2010-11 Process/Overview – John Leland
- Review initial thoughts on 'default' cost allocation methodology – Lou Ann Westerfield/Larry Nordell
- Committee input on data requests received to date and add'l info necessary – All
- 2012-2013 Budget requirements – Curt Winterfeld
 - CPS support requirements
 - Additional consulting or other requirements
- Other Business/Round Table

2. Decisions / Discussions:

Discussion: Agenda Review

- The agenda was accepted as-is.

Discussion: Approve June 1, 2011 Meeting Notes

- Submit any revisions to A. Lynn Jesus-Olhausen by 12Noon Pacific, Tuesday June 21st.
- If no revisions are submitted the meeting minutes will be considered approved as-is and will be posted to the NTTG website.

Discussion: NTTG Planning Committee 2010-11 Process/Overview

- The process for the current 2010-2011 biennial study cycle did have some differences than the previous cycle.
- The Planning Committee utilized the WECC 2020HS as a base case. From that the following cases were developed:
 - A Null Case with load growth scaled to 2020 based on the current 2010 system in the NTTG footprint. This case demonstrated that the current transmission system is not sufficient.
 - A Core Case that included the WECC Foundational List Projects. Inclusion of these projects demonstrated that the Foundational List Projects resolve the load growth capacity issue from the Null Case.
- From production cost modeling, 5 hours were identified for study which were 2 hours of heavy export out of the NTTG footprint, 2 hours associated with heavy loads within the NTTG footprint, and an import hour into the NTTG footprint.
- From power flow modeling, four scenario cases were studied looking at adding wind generation. The four scenarios were adding 3000MW in Montana, adding 3000MW in Wyoming, adding 3000MW in Montana and Wyoming, and adding 6000MW in Wyoming.
- The power flow modeling included AC and DC solutions.

- The studies included 230kV lines and above with n-0 and n-1 outage contingencies.
- The studies did not optimize resources. The studies followed a bottoms-up approach with generic solutions.
- These studies are not meant to justify any project on the Foundational List.
- No economic analysis was performed.
- It is forecasted that the next biennial cycle will maintain the number of work hours, with more time focused on analysis of the study results, rather than preparation of the study data.
- The study report outline is currently in development by the Technical Work Group. Once the outline is finalized, John Leland will provide a copy to the Cost Allocation Meeting.
 - An outline of the biennial cycle report will be presented at the July 28th Public Stakeholder meeting and feedback will be solicited.

Discussion: Review initial thoughts on 'default' cost allocation methodology

- It is important to leave the matrix fairly open (e.g., address single system options, multiple system options, etc.) to ensure that all project sponsors and developers are treated the same. There should be no preference (implied or otherwise) for incumbent projects.
- The goal is to have project sponsors/developers submit request data. This default matrix will be utilized only in the absence of the requisite data submittal from the project sponsor/developer that is necessary for the committee to fulfill their responsibilities as outlined in the committee charter.
- There is a need to identify which categories projects will be associated with. The project sponsor/developer will be responsible for justifying which category applies to their project.
- The committee will add a disclaimer noting that voluntary agreements between parties will 'trump' the default listing and will be honored in the committee's report.

Discussion: Committee input on data requests received to date and add'l info necessary

- Additional information was requested from PacifiCorp, Idaho Power and Northwestern.
- Some entities referenced WECC submissions and reports. This information is not exactly what the committee needs to complete their report. Also, the onus needs to remain on the project sponsors/developers to submit the appropriate data, rather than referring to multiple reports and relying on the committee to sift through the data.

Discussion: 2012-2013 Budget requirements

- CPS support requirements
 - The current level of support supplied by CPS is deemed to be at the right level.
 - One request is to have a CPS resource assist with distilling and prioritizing the multitude of incoming regional information highlighting which information is pertinent to the committee and which is more informational.
- Additional consulting or other requirements
 - Historically contingencies that the committee requested have not been approved as dedicated set-asides for the Cost Allocation Committee, but addressed with the general NTTG contingency funding. It was stressed that this approach makes the presence of a general NTTG contingency fund as important to maintain in the next budget cycle.
 - The pending FERC NOPR regarding Cost Allocation may affect the approach by NTTG for the next budget cycle.

Discussion: Other Business/Round Table

- Q7/8 Milestone Schedule
 - Proposed schedule:

June 15	Default cost allocation language (first cut) drafted
June 17	CAC Chair to respond to project sponsors requesting add'l data/justification
June 21	CAC update to NTTG Steering
Mid July	45 day deadline for responding to project sponsors
July 20	Submit CAC presentation for the 7/28 Stakeholder meeting
July 28	NTTG Stakeholder Meeting in PDX
Jul/Aug	Data collection and finalize approach for default methodology
Early Aug	Initiate Report outline/drafting
Sept. 13	Draft report sufficiently fleshed out for Steering Review
Sep. 20	NTTG Steering Committee Review and input on report approach
Oct 14	Draft Report compiled
Oct. 17-31	Stakeholder comment period
Nov. 15	Final CAC report
Nov. 29	NTTG Steering Committee approval
 - Committee members will review this timeline again once the Planning Committee's report outline is received.

3. Assignments:

Item #	Assignment	Owner	Target Date	Status
1.	Review and be prepared to give feedback of default methodology matrix	All	06.27.11	
2.	Send Lynn Jesus-Olhausen any needed revisions to the 02.14.11 meeting notes.	All	06.02.11 12Noon Pacific	Complete
3.	CAC Update to Steering due to Sharon	C. Winterfeld	June 10	Complete
4.	Send out meeting invite for June 20th meeting.	S. Helms	06.10.11	Complete
5.	Draft initial proposal for possibly outlining an NTTG cost allocation default methodology.	L. Westerfield, L. Nordell	06.15.11	Complete
6.	Complete review of data submittals received, and send Curt Winterfeld any follow up questions deemed appropriate or necessary.	All	06.15.11 07.11.11	
7.	Respond to Project Sponsors with add'l information requirements	C. Winterfeld	06.17.11 Mid-July	

Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for Monday, July 11th, 2011 at 1pm Pacific.

- Voice Conference Mtg. **503-813-5600** (toll free #800-503-3360)
- Meeting ID **688455** and password **123456**