

Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	August 1, 2011
Meeting Minutes Prepared By:	A. Lynn Jesus-Olhausen
Approved to Post:	August 17, 2011

Attendee List: Brian DeKiep, Pam Greensky, Sharon Helms, A. Lynn Jesus-Olhausen, Sam Liu, Larry Nordell, Marci Norby, Lou Ann Westerfield, Curt Winterfeld, Joni Zenger

Guests:

Committee Members Not in Attendance: Marshall Empey, Bryce Freeman, Marc Hellman, Laura Yetter, Darrell Zlomke

1. Agenda:

- Agenda Review
- Develop approach and assignments for finalizing CAC Report
 - Review draft CAC report outline distributed July 15th
 - Consider Order 1000
- Other Business – Round Table

2. Decisions / Discussions:

Discussions: Agenda Review

- There were no additions to the agenda.

Discussions: Approve July 11, 2011 Meeting Notes

- Cost Allocation Committee members are requested to respond with any revisions to Lynn Jesus-Olhausen by 12 Noon Pacific, Tuesday, Aug 2nd. If no revisions are received, the meeting notes will be considered approved as-is and posted to the NTTG website.

Discussions: Develop approach and assignments for finalizing CAC Report

- Review draft CAC report outline distributed July 15th
 - Review of FERC Order 1000 and Writing a white paper regarding alternative cost allocation processes in other regions were added as NTTG Cost Allocation Committee activities.
 - The following are the drafting assignments for the Cost Allocation Biennial Report.
 - Introduction – will remain basically the same as first the cycle report
 - CAC activities section – Larry Nordell
 - Committee Activities – Larry Nordell
 - Description of Standard Data Request and Responses – Curt Winterfeld
 - Generic Description of Evaluation of Project Information – Curt Winterfeld
 - Summary – Curt Winterfeld
 - Project Templates (Appendix B)
 - Brian DeKiep (Project 3, 17, 18,19)
 - Joni Zenger/Sam Liu (Project 5,7,8)
 - Marci Norby (Project 9,10)
 - Lou Ann Westerfield (Project 11,12, 13, 14, 15)
 - Curt Winterfeld (Project 16)

- ESR Review (Appendix C) – Brian DeKiep
 - The committee will not be looking at using a technical writer for the report development, but will use one for a final proofing.
- Consider FERC Order 1000
 - Biennial Report
 - Included in the body of the report will be mention of FERC’s Order 1000 and the potential impact on how this will affect NTTG’s Cost Allocation Committee in the future.
 - The development of a potential default cost allocation methodology will not be addressed as a current activity as it is not developed enough to produce a draft for public viewing. Also, it will most likely be subsumed in the work/response FERC Order 1000 and therefore current work on the default cost allocation methodology initiative is on hold.
 - General initial thoughts on FERC Order 1000
 - Per the Order the region must develop a cost allocation methodology that results in choosing what type of benefits will be evaluated and also outline the process for evaluation.
 - The Order allows regions pick what projects are included in the plan and considered for cost allocation.
 - The Order allows flexibility for bilateral agreements that can look different than agreements within same region. The inter-region agreement appears it will facilitate a project by project system, whereas the same region looks more at a class of projects approach.
 - There is some concern that the flexibility upon deciding which projects would have cost allocation or not might provide an opportunity for potential manipulation within the system.
 - The guidelines on distinction between cost allocation and cost recovery are not clear in the Order, especially when involving more than one transmission provider.
 - There is opportunity for NTTG to be a leader in the area and can develop a clearer methodology that can be proposed by NTTG as a subregion.
 - It is agreed that NTTG is in a position to lead the clarification on topics within the Order.

Discussions: CAC Q7-8 Draft Milestones/Schedule

- Mid July 45 day deadline for responding to project sponsors
- Aug Final data gathering and report writing
- 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



Discussions: Other Business – Round Table

- No items were presented during the round table.

3. Assignments:

Item #	Assignment	Owner	Target Date	Status
1.	Draft respective sections of biennial report	All	08-31-11	
2.	Draft report outline for Cost Allocation's biennial report and send to committee.	C. Winterfeld	07.15.11	Completed
3.	Respond to Project Sponsors with add'l information requirements	C. Winterfeld	06.17.11 Mid-July	Completed
4.	Submit feedback/revisions to Curt Winterfeld regarding the Cost Allocation report outline	All	07.20.11	Completed
5.	Submit July 28 th presentation material to Sharon Helms	C. Winterfeld	07.21.11	Completed

Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for Monday, August 15th at 1pm Pacific.

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