



Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	October 20, 2008
Meeting Minutes Prepared By:	Lynn Jesus-Olhausen
Approved for Posting:	November 3, 2008

Attendee List: Rich Bayless, Marshall Empey, Sharon Helms, Lynn Jesus-Olhausen, Sam Liu, Matt Muldoon, Marcy Norby, Lou Ann Westerfield, Curt Winterfeld, Darrell Zlomke

Not in Attendance: Brian DeKiep, Bryce Freeman, Marc Hellman, Jim Logan, Larry Nordell, Becky Wilson, Joni Zenger

1. Agenda:

- Acknowledge Standards of Conduct and Anti-Trust Policy
- Review notes from the October 6, 2008 Cost Allocation Meeting and approve to post
- Update on responses to quarterly data request
- Review new information submitted on Boardman-Hemingway Project
- Review update from PacifiCorp
- Review update on MSTI Project from Northwestern Energy
- Review of Walla Walla – McNary
- Other Business – Updates from Other NTTG Committees
- Next steps and Assignments
 - Public Meeting – November 12th NTTG Planning Committee Webinar

2. Decisions / Discussions:

Discussion: Review and Approve October 6th Meeting Notes

- Approved for content and for posting with no revisions.

Discussion: Update on Quarterly Data Requests

- Lou Ann sent another request to TransCanada. She has not received any response to date.

Discussion: Idaho Power Boardman-Hemingway Update

- Idaho filed a notice on the information from this update with the Securities Exchange Commission because it has cost information contained within the documentation submitted to NTTG in their update.
- There isn't a lot that is new information from what they filed in their Notice of Intent to FSEC. The main line characteristics remain the same.
- One difference is that the line is now anticipated to be a direct line between Boardman to Hemingway. The Echo hub is now listed as a separate resource.
- Once Idaho Power begins the Integrated Resource Planning process and the certificate for public convenience process, the time length will be approximately 6 months or shorter, barring any appeals. Idaho Power is in control of when they wish to start these processes. If they start both processes simultaneously then the same event and meetings can serve dual functions for both processes and helps bring questions forward while there is still time to address concerns that affect the parameters of the line could be redone without reopening the work.
- A series of open houses will start on October 22nd. The open houses will involve BLM, OR DOE, EFSC, IPC and OPUC. More information regarding the open houses can be found at the Hemingway to Boardman project website. (<http://www.boardmantohemingway.com/>)
- Idaho Power is seeking a partner in the line or the sale of half of the rights of the line. Currently this is a single circuit line – 500 KV. The line is intended primarily to serve native load in Eastern Oregon and Southern Idaho.

- The price of materials have gone up significantly. By the time construction occurs, there is the hope that costs level off, but caution must be exercised with future forecasts.
 - A significant cost is metal. Metal estimates currently have a life span of approximately 2 weeks. These materials are constantly changing and very difficult to forecast.

Discussion: PacifiCorp Project Update

- PacifiCorp has had one equity partner withdraw from a project. They have developed an outreach program to continue to look for investors/equity ownerships for needs of lines above PacifiCorp's native load and network requirements. This process should conclude at the end of 2008 and more information should be available with the January 2009 NTTG update request.
- No entity has executed a contract for new capacity to date.
- PacifiCorp is currently working through land owner issues.
- There is concern that more clarity is needed regarding the gateway segments.
 - How much of the project do they believe they need for native load and network service customers vs. other requests and potential uses?
 - There are concerns that the requirements to serve their native load/network may be a much lesser project that would warranted, but that momentum in soliciting partners on the lines will lead the project to be started regardless of actual need. If this more detailed information is known earlier then the size of the project can be addressed before construction. Without this detailed information the system may be over-built.
 - Project sponsors will always need to allow for growth, so there is a delicate balance to maintain so that the system is not over-built, but that it is also not under-built.
 - More information is needed to know what process PacifiCorp has outlined to determine how they will proceed if 3rd parties do not commit to participating in the project.
 - Perhaps the best time to request this type of information will be after PacifiCorp is allowed to complete their outreach to 3rd parties.
 - Gateway Central is ahead of the Gateway South and Gateway West projects. There is more vagueness in detail for Gateway South and Gateway West.
 - There are confidentiality issues involved with some of the details that are wanted. Not all of this information is public information at this time and cannot be shared.
 - The Cost Allocation Committee will seek guidance from the Steering Committee in regard to policy guidance in regard to seeking answers to questions about the size of projects in perspective to under-building or over-building
 - Lou Ann will draft a short letter to project sponsors expressing the Cost Allocation Committee's desire to be kept apprised of changes to projects. Of particular interest is the size of the line and participation, either thru investment or contract, of 3rd parties and what the process will be for rate treatment for late comers to the project. This is mainly for clarification on the voltage and capacity.
 - These issues also affect the sub-regional planning process. Coordination will be required to ensure that all committees are on the same page in regard to the projects so committees can operate from a common understanding.

Discussion: Update on MSTI Project

- There have been no changes to this project. It is continuing its process and moving forward as projected.

Discussion: Review of Walla Walla–McNary

- This project has been submitted to WECC as part of the Phase One rating process.

Discussion: Other Business

- Update from Planning Committee
 - The Planning Committee continues developing the base cases for the economic congestion studies deliverable.
 - There will be a public webinar on November 12th from 1:00-2:30pm Pacific. This webinar is for updating stakeholders on the progress of the Planning Committee activities and to solicit feedback from stakeholders. There will also be a brief update from each NTTG Committee presented at the webinar.
- Update from Transmission Use Committee
 - The committee is currently collecting the ATC path data and related data required for the January 2009 deliverables. Portland General is now included in the process. There will be feedback requested from the stakeholders in January to confirm whether there is value in continuing collecting this data.
 - The business practices data collection is also on-going. Each transmission provider is completing a matrix for inventory and categorization purposes.

Discussion: Next Steps/Assignments

- November 12th, 2008 Public Webinar
 - Lou Ann will provide a short presentation for the Cost Allocation Committee to update stakeholders on the activities of the committee.

3. Assignments:

Item #	Assignment	Owner	Target Date
1.	Post Approved Meeting Notes on Website	Lynn Olhausen	10/21/08
2.	Draft letter to PacifiCorp, Northwestern and Idaho Power.	Lou Ann Westerfield	10/27/08

Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for Monday, November 3, 2008 at 1:00-3:00pm Pacific.

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