



Description of Meeting:	Cost Allocation Committee Meeting
Meeting Date:	November 8, 2010
Meeting Minutes Prepared By:	Lyndee Restad
Approved for Posting:	December 6, 2010

Attendee List: Brian DeKiep, Sharon Helms, Sam Liu, Matt Muldoon, Larry Nordell, Lyndee Restad, Curt Winterfeld

Committee Members Not in Attendance: Rich Bayless, Marshall Empey, Bryce Freeman, Marc Hellman, Jim Logan, Marcy Norby, Lou Ann Westerfield, Joni Zenger, Darrell Zlomke

1. Agenda:

- Review draft notes from the October 4, 2010 Cost Allocation Committee meeting; modify as required and approve to post
- Status update from ad hoc group on development of detailed cost allocation methodology (shooting for report the first week of December)
- Discussion of what members read and have heard about NOPR on cost allocation regarding
 - renewables/clear air as a transmission benefit to be allocated to everyone
 - "snapshot", one-time determination vs. ongoing, dynamic allocation
 - project-by-project analysis vs. long-term build out
- Roundtable discussion of Committee timetable

2. Decisions / Discussions:

Discussion: Review draft notes from the October 4, 2010 Cost Allocation Committee meeting

- The October 4, 2010 Cost Allocation Meeting notes were approved to post on the NTTG website

Discussion: Status update from Ad Hoc Group on development of detailed cost allocation methodology

- The Ad Hoc Group has been working on a detailed cost allocation methodology
 - Group members include: Lou Ann Westerfield, Marcy Norby and Larry Nordell
- Larry Nordell was the only Ad Hoc member present on the call. He did not have any news to report as he has not been involved in the recent group meetings.
- The goal is to have a draft document developed and submitted to the Committee by December 1, 2010
- There is concern that NOPR may change the structure of cost allocation

Discussion: What members have heard and read about the NOPR on Cost Allocation

- Curt Winterfeld had read an article in the Wall Street Journal regarding the NOPR
 - Curt will distribute the article to the Committee
- Committee members discussed renewables and clear air as a transmission benefit to be allocated to all involved
 - This should be part of NTTG's current cost/benefit evaluation
 - In general, we are not comfortable with this, but other entities are. If this becomes a requirement from FERC, NTTG will need to be prepared



- Project-by-project analysis vs. long-term build out was discussed
 - The RTO groups are looking at the obligation of evaluating the cost benefits on one time evaluations
 - This could be a potential direction that we are required to go from the FERC NOPR

Discussion: Roundtable

- A Committee Chair conference call will be scheduled to discuss the February Stakeholder meeting
 - Tentatively it is scheduled for the afternoon of Feb 2nd and the morning of Feb 3rd
 - The meeting will be held in Boise, ID
- Matt Muldoon addressed the topic of reactive power
 - There are difficulties of ensuring the equipment necessary to supply power support will be available or if there is equipment that needs to be added
 - Who is responsible for paying for it?
 - MISO is currently looking at an uplift charge
 - This may be a good topic to discuss with the Planning Committee
- MISO is going to file response comments for the NOPR
 - In the comments, MISO asked FERC to reevaluate their transmission rate incentives
- The next CAC meeting will take place on November 22nd

3. Assignments:

Item #	Assignment	Owner	Target Date	Status
1.	Curt Winterfeld to distribute today's Wall Street Journal article on FERC and Transmission Planning and Cost Allocation	C. Winterfeld		Complete

Next Meeting: The next Northern Tier Cost Allocation Committee meeting is scheduled for November 22nd at 1pm Pacific.

- Voice Conference Mtg. **503-813-5600** (toll free #800-503-3360)
- Meeting ID **688444** and password **123456**