



The following letter and attachments were distributed to state commission representatives, governors and congressional delegates in the Northern Tier footprint states of Idaho, Montana, Oregon, Utah and Wyoming. Letters were also sent to California, Colorado and Wyoming state commissions.

[Recipient name and  
Recipient address]

December 21, 2009

Dear [Recipient]:

The Northern Tier Transmission Group (NTTG) was formed voluntarily in January 2007 to promote effective planning and use of the multi-state electric transmission system within the five-state footprint of Idaho, Montana, Oregon, Utah, and Wyoming. Its members include the five state regulatory commissions, as well as the Montana Consumer Counsel. Its six participating utility members<sup>1</sup> collectively serve more than 2,673,500 customers and own and operate more than 27,500 miles of high-voltage transmission lines spanning the Pacific Northwest and Rocky Mountain regions.

For the past two years, NTTG has undertaken an open, transparent, public process to develop a transmission expansion plan for its sub-regional footprint. This process has included numerous public stakeholder meetings to solicit load and resource data and informational input needed to project the most effective and efficient ways to expand the electrical transmission system to accommodate existing and future needs of retail and wholesale customers and new electric generation resources, both renewable and non-renewable. In addition, this planning process has included coordination with neighboring sub-regional transmission planning groups and support of West-wide planning efforts through the Western Electricity Coordinating Council.

On December 8, 2009, the NTTG Steering Committee adopted the following three reports (collectively, the NTTG Biennial Plan):

The 2008-2009 Biennial Transmission Plan Final Report;  
The 2008-2009 Biennial Plan Cost Allocation Committee Final Report; and  
The 2008-2009 Activity Summary and Accomplishments<sup>2</sup>

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<sup>1</sup> Deseret Generation and Transmission Cooperative, Idaho Power Company, NorthWestern Corporation, PacifiCorp, Portland General Electric Company, and the Utah Associated Municipal Power Systems. PacifiCorp also provides service to customers in Washington and California.

<sup>2</sup> Full copies of these reports can be found on the NTTG website – [www.nttg.biz](http://www.nttg.biz) – in the folder entitled “NTTG Biennial Reports.” These reports contain details on the NTTG planning, cost allocation, and public processes and on each individual project.

One or more of the electric transmission projects included in the NTTG Biennial Plan may be located within your state, may serve customers in your state, or may interconnect with existing or proposed electric transmission projects within your state. The attached summary table indicates cost, estimated in-service date, and cost allocation recommendation for each project and serves as the key for the attached map. The total cost for all projects is estimated at \$8.46 billion.

Transmission planning is an iterative process and the information provided in these reports is dynamic and may not reflect current project configurations or assumptions. Thus, for example, the "no recommendation" for cost allocation for three of the projects is an indicator of not having determinative technical configuration or customer use information at this time, but not precluding future recommendations.

Pursuant to the NTTG Steering Committee Charter, these cost allocation recommendations shall not be interpreted to prejudice any issue or otherwise be binding on any state commission. In adopting the NTTG Biennial Plan, the Steering Committee explicitly states that each state commission retains its decision-making authority; provided, that any state regulatory utility commissioner or any state commission's designated representative (or alternate) that is a member of the Steering Committee shall make reasonable efforts to support in good faith and to the extent possible the principles and objectives of NTTG and the Steering Committee. We are hopeful that the recommendations will be useful in any process you may use to consider any of these projects.

This letter also constitutes an acknowledgement that the Cost Allocation Committee appropriately followed the processes outlined in its charter for reviewing and evaluating the transmission projects included in the NTTG Biennial Plan. Accordingly, all NTTG cost allocation principles have been observed and fairly applied.

Should you need any further information on the NTTG Biennial Plan, please contact Sharon Helms, NTTG Project Manager at [sharon.helms@comprehensivepower.org](mailto:sharon.helms@comprehensivepower.org) or (503) 644-6262.

Sincerely,



Marsha H. Smith  
Co-Chair, NTTG Steering Committee  
Commissioner  
Idaho Public Utilities Commission



John Cupparo  
Co-Chair, NTTG Steering Committee  
Vice President, Transmission  
PacifiCorp

cc: NTTG Steering, Planning, and Cost Allocation Committee members

Attachments: Summary of Proposed Transmission Projects & Transmission Project Map



**2008-2009 NORTHERN TIER TRANSMISSION GROUP BIENNIAL PLAN:  
SUMMARY OF PROPOSED TRANSMISSION PROJECTS**

Project Segment	Project Cost	Estimated In-Service Date	Action
Project 1: Hughes Transmission Project (Basin Electric Power Cooperative)	\$82.9 million	4 <sup>th</sup> Quarter, 2009	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 2: Wyodak South Project (Black Hills Power)	\$53 million (2008 dollars)	The first component of the project is in-service. The estimated in service date of the second component is November 2010	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 3: Mountain States Transmission Intertie (NorthWestern Energy)	\$1.0 billion	2013	No recommendation: Costs will be borne by subscribers
Project 4: Gateway South: Mona-Crystal (PacifiCorp)	\$745 million (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 5: Gateway South: Aeolus-Mona (PacifiCorp)	\$782 million (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 6: Gateway Central: Populus-Terminal (PacifiCorp)	\$815 million (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 7: Gateway Central: Mona-Oquirrh (PacifiCorp)	\$569 million (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers

**2008-2009 NORTHERN TIER TRANSMISSION GROUP BIENNIAL PLAN:  
SUMMARY OF PROPOSED TRANSMISSION PROJECTS**

Project Segment	Project Cost	Estimated In-Service Date	Action
Project 8: Gateway Central: Sigurd-Red Butte- Crystal (PacifiCorp)	Consolidated with Project 4: Gateway South, Mona-Crystal	Not Available	Project 8 is now the same as Project 4: Gateway South, Mona-Crystal
Project 9 and 10 Gateway West: Windstar-Populus (PacifiCorp and Idaho Power)	\$1.37 billion (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 11 and 12 Gateway West: Populus-Hemingway (PacifiCorp and Idaho Power)	\$821 million (nominal dollars)	Not Available	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 13: Boardman – Hemingway (Idaho Power)	\$600 million (2008 dollars)	2015	Recommend cost allocation as proposed: rolled-in to all transmission customers
Project 14: Hemingway – Captain Jack (PacifiCorp)	\$931 million (nominal dollars)	Not Available	No action: Final project configuration TBD
Project 15: Walla Walla – McNary (PacifiCorp)	\$87 million (nominal dollars)	Not Available	No action: Final project configuration TBD
Project 16: Cascade Crossing* (Portland General Electric) * Formerly designated as Southern Crossing	\$610 million (direct costs, 2008 dollars)	2015	Recommend cost allocation as proposed, rolled-in to all transmission customers

# 2008-2009 Northern Tier Transmission Group Biennial Plan: Transmission Project Map

