



February 18, 2015

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: Joint Compliance Filing in Response to December 18 Order
Order No. 1000 (Interregional)

<i>NorthWestern Corporation</i>	Docket No. ER13-1448-___
<i>Deseret Generation & Transmission Co-operative, Inc.</i>	Docket No. ER13-1457-___
<i>Portland General Electric Company</i>	Docket No. ER13-1463-___
<i>Idaho Power Company</i>	Docket No. ER13-1467-___
<i>PacifiCorp</i>	Docket No. ER13-1473-___

Dear Secretary Bose:

Due to FERC's closure on February 17, 2015, pursuant to Rule 2007, the submission of this filing was delayed until FERC reopened.¹ On December 18, 2014, the Federal Energy Regulatory Commission (the "Commission") issued an "Order on Compliance Filings" ("Dec. 18 Order")² in response to the interregional compliance filings submitted under Order No. 1000³ of Deseret Generation & Transmission Co-operative, Inc. ("Deseret"), Idaho Power Company ("Idaho Power"), NorthWestern Corporation ("NorthWestern"), PacifiCorp, and Portland General Electric Company ("Portland General") (individually, a "Filing Party" or, collectively, the "Filing Parties"). In response to the Dec. 18 Order, Filing Parties hereby submit their joint compliance filing in the above-captioned proceedings. The Filing Parties comprise all of the jurisdictional transmission owners of the Northern Tier Transmission Group ("NTTG").

¹ 18 C.F.R. § 385.2007 (2014).

² *Public Service Company of New Mexico, et al.*, 149 FERC ¶ 61,247 (Dec. 18, 2014) (hereinafter, "Dec. 18 Order").

³ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132 (2012), *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

I. COMPLIANCE FILING

A. Interregional Cost Allocation

1. *Dec. 18 Order*

In the Dec. 18 Order, FERC largely accepted the Filing Parties' proposed tariff revisions to implement the Order No. 1000 interregional transmission planning and cost allocation provisions through the use of common tariff language among the four planning regions in the United States portion of the Western Interconnection. However, when addressing the cost allocation provisions of the Filing Parties' common tariff language, the Commission noted that "[California Independent System Operator Corporation's ("CAISO")] Commission-accepted regional cost allocation method does not include any regional determination of benefits to be applied to regional or interregional transmission facilities. Instead, under its regional cost allocation method, CAISO allocates the costs of regional transmission facilities to all users of the CAISO-controlled grid based on their actual MWh use of the system."⁴

The Commission went on to note that, "[pursuant] to section 5.2(c) of the common tariff language, as currently proposed, it is unclear how CAISO will determine regional benefits, stated in dollars, resulting from a proposed interregional transmission facility, pursuant to its regional cost allocation methodology, such that the Relevant Planning Regions can each calculate their *pro rata* and total shares of interregional transmission facility costs to determine whether the proposed interregional transmission facility is a more efficient or cost-effective solution to a regional transmission need."⁵

Therefore, the Commission directed the "Western Filing Parties," which includes the Filing Parties, to "submit a compliance filing . . . revising section 5.2(c) of the common tariff language to incorporate CAISO's method for determining the regional benefits of a proposed interregional transmission facility."⁶

2. *Filing Parties' Response*

Section 5.2(c) of the common tariff language provides as follows:

"For each [Interregional Transmission Project (ITP)] that meets the requirements of Section 5.1, [[Planning Region]] (if it is a Relevant Planning Region): . . .

(c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in [[Planning Region]], [[Planning Region]] is to use its regional cost allocation methodology, as applied to ITPs; . . ." (Emphasis added)

⁴ Dec. 18 Order at ¶ 159.

⁵ *Id.*

⁶ *Id.*

To address the Commission's concerns in its Dec. 18 Order, in a separate filing, CAISO is proposing amendments to section 24.17 of its tariff.⁷ Section 24.17 of CAISO's tariff relates to the evaluation of Interregional Transmission Projects. CAISO is revising section 24.17 to clarify the regional benefits of an interregional transmission project it will consider, as stated in dollars, and based upon those benefits, CAISO is clarifying the methodology it will use to allocate the costs of an interregional transmission project to the CAISO. CAISO reviewed these proposed amendments with the western planning regions, including NTTG.

Section 5.2(c) of the common tariff language applies to the "regional cost allocation methodology" a planning region uses with "[Interregional Transmission Projects.]" Because the proposed CAISO tariff revisions clarify the application of the CAISO's methodology for allocating costs of an ITP, section 5.2(c) of the common tariff language, as currently written, incorporates these changes. Accordingly, Filing Parties do not believe changes to the common tariff language, or to their specific tariffs that incorporate the common tariff language, are necessary.

B. PacifiCorp eTariff Filing

1. *Dec. 18 Order*

Additionally, in the Dec. 18 Order, the Commission identified a ministerial issue with PacifiCorp's Attachment K filing in eTariff. Specifically, the Commission stated, "We note that PacifiCorp incorrectly submitted its Attachment K in eTariff so that it superseded the title page section of its OATT rather than the existing Attachment K. In the further compliance filing, PacifiCorp should submit a tariff record to restore the title page section to its OATT and submit its revised Attachment K so that it supersedes the existing Attachment K section of its OATT."⁸

2. *PacifiCorp's Response*

In accordance with the Commission's directive, PacifiCorp is concurrently submitting revised tariff records through eTariff to include historical versions of (i) its title page and Table of Contents to its OATT and (ii) its Attachment K, to correct the issue identified with the subject compliance filing of PacifiCorp's Attachment K. However, the historical versions of both tariff sections submitted herewith have been necessarily superseded by subsequent eTariff filings accepted by the Commission.

II. **WAIVERS**

To the extent necessary, the Filing Parties respectfully request a waiver of any of the filing requirements set out in 18 C.F.R. Part 35 that are not otherwise provided or addressed herein.

⁷ Filing Parties expect CAISO's filing to be submitted to the Commission in FERC Docket No. ER13-1470-000.

⁸ Dec. 18 Order at fn. 5.

III. COMMUNICATIONS

Communications concerning this filing should be directed to the following representatives of the Filing Parties:

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Ms. Kimberly D. Bose

February 18, 2015

Page 5

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* Designated to receive service in accordance with Section 385.2010 of the
Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

IV. CONCLUSION

For the reasons set forth above, the Filing Parties request that the Commission find that each of Deseret, Idaho Power, NorthWestern, PacifiCorp, and Portland General are in full compliance with the relevant interregional planning and cost allocation provisions of Order No. 1000 and the Dec. 18 Order.

Respectfully submitted this 18th day of February, 2015.

DESERET GENERATION &
TRANSMISSION CO-OPERATIVE, INC.

NORTHWESTERN CORPORATION

/s/ Craig Silverstein

/s/ Andrew McLain

By _____
Craig W. Silverstein
Attorney for Deseret Generation &
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M. Andrew McLain
Attorney for NorthWestern
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Ms. Kimberly D. Bose

February 18, 2015

Page 6

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Attorney for Idaho Power Company

PACIFICORP

/s/ Mark Rabuano

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Mark M. Rabuano
Attorney for PacifiCorp

PORTLAND GENERAL ELECTRIC
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/s/ Donald Light

By _____
Donald J. Light
Attorney for Portland General
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cc: Christopher Thomas, FERC

Ms. Kimberly D. Bose

February 18, 2015

Page 7

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designed on the official service list compiled by the Secretary in Docket Nos. ER13-1457-000, ER13-1467-000, ER13-1448, ER13-1473-000, and ER13-1463-000.

Dated this 18th day of February, 2015.

/s/ Malcolm McLellan

Malcolm McLellan