

## **ATTACHMENT K**

### **Transmission Planning Process**

#### **Preamble**

In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, and interregional planning basis. Section 2 of this Attachment K addresses the local planning process. Section 3 of this Attachment K addresses the regional planning process. Section 4 of this Attachment K addresses interregional coordination with the other planning regions in the United States portion of the Western Interconnection.

The Transmission Provider is responsible for maintaining its Transmission System and planning for transmission and generator interconnection service pursuant to the Tariff and other agreements. The Transmission Provider retains the responsibility for the local planning process and Local Transmission Plan and may accept or reject in whole or in part, the comments of any stakeholder unless prohibited by applicable law or regulation.

#### **1. Definitions<sup>1</sup>**

Unless defined below, capitalized terms shall refer to terms defined in the Tariff.

**1.1 Alternative Project:** Alternative Project is defined in Section 3.7.3.2 and collectively refers to Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects identified by the Planning Committee (if any).

**1.2 Annual Capital-Related Costs:** Annual Capital-Related Costs is defined in Section 3.7.4.2.

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<sup>1</sup>Please note that additional definitions with respect to interregional coordination and cost allocation are contained in Section 4 of this Attachment K, which contains provisions that are common among each of the planning regions in the United States portion of the Western Interconnection.

**1.3 Applicant:** Applicant is defined in Section 3.7.2.2 as a Project Sponsor and a stakeholder that submits an unsponsored project.

**1.4 Beneficiary:** shall mean any entity, including but not limited to transmission providers (both incumbent and non-incumbent), Merchant Transmission Developers, load serving entities, transmission customers or generators that utilize the regional transmission system within the NTTG Footprint to transmit energy or provide other energy-related services.

**1.5 Biennial Study Plan:** shall mean the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

**1.6 Change Case:** A Change Case is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more Non-Committed projects in the IRTP. The deletion or deferral of a Non-Committed Project in the IRTP without including an Alternative Project can also be a Change Case.

**1.7 Committed Project:** A Committed Project is defined in Section 3.9.1 as a project that has all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of Quarter 1 of the current Regional Planning Cycle.

**1.8 Confidentiality Agreement:** shall mean the agreement posted on Transmission Provider's OASIS at [http://www.oasis.oati.com/PPW/PPWdocs/Confidentiality\\_Agreement\\_Non\\_CII-Template\\_-\\_Mutual\\_2012.doc](http://www.oasis.oati.com/PPW/PPWdocs/Confidentiality_Agreement_Non_CII-Template_-_Mutual_2012.doc). The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.11.3 and 3.5.2.

**1.9 Cost Allocation Committee:** Cost Allocation Committee is defined in Section 3.1.

**1.10 Cost Allocation Committee Charter:** shall mean that document attached as Exhibit D to this Attachment K.

**1.11 Cost Allocation Data Form:** shall mean the form posted on the NTTG Website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

**1.12 Critical Energy Infrastructure Information ("CEII"):**

Critical Energy Infrastructure Information is defined by the Commission's regulations in 18 C.F.R. Part 388 (or any successor thereto) and associated orders issued by the Commission.

**1.13 Data Submittal Form:** shall mean the form posted on the NTTG Website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

**1.14 Demand Resources:** shall mean mechanisms to manage demand for power in response to supply conditions, for example, having electricity customers reduce their consumption at critical times or in response to market prices. For purposes of this Attachment K, this methodology is focused on curtailing demand to avoid the need to plan new sources of generation or transmission capacity.

**1.15 Draft Regional Transmission Plan:** Draft Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 4, as provided for in Section 3.7.4.5, and presented to stakeholders for comment in Quarter 5 as set forth in Section 3.7.5.

**1.16 Draft Final Regional Transmission Plan:** Draft Final Regional Transmission Plan refers to the version of the Regional Transmission Plan that is produced by the end of Quarter 6, as provided for in Section 3.7.6.3, presented to stakeholders for comment in Quarter 7 as set forth in Section 3.7.7, and presented, with any necessary modifications, to the Steering Committee for adoption in Quarter 8 as set forth in Section 3.7.8.

**1.17 Economic Study or Economic Congestion Study:** shall mean an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

**1.18 Economic Study Request or Economic Congestion Study Request:** shall mean a written request submitted by an Eligible Customer or stakeholder to the Transmission Provider to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources,

not otherwise considered in the Local Transmission Plan, to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, and Regional Economic Study Request.

**1.19 Economic Study Request Form:** shall mean the form posted on the NTTG Website used to submit an Economic Study Request as referenced in Section 3.11.1.

**1.20 Finance Agent Agreement:** The Finance Agent Agreement is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

**1.21 Funding Agreement:** Funding Agreement refers to the current version of the agreement among the entities funding the activities of NTTG. The Funding Agreement is available on the NTTG Website.

**1.22 Incumbent Transmission Developer:** Incumbent Transmission Developer refers to an entity that develops a transmission project within its own retail distribution service territory or footprint.

**1.23 Initial Regional Transmission Plan ("IRTP"):** Initial Regional Transmission Plan is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders' Local Transmission Plans.

**1.24 Local Economic Study Request:** shall mean an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the Planning Committee (if the request is received by the NTTG Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.

**1.25 Local Transmission Plan or LTP:** shall mean the Transmission Provider's transmission plan that identifies the upgrades and other investments to the Transmission System and Demand Resources necessary to reliably satisfy, over the planning horizon, Network Customers' resource and load growth expectations for designated Network Load and Network Resource additions; Transmission Provider's resource and load growth expectations for Native Load Customers; Transmission Provider's transmission obligation for Public Policy Requirements; Transmission Provider's obligations pursuant to grandfathered, non-OATT agreements; and Transmission Provider's Point-to-Point Transmission Service Customers' projected service needs including obligations for rollover rights.

**1.26 LTP Re-Study Request:** shall mean a request by an Eligible Customer to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft Local Transmission Plan (produced pursuant to Section 2 of Attachment K), to reduce the cost of reliably serving the forecasted needs of the Transmission Provider and its customers set forth in the Local Transmission Plan.

**1.27 Merchant Transmission Developer:** Merchant Transmission Developer refers to an entity that assumes all financial risk for developing and constructing its transmission project. A Merchant Transmission Developer recovers the costs of constructing the proposed transmission project through negotiated rates instead of cost-based rates. A Merchant Transmission Developer does not seek to allocate the costs associated with its merchant transmission facilities to other entities.

**1.28 Monetized Non-Financial Incremental Costs:** Monetized Non-Financial Incremental Costs are defined in Section 3.7.4.1.

**1.29 NTTG:** shall mean Northern Tier Transmission Group or its successor organization.

**1.30 NTTG Footprint:** shall mean the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

**1.31 NTTG Website:** shall mean www.nttg.biz  
<http://www.nttg.biz>.

**1.32 Non-Committed Project:** A project that is not a Committed Project.

**1.33 Nonincumbent Transmission Developer:** Nonincumbent Transmission Developer refers to two categories of transmission developer: (1) a transmission developer that does not have a retail distribution service territory or footprint; and (2) a public utility transmission provider that proposes a transmission project outside of its existing retail distribution service territory or footprint, where it is not the incumbent for purposes of that project.

**1.34 Original Project:** A project selected in the prior Regional Transmission Plan.

**1.35 Ownership-Like Rights:** Ownership-Like Rights are defined in Section 3.8.2.2.

**1.36 Planning Committee:** Planning Committee is defined in Section 3.1.

**1.37 Planning Committee Charter:** shall mean that document attached as Exhibit C to this Attachment K.

**1.38 Project Sponsor:** Project Sponsor is defined in Section 3.7.1.1 as the Nonincumbent Transmission Provider or Incumbent Transmission Provider intending to develop the project that is submitted into the planning process.

**1.39 Public Policy Considerations:** shall mean those public policy considerations that are not established by local, state, or federal laws or regulations.

**1.40 Public Policy Requirements:** shall mean those public policy requirements that are established by local, state, or federal laws or regulations, meaning enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction.

**1.41 Regional Economic Study Request:** shall mean an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as

determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

**1.42 Regional Planning Cycle:** shall mean NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

**1.43 Regional Transmission Plan:** shall mean the current, final regional transmission plan, as approved by the Steering Committee.

**1.44 Sponsor Qualification Data Form:** shall mean the form posted on the NTTG Website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

**1.45 Sponsored Project:** shall mean the project proposed by a Project Sponsor.

**1.46 Steering Committee:** Steering Committee is defined in Section 3.1.

**1.47 Steering Committee Charter:** shall mean that document attached as Exhibit B to this Attachment K.

**1.48 WECC:** shall mean Western Electricity Coordinating Council or its successor organization.

## **2. Local Planning Process**

### **2.1. Preparation of a Local Transmission System Plan**

2.1.1. With the input of affected stakeholders, Transmission Provider shall prepare one (1) Local Transmission Plan during each two-year planning cycle. The Local Transmission Plan on its own does not

effectuate any transmission service requests or designation of a future Network Resource. A request for Point-to-Point Transmission Service must be made as a separate and distinct submission by an Eligible Customer in accordance with the procedures set forth in Part II of the Tariff and posted on the Transmission Provider's OASIS. Similarly, Network Customers must submit Network Resource and Network Load additions/removals pursuant to the process described in Part III of the Tariff. The Local Transmission Plan shall study a ten (10) year planning horizon, unless an Eligible Customer's request submitted through the Tariff process specifically identifies a future new resource location on a 20 year horizon. In that case the Local Transmission Plan will be extended to 20 years.

2.1.2 The Transmission Provider shall consider the information obtained pursuant to Section 2.4 below, and transmission needs driven by Public Policy Requirements, in the preparation of the next planning cycle Local Transmission Plan. Transmission Provider may, following stakeholder input, also include results of completed Economic Congestion Studies, completed pursuant to Section 2.7 below, in either the draft Local Transmission Plan or the next planning cycle, depending on whether the study was requested in Quarter 1 or Quarter 5. In developing the Local Transmission Plan, Transmission Provider shall apply applicable reliability criteria, including criteria established by the Transmission Provider, WECC, the North American Electric Reliability Corporation, and the Federal Energy Regulatory Commission.

2.1.3. The Transmission Provider shall take the Local Transmission Plan into consideration, to the extent required by state law, when preparing its next state required integrated resource plan and, as appropriate, when preparing system impact studies, facilities studies and other feasibility studies.

2.1.4. The Transmission Provider may evaluate the draft Local Transmission Plan by modeling the effects of LTP Re-Study Requests timely submitted by Eligible Customers in accordance with Sections 2.2.2.4 and 2.4, below. The Transmission Provider may, at its discretion, modify the draft Local Transmission Plan



before finalization to incorporate results from a LTP Re-Study.

2.1.5. The Transmission Provider shall conduct a Planning Meeting during each quarter in the planning cycle to present a status report on the Local Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and/or receive comments. The meetings shall be open to all stakeholders, including but not limited to Eligible Customers, other transmission providers, federal, state and local commissions and agencies, trade associations, and consumer advocates. The date and time of the Planning Meeting shall be posted on Transmission Provider's OASIS, and may be held on no less than ten (10) business days' notice. The location of the Planning Meeting shall be as selected by the Transmission Provider, or may be held telephonically or by video or internet conference.

2.1.6 The Transmission Provider shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements and Public Policy Considerations.

## 2.2. Coordination

2.2.1. Planning Cycle. Transmission Provider shall prepare the Local Transmission Plan over a two year planning cycle over eight (8) quarters. Planning cycles will commence biennially pursuant to the schedule identified in the Transmission Provider's transmission planning business practice, "Transmission Planning Practices Document," posted on Transmission Provider's OASIS.

### 2.2.2. Sequence of Events.

2.2.2.1. Quarter 1: Transmission Provider will gather: (1) Network Customers' projected loads and resources and load growth expectations (based on annual updates under Part III of the Tariff and other information available to the Transmission Provider); (2) Transmission Provider's projected load growth and resource needs for Native Load Customers; (3) Eligible Customers' projections of Point-to-Point Transmission

Service usage at each Point of Receipt and Point of Delivery (based on information submitted by Eligible Customers to the Transmission Provider pursuant to Section 2.3.1.1 below) including projected use of rollover rights; (4) information from all Transmission and Interconnection Customers concerning existing and planned Demand Resources and their impacts on demand and peak demand; and (5) transmission needs driven by Public Policy Requirements and Public Policy Considerations submitted by all stakeholders.

The Transmission Provider shall take into consideration, to the extent known or which may be obtained from its Transmission Customers, obligations that will either commence or terminate during the planning cycle. Any stakeholder may submit data to be evaluated as part of the preparation of the draft Local Transmission Plan, and/or the development of sensitivity analyses, including alternate solutions to the identified needs set out in prior Local Transmission Plans and transmission needs driven by Public Policy Requirements and Public Policy Considerations. In doing so, the stakeholder shall submit the data as specified in the Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS at: [http://www.oasis.oati.com/PPW/PPWdocs/PlanningPracticesDocument\\_v19\\_updated\\_links\\_pdf.pdf](http://www.oasis.oati.com/PPW/PPWdocs/PlanningPracticesDocument_v19_updated_links_pdf.pdf)

Transmission Provider shall use Point-to-Point Transmission Service usage forecasts and Demand Resources forecasts to determine system usage trends, and such forecasts do not obligate the Transmission Provider to construct facilities until formal requests for either Point-to-Point Transmission Service or Generator Interconnection Service requests are received pursuant to Parts II and IV of the Tariff.

Transmission Customers may submit Quarter 1 Economic Congestion Study Requests, in accordance with Section 2.7, by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

During the Quarter 1 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the

quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 1 Planning Meeting, Transmission Provider shall also specifically:

- Explain the planning process;
- Present proposed planning goals and discuss with stakeholders;
- Discuss data collected and discuss adequacy of data, as well as additional data required;
- Discuss priority of Economic Congestion Study Requests; and
- Discuss creation, scope, and membership of local area focus groups.

In Quarter 1, the Transmission Provider will separate the transmission needs driven by public policy into the following:

- Those needs driven by Public Policy Requirements that will be evaluated in the transmission planning process that develops the Local Transmission Plan;
- Those needs driven by Public Policy Requirements and Public Policy Considerations that will be used in the development of sensitivity analyses; and
- Those needs driven by Public Policy Considerations that will not otherwise be evaluated.

Transmission Provider will post on its OASIS website an explanation of which transmission needs driven by public policy will be evaluated for potential solutions in the biennial transmission planning process and an explanation of why other suggested transmission needs driven by public policy will not be evaluated.

Once identified, the Public Policy Requirements driving transmission needs will not be revised by the Transmission Provider during the development of the Local Transmission Plan unless unforeseen circumstances require a modification to the identified Public Policy Requirements driving transmission needs. In this instance, stakeholders will be consulted

before the Public Policy Requirements driving transmission needs are modified.

The evaluation process and selection criteria for inclusion of transmission needs driven by Public Policy Requirements in the Local Transmission Plan will be the same as those used for any other local project in the Local Transmission Plan. In its technical analysis, the Transmission Provider will insert the transmission needs driven by Public Policy Requirements in the transmission planning process to be jointly evaluated with other local projects, rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs.

The process by which transmission needs driven by Public Policy Requirements and Public Policy Considerations will be received, reviewed and evaluated is described in Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS website at:  
[http://www.oasis.oati.com/PPW/PPWdocs/PlanningPracticesDocument\\_v19\\_updated\\_links\\_pdf.pdf](http://www.oasis.oati.com/PPW/PPWdocs/PlanningPracticesDocument_v19_updated_links_pdf.pdf)

A regional or interregional Project Sponsor may submit information for its project to the Transmission Provider or Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Section 3.7 of this Attachment K.

2.2.2.2. Quarter 2: Transmission Provider will, with stakeholder input, define and post on OASIS the basic methodology, planning criteria, assumptions, databases, and processes the Transmission Provider will use to prepare the Local Transmission Plan. The Transmission Provider will also select appropriate base cases from the databases maintained by the WECC, and determine the appropriate changes needed for the Local Transmission Plan development. The Transmission Provider may adjust any base case to make that base case consistent with local planning assumptions and data.

Transmission Provider will also select up to one high priority Economic Congestion Study Request, with

stakeholder input, to conduct during the first year of the planning cycle.

All stakeholder submissions will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 2 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 2 Planning Meeting, Transmission Provider shall also specifically:

- Present the finalized methodology/planning criteria/process to be used;
- Present final planning goals and discuss with stakeholders;
- Present proposed assumptions and discuss with stakeholders;
- Present a proposed Economic Congestion Study, or cluster of studies, to conduct during the first year of the planning cycle; and
- Present selected base case and scenarios to be studied.

2.2.2.3. Quarters 3 and 4: Transmission Provider will prepare and post on OASIS a draft Local Transmission Plan. The Transmission Provider may elect to post interim iterations of the draft Local Transmission Plan, and solicit public comment prior to the end of the applicable quarter.

During the Quarters 3 and 4 Planning Meetings, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders.

During the Quarter 3 Planning Meeting, Transmission Provider shall also specifically:

- Discuss status of the local planning process and any interim iterations of the draft Local Transmission Plan.

During the Quarter 4 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the draft Local Transmission Plan.

2.2.2.4. Quarter 5: Eligible Customers may submit LTP Re-Study Requests to the Transmission Provider as set out in Section 2.4. Any stakeholder may submit comments, additional information about new or changed circumstances relating to loads, resources, transmission projects, transmission needs driven by Public Policy Requirements and Public Policy Considerations, or alternative solutions to be evaluated as part of the preparation of the draft Local Transmission Plan, or submit identified changes to the data it provided in Quarter 1. The level of detail provided by the stakeholder should match the level of detail described in Quarter 1 above.

Requests received subsequent to Quarter 5 will only be considered during the planning cycle if the Transmission Provider can accommodate the request without delaying completion of the Local Transmission Plan.

Transmission Customers may submit Quarter 5 Economic Congestion Study Requests, in accordance with Section 2.7, by the dates identified in the Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS.

All stakeholder submissions, including transmission needs driven by Public Policy Requirements and Public Policy Considerations, will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers; solutions, including transmission solutions driven by Public Policy Requirements and Public Policy Considerations, will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.

During the Quarter 5 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 5 Planning Meeting, Transmission Provider shall also specifically:

- Discuss LTP Re-Study Requests received by the Transmission Provider;
- Seek input from stakeholders on the selection of LTP Re-Study Requests; and
- Present a proposed Economic Congestion Study, or cluster of studies, to conduct during the second year of the planning cycle.

2.2.2.5. Quarter 6: Transmission Provider will model and consider the selected LTP Re-Study Requests and Economic Congestion Studies accepted in the prior quarter with the draft Local Transmission Plan. Transmission Provider will also conduct the Quarter 5 economic planning study, or cluster of studies.

During the Quarter 6 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present drafts of documents, and accept comments from stakeholders. During the Quarter 6 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the status, and any preliminary findings, of any LTP Re-Study Requests modeled with the draft Local Transmission Plan; and
- Discuss the status and any preliminary findings of the Quarter 5 Economic Congestion Study.

2.2.2.6. Quarter 7: Transmission Provider will finalize and post on OASIS the Local Transmission Plan taking into consideration appropriate LTP Re-Study Request results, written comments received by the owners and operators of interconnected transmission systems, written comments received by Transmission Customers and other stakeholders, and timely comments submitted during Planning Meetings at study milestones.

During the Quarter 7 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 7 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the final Local Transmission Plan;
- Discuss the results of any LTP Re-Study Request and whether the results were incorporated into the final Local Transmission Plan; and
- Discuss the results of the Quarter 5 Economic Congestion Study.

2.2.2.7. Quarter 8: The Transmission Provider shall post the final Local Transmission Plan on its OASIS and submit to NTTG during Quarter 1 of the next Regional Planning Cycle (as specified in Sections 3.3.4 and 3.7.2)..

During the Quarter 8 Planning Meeting, Transmission Provider shall generally address the status of the LTP process, summarize the substantive results of the quarter, present documents, and accept comments from stakeholders. During the Quarter 8 Planning Meeting, Transmission Provider shall also specifically:

- Discuss the submittal of the final Local Transmission Plan to regional entities and any required coordination with other Transmission Providers.

2.2.3. Focus Groups. Transmission Provider may, at its discretion but with input from stakeholders, including state regulators, establish focus groups during Quarter 1 to address specific, identified area planning issues. The Transmission Provider may, at its discretion, establish additional focus groups at any time during the planning process to address significant legislative or regulatory changes affecting either stakeholders or the Transmission Provider. The focus group will review available data and the impact of any previous Local Transmission Plan on Transmission Service to the identified area, and provide recommendations to the Transmission Provider to be considered for incorporation into the planning



assumptions and/or final Local Transmission Plan. Membership to the focus groups will be open to all stakeholders, Transmission Customers, and Eligible Customers. The Transmission Provider will act as the facilitator for the focus group. The focus group shall address as many issues as possible via email and teleconference. Each focus group shall select a chairperson to set the timeline for discussion and developing recommendations within the scope of the 8 quarter planning cycle. All recommendations of the focus group must be based on the consensus of the focus group.

2.2.4 Regional Plan. Transmission Provider will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Order Nos. 890 and 1000.

## 2.3. Information Exchange

### 2.3.1. Forecasts

2.3.1.1. Each Point-to-Point Transmission Customer shall, during Quarter 1 of each planning cycle, submit to the Transmission Provider its good-faith projected ten (10) year forecast of its transmission service needs. The forecast shall specify the Point of Receipt and Point of Delivery at the bus level. Forecasts shall specify the hourly values for the forecast period, or conversely provide an annual hourly shape to be applied to the forecast period.

2.3.1.2. Each Network Customer shall, pursuant to Part III of the Tariff and/or its Network Operating Agreement, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely provide an annual hourly load shape than can be applied to the forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the LTP.

2.3.1.3. The Transmission Provider on behalf of Native Load Customers shall, during each planning cycle, submit to the Transmission Provider its good-faith ten (10) year load and resources forecast including existing and planned Demand Resources and their impacts on demand and peak demand. The forecast shall specify the hourly demand values for the forecast period, or conversely provide an annual hourly load shape that can be applied to the forecast period. Transmission Provider shall use the most recent forecast available during Quarter 1 of the planning cycle in the development of the LTP.

2.3.1.4. Transmission Needs Driven by Public Policy: All stakeholders have the opportunity to submit transmission needs driven by Public Policy Requirements and Public Policy Considerations during Quarter 1 of the biennial planning cycle.

2.3.2. Participation. If any Eligible Customer or stakeholder fails to provide data or otherwise participate as described in this Attachment K, then the Transmission Provider shall not be obligated to include the eligible customer's requirements in the Transmission Provider's planning obligations. If any Network Customer fails to provide data or otherwise participate as required by this Attachment K, the Transmission Provider shall plan the system based on the most recent load and resource data received, adjusted for recent observed Network Customer usage patterns.

## 2.4. LTP Re-Study Requests

2.4.1. During Quarter 5, an Eligible Customer may submit a LTP Re-Study Request to the Transmission Provider, along with all data in its possession supporting the request to be modeled. Transmission Provider shall identify the form for a LTP Re-Study Request and identify minimum required data to accompany the request in its transmission planning business practice. After reviewing a LTP Re-Study Request, the Transmission Provider may identify additional data requirements. The Eligible Customer submitting the LTP Re-Study Request shall work in good faith to assist the Transmission Provider in gathering all necessary data to perform the modeling request. To

the extent necessary, any coordination between the requesting Eligible Customer and the Transmission Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.4.2. The Transmission Provider may cluster or batch LTP Re-Study Requests so that the Transmission Provider is able to model the requests in the most efficient manner. The Transmission Provider may prioritize the study requests based upon its evaluation of study requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan.

2.4.3. The Transmission Provider shall notify the requester of a LTP Re-Study Request within ten (10) business days of receipt of a completed LTP Re-Study Request whether or not the study request will be included as part of the Local Transmission Plan evaluation during Quarter 5 of the planning cycle, or whether additional information is required to make an appropriate determination.

## 2.5. OASIS Posting Requirements

2.5.1. The Transmission Provider shall maintain on its OASIS all information related to this Attachment K including a subscription service whereby any stakeholder or Transmission Customer may register to receive e-mail notices and materials related to the Local Transmission Plan process.

2.5.2. Content of OASIS Postings. Transmission Provider shall post on its OASIS the planning information and links to publicly available documents identified below:

2.5.2.1. The Transmission Provider's transmission planning business practice along with the procedures for modifying the business practice;

2.5.2.2. Planning cycle timeline;

2.5.2.3. Each LTP Re-Study Request, and response from the Transmission Provider;

2.5.2.4. The minutes of each quarterly Planning Meeting;

2.5.2.5. In advance of its discussion at any Planning Meeting, all materials to be discussed;

2.5.2.6. Written comments submitted to the Transmission Provider in relation to the Local Transmission Plan;

2.5.2.7. A list and explanation of which transmission needs driven by public policy received during Quarter 1 will be evaluated in the biennial planning process and explanation as to why other suggested transmission needs driven by public policy received during Quarter 1 will not be evaluated;

2.5.2.8. The draft, interim (if any), and final versions of the Local Transmission Plan;

2.5.2.9. At a minimum, the final version of all completed Local Transmission Plans for the three previous planning cycles;

2.5.2.10. Aggregated load forecasts representing the Transmission Provider's total transmission service forecast for its transmission system;

2.5.2.11. Summary list of Critical Energy Infrastructure Information (CEII) submitted during the planning process;

2.5.2.12. Links to relevant NTTG agreements, charters, and documents;

2.5.2.13. Links to relevant WECC and WECC TEPPC agreements, charters, and documents; and

2.5.2.14. Information describing the extent that the Transmission Provider has undertaken a commitment to build a transmission facility included in NTTG's Regional Transmission Plan.

2.5.3. Database Access. A stakeholder may receive read-only access from the Transmission Provider to the database and all changes to the database used to prepare the Local Transmission Plan according to the database access rules established by the WECC and upon certification to the Transmission Provider that the stakeholder is permitted to access such database. Unless expressly ordered to do so by a court of competent jurisdiction or regulatory agency, the Transmission Provider has no obligation to disclose database information to any stakeholder that does not qualify for access.

2.6. Cost Allocation. Cost allocation principles expressed here are applied in a planning context of transparency and do not supersede cost obligations as determined by other parts of the Tariff which include but are not limited to transmission service requests, generation interconnection requests, Network Upgrades, Direct Assigned Facilities, or other cost allocation principles as may be determined by any state having jurisdiction over the Transmission Provider.

2.6.1. Individual Transmission Service Request Costs Not Considered. The costs of upgrades or other transmission investments subject to an existing transmission service request pursuant to the Tariff are evaluated in the context of that transmission service request. Nothing contained in this Attachment K shall relieve or modify the obligations of the Transmission Provider or the requesting Transmission Customer contained in the Tariff.

2.6.2. Rate Recovery. Notwithstanding any other section of this Attachment K, Transmission Provider will not assume cost responsibility for any project if the cost of the project is not reasonably expected to be recoverable in its retail and/or wholesale rates.

2.6.3. Categories of Included Costs. The Transmission Provider shall categorize projects set forth in the Local Transmission Plan for allocation of costs into the following types:

2.6.3.1. Type 1: Type 1 transmission line costs are those related to the provision of service to the Transmission Provider's Network and Native Load

Customers. Type 1 costs include, to the extent such agreements exist, costs related to service to others pursuant to grandfathered transmission agreements.

2.6.3.2. Type 2: Type 2 costs are those related to Point-to-Point Transmission Service and requests for service.

2.6.3.3. Type 3: Type 3 costs are those incurred specifically as alternatives to (or deferrals of) transmission line costs (typically Type 1 projects), such as the installation of distributed resources (including distributed generation, load management and energy efficiency). Type 3 costs do not include Demand Resources projects which do not have the effect of deferring or displacing Type 1 costs.

2.6.4. Cost Allocation Principles. Unless an alternative cost allocation process is utilized and described in the Local Transmission Plan, the Transmission Provider shall identify anticipated cost allocations in the Local Transmission Plan based upon the end-use characteristics of the project according to categories of costs set forth above and the following principles:

2.6.4.1. Principle 1: The Commission's regulations, policy statements and precedent on transmission pricing shall be followed.

2.6.4.2. Principle 2: To the extent not in conflict with Principle 1, costs will be allocated consistent with the provisions of Section 3.8 of this Attachment K.

## 2.7. Economic Congestion Studies

2.7.1. Economic Congestion Study Requests. Any Eligible Customer or stakeholder may submit an Economic Congestion Study Request during either Quarter 1 or Quarter 5 of the planning cycle, and such request must be received by March 31st of each year, pursuant to the procedures specified in the transmission planning business practice. Transmission Provider will complete up to two high priority Economic Congestion Studies during the planning cycle: one during the first year of the biennial planning

cycle and one during the second year of the biennial planning cycle. By June 30th of each year, Transmission Provider shall determine the Local Economic Study(ies) to be performed by the end of the respective Quarter 4 or Quarter 8 of the biennial planning cycle. Transmission Provider shall complete additional Economic Congestion Studies at the sole expense of the parties requesting such studies. Transmission Provider may choose to contract, at its discretion, with a qualified third-party to perform Economic Congestion Studies.

2.7.2. Categorization of Economic Congestion Studies.

The Transmission Provider will categorize each Economic Congestion Study Request as local or regional. If the Economic Congestion Study Request is categorized as regional the Transmission Provider will notify the requesting party and forward the Economic Congestion Study Request to NTTG for consideration and processing under NTTG's procedures.

2.7.2.1. Local Economic Congestion Studies. If the Economic Congestion Study Request (1) identifies Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the NTTG Planning Committee (if the request is received by the Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems, the study request will be considered a Local Economic Study Request and will be prioritized under this Section 2.

2.7.2.2. Regional Economic Congestion Studies. If the Economic Congestion Study Request (1) identifies Point(s) of Receipt and Point(s) of Delivery that are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Point(s)

of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members, the study request will be considered a Regional Economic Study Request and will be processed under Section 3.

2.7.2.3. Economic Congestion Study Requests Not Applicable. To be considered by the Transmission Provider, any Economic Congestion Study Request must (1) contain at least one Point of Receipt or Point of Delivery within the Transmission Provider's scheduling footprint, or (2) be reasonably determined by Transmission Provider to be geographically located within the Transmission Provider's scheduling footprint.

2.7.3. Prioritization. Transmission Provider shall categorize and prioritize, with stakeholder input, one Economic Congestion Study Request to study as part of the local planning process each year of the biennial planning cycle. In the event that more than two Economic Congestion Study Requests are received by the Transmission Provider during either Quarter 1 or Quarter 5, the Transmission Provider shall determine which Economic Congestion Study will be performed based on (i) evaluation of requests that present the most significant opportunities to reduce overall costs of the Local Transmission Plan while reliably serving the load growth needs being studied in the Local Transmission Plan, (ii) the date and time of the request, and (iii) input from stakeholders at the Planning Meetings.

2.7.4. Requests. Any Transmission Customer or stakeholder may submit an Economic Congestion Study Request to the Transmission Provider, along with the required data. The specific form for submitting an Economic Congestion Study Request and supporting data requirements shall be posted on the Transmission Provider's OASIS or maintained as part of the Transmission Provider's transmission planning business



practice. The party submitting an Economic Congestion Study Request shall work in good faith to assist the Transmission Provider in gathering the data necessary to perform the modeling request. To the extent necessary, any coordination between the requesting party and the Transmission Provider shall be subject to appropriate confidentiality requirements, as set out in Section 2.11.3 below.

2.7.4.1. The Transmission Provider shall notify the requesting party within ten (10) business days of receipt of a completed Economic Congestion Study Request whether or not the request will be included and prioritized as part of the Local Transmission Plan evaluation during Quarter 1 or Quarter 5 of the biennial planning cycle, or whether additional information is required to make an appropriate determination.

2.7.4.2. If the Transmission Provider determines that a specific Economic Congestion Study Request will not be modeled as part of the planning cycle, the requesting party may request that the Transmission Provider conduct the Economic Congestion Study at the requesting party's expense. In this event, the Transmission Provider shall tender an agreement setting forth the estimated cost of the study, the specific data and assumptions, and any other relevant information. The requesting party shall be responsible for the actual cost of the Economic Congestion Study.

2.7.4.3. All Local Economic Study Requests that are not accommodated within the current Regional Planning Cycle shall be deemed withdrawn and returned to the stakeholder without action, and the stakeholder may submit the Local Economic Study Request in the next Regional Planning Cycle.

2.7.4.4. If the Transmission Provider can feasibly cluster or batch requests, it will make efforts to do so. Economic Congestion Study Requests will be clustered and studied together if all of the Point(s) of Receipt and Point(s) of Delivery match one another, or, in the alternative, it is reasonably determined by Transmission Provider that the Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.

2.7.5. Results of the Economic Congestion Studies shall be reported as part of the draft and final Local Transmission Plan, and provided to the requesting party and interested stakeholders. Results from the first Economic Congestion Study will be used to evaluate the draft Local Transmission Plan to determine whether that plan is the most reliable and economic plan of service. Results from the second Economic Congestion Study will be used to develop the draft Local Transmission Plan during the following planning cycle.

2.8. Recovery of Planning Costs. Unless Transmission Provider allocates planning-related costs to an individual stakeholder as permitted under the Tariff, all costs incurred by the Transmission Provider related to the Local Transmission Planning process, or as part of the regional, or interregional planning process, shall be included in the Transmission Provider's transmission rate base.

2.9. Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan

2.9.1. Process. The following process shall be utilized by all Eligible Customers and stakeholders to address procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan:

2.9.1.1. Step 1: Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider. Upon receipt of such letter, the Transmission Provider shall set up a meeting with the senior representatives from each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of

the disputed matter, or (iii) after 60 days, the parties remain at an impasse.

2.9.1.2. Step 2: If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation, among those parties involved in this dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the Commission's Alternate Dispute Resolution Service serve as the mediator of the dispute.

2.9.2. Confidential Nature of Negotiations. All negotiations and proceedings pursuant to this process are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law.

2.9.3. Timeline. Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute as set forth in Section 2.9.1., be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier, to facilitate the timely completion of the Local Transmission Plan.

2.9.4. Expedited Process. The Transmission Provider may, if it reasonably believes that the dispute will impede the planning cycle and issuance of either the draft or final Local Transmission Plan, disclose and discuss the dispute at the next quarterly meeting for stakeholder discussion. Any resolution reached during the quarterly Planning Meeting shall not affect the right of a party to initiate complaint proceedings at the Commission.

2.9.5. Rights. Nothing contained in this Section 2.9 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

2.10. Transmission Business Practice. The Transmission Provider's transmission planning business practice posted on Transmission Provider's OASIS shall provide additional

detail explaining how the Transmission Provider will implement this Attachment K during each planning cycle..

## 2.11. Openness

2.11.1. Participation. All affected stakeholders may attend Local Transmission Plan meetings and/or submit comments, LTP Re-Study Requests, Economic Congestion Study Requests, or other information relevant to the planning process. Transmission Provider may establish focus groups as part of the planning process to facilitate specific planning efforts.

2.11.2. Critical Energy Infrastructure Information (CEII). Any stakeholder and the Transmission Provider participating in the planning process must agree to adhere to the Commission's guidelines concerning CEII. Additional information concerning CEII, including a summary list of data that is determined by the supplying party to be deemed CEII, shall be posted by the Transmission Provider on OASIS, and updated regularly.

2.11.3. Confidential Information. Stakeholders and the Transmission Provider shall identify each confidential document supplied during the transmission planning process. Any stakeholder or the Transmission Provider seeking access to such confidential information must agree to adhere to the terms of a Confidentiality Agreement. The form of Transmission Provider's Confidentiality Agreement shall be developed initially by the Transmission Provider and posted on OASIS. Thereafter, stakeholders shall have an opportunity to submit comments on the form of Confidentiality Agreement. Confidential information shall be disclosed in compliance with Standards of Conduct, and only to those participants in the planning process that require such information and that execute the Confidentiality Agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

## 3. **Regional Planning Process:**

### 3.1. Governance

NTTG is a trade name of the utilities and state representatives that are participating in the development of a Regional Transmission Plan that evaluates whether transmission needs within the NTTG Footprint may be satisfied on a regional and interregional basis more efficiently or cost effectively than through local planning processes. While the Regional Transmission Plan is not a construction plan, it provides valuable regional insight and information for all stakeholders (including developers) to consider and use in their respective decision-making processes.

NTTG has four standing committees: Steering Committee, Planning Committee, Cost Allocation Committee, and transmission use committee. The Steering Committee, which operates pursuant to the Steering Committee Charter, is charged with the task of approving the Regional Transmission Plan in accordance with this Attachment K, and governing the activities of NTTG. The Planning Committee, which is governed by the Planning Committee Charter, is charged with the task of producing the Regional Transmission Plan (inclusive of regional Economic Congestion Studies) in accordance with this Attachment K. The Cost Allocation Committee, which is governed by the Cost Allocation Committee Charter, is charged with the task of allocating costs to Beneficiaries of transmission projects selected into the Regional Transmission Plan for cost allocation purposes in accordance with this Attachment K. The transmission use committee, which is governed by the transmission use committee charter, and acts outside the scope of this Attachment K, is responsible for increasing the efficiency of the transmission system through commercially reasonable initiatives and increasing customer knowledge of, and transparency into, the transmission system.

### 3.2. Participation Through Enrollment or Membership

3.2.1. Enrollment: Enrollment obligations are specified in Section 3.2.3 below. An entity may enroll in NTTG by becoming a funder as specified in Section 3.2.3 below.

3.2.2. Membership: Membership rights are specified in the committee charters. An entity may become a member of the following:

1. Planning Committee as specified in the Planning Committee Charter,
2. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
3. Steering Committee as specified in the Steering Committee Charter.

### 3.2.3. Funder of NTTG

3.2.3.1. Eligibility: An entity that meets the definition of "Nominal Funder" or "Full Funder" as defined in the currently effective Funding Agreement is eligible to join NTTG as a funder.

3.2.3.2. Funding Enrollment Process: An eligible entity will be enrolled in NTTG as a Full Funder on the date the requirements of (a), (b) and either (c) or (d) are satisfied. An eligible entity will be enrolled in NTTG as a Nominal Funder on the date the requirements of (a) and (b) are satisfied.

- a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.
- b. Entity becomes a party to the currently effective Finance Agent Agreement.
- c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional and interregional planning provisions of Attachment K that are the same as the other Full Funders for its transmission facilities located within the Western Interconnection.
- d. If an entity intending to become a Full Funder is not a public utility, then the entity shall adopt and post on its website an Open Access Transmission Tariff or other agreement(s) providing for comparable transmission service, each including regional and interregional

planning provisions for its transmission facilities located within the Western Interconnection that are the same as those expressed in Attachment K of the other Full Funders that are public utilities for their transmission facilities located in the Western Interconnection (each referred to as a "**NJ Attachment K**").

3.2.3.3. Funder Enrollment Obligations: Upon enrollment and to maintain enrollment in good standing an entity enrolled as a Nominal Funder agrees to the requirements of (a), (b), and (c); an entity enrolled as a Full Funder agrees to the requirements of (a), (b), and (d), and if a non-public utility, the entity agrees to the requirements of (a), (b), and (e).

- a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment;
- b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment;
- c. Agrees not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement.
- d. A Full Funder that is a public utility agrees:
  - i. To implement the provisions of its Open Access Transmission Tariff providing for comparable transmission service including Attachment K; and

- ii. To modify its Open Access Transmission Tariff, Funding Agreement, and Finance Agent Agreement consistent with FERC orders.
- e. A Full Funder that is not a public utility agrees:
  - i. To implement the provisions of its NJ Attachment K;
  - ii. To modify its NJ Attachment K, Funding Agreement, and Finance Agent Agreement, consistent with FERC orders, except that a non-public utility Full Funder need not file its NJ Attachment K, Funding Agreement, and Finance Agent Agreement;
  - iii. Not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement, and
  - iv. Not to include a provision in its NJ Attachment K that conflicts with a provision in the Open Access Transmission Tariff including Attachment Ks of a Full Funder that is a public utility.

3.2.3.4. Funder Termination of Enrollment: An entity ceases being enrolled in NTTG as a funder on the date the Steering Committee determines that the entity satisfied the requirements of (a) and (b) below. Promptly following such date, such entity, if a non-public utility, shall satisfy requirement (c), and if a public utility, shall satisfy requirement (d).

- a. The entity is no longer a party to the Funding Agreement or Finance Agent Agreement.



- b. The entity violates an applicable requirement set forth in Section 3.2.3.3.
- c. A non-public utility shall revoke and remove from its website the NJ Attachment K.
- d. A public utility shall file with the Commission an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

3.2.3.5. Identification of Full Funders: The following entities are enrolled in NTTG as Full Funders:

- a. Deseret Generation & Transmission Cooperative, Inc.,
- b. Idaho Power Company,
- c. NorthWestern Corporation,
- d. PacifiCorp,
- e. Portland General Electric Company, and
- f. MATL LLP.

3.2.3.6. Identification of Nominal Funders: Utah Associated Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

### 3.3. Transmission Provider Participation

3.3.1. Planning & Process: Transmission Provider shall engage in regional transmission planning (including interregional coordination and interregional cost allocation) through NTTG. Transmission Provider shall support NTTG's planning and cost allocation processes through funding a share of NTTG as a Full Funder, and providing employee support of NTTG's planning, cost allocation, and administrative efforts.

3.3.2. Project Identification: Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify

regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.

3.3.3. Project Cost Allocation: Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.8.

3.3.4. Information Provided: Transmission Provider will provide NTTG with:

- a. Its Local Transmission Plan;
- b. Data used to develop its Local Transmission Plan including projections of network customer loads and resources, projected point-to-point transmission service forecast information, existing and planned demand response resources, and stakeholder data described in Sections 2 and 3;
- c. Updates to information about new or changed circumstances or data contained in the Local Transmission Plan;
- d. Public Policy Requirements;
- e. Public Policy Considerations; and
- f. Any other project proposed for the Regional Transmission Plan.

3.3.5. Information Posted: Subject to appropriate Critical Energy Infrastructure Information (CEII) or other applicable regulatory restrictions, Transmission Provider will post on its OASIS:

- a. The Biennial Study Plan;
- b. Updates to the Biennial Study Plan (if any);
- c. The Regional Transmission Plan, and
- d. The start and end dates of the current Regional Planning Cycle, along with notices for each upcoming regional planning meeting that is open to all parties.

### 3.4. Stakeholder Participation

3.4.1. Participation Through Public Meetings: Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings. The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG Website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.

3.4.2. Participation Through Committees: Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee meetings according to the terms and conditions of the Steering Committee, Planning Committee Charter, and the Cost Allocation Committee Charter, respectively. The date, time, and location of the public committee meetings shall be posted on the NTTG Website not less than seven (7) days prior to each meeting, in addition to posting the meeting materials prior to the meeting, as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter.

3.4.3. Participation Through Commenting: In addition to commenting orally during stakeholder meetings as set forth in Section 3.4.1 or during committee meetings as set forth in Section 3.4.2, any stakeholder may submit written comments to a committee chair at any time through [info@nttg.biz](mailto:info@nttg.biz) [<mailto:info@nttg.biz>](mailto:info@nttg.biz).

### 3.5 Sensitive Information

3.5.1. Critical Energy Infrastructure Information ("CEII"): Any participant in an NTTG process must adhere to the Commission's rules and/or guidelines concerning CEII. Additional information concerning CEII, including a summary list of the data that is determined by the supplying party to be deemed CEII, shall be posted on the Transmission Provider's OASIS, and updated regularly.

3.5.2. Confidential Information: In the event a participant in an NTTG process claims that information is confidential, another participant seeking access to such information must agree to adhere to the terms of the Confidentiality Agreement. The form of Transmission Provider's Confidentiality Agreement shall be posted on the Transmission Provider's OASIS. Confidential information shall be disclosed in compliance with the Standards of Conduct, and provided only to those participants that require such information and execute the Confidentiality Agreement; provided, however, any such information may be supplied to (i) federal, state or local regulatory authorities that request such information and protect such information subject to non-disclosure regulations, or (ii) upon order of a court of competent jurisdiction.

### 3.6. Dispute Resolution

3.6.1. Scope: Transmission Provider, signatories to the Planning Committee Membership Agreement, and Eligible Customers and stakeholders that participate in the regional planning process shall utilize the dispute resolution process set forth in this Section 3.6 to resolve procedural and substantive disputes related to the regional planning process.

3.6.2. Process: Disputes shall be resolved according to the following process:

Step 1 - In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written

notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.

Step 2 - The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.

Step 3 - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission's dispute resolution service to facilitate mediation of the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.

Step 4 - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the

WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

3.6.3. Timeliness: To facilitate the completion of the Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 3.6 be raised more than 30 days after a decision is made in the study process or the posting of a milestone document, whichever is earlier. Nothing contained in this Section 3.6 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

3.7. Preparation of Regional Transmission Plan. The Planning Committee will biennially prepare a long-term (10-year) bulk transmission expansion plan (the "Regional Transmission Plan"). The regional transmission planning process is comprised of the activities set forth in this section during the Regional Planning Cycle.

3.7.1. Pre-qualify for Cost Allocation

3.7.1.1. Who must Pre-Qualify: A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a "Project Sponsor") that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee and Cost Allocation Committee in accordance with this Section 3.7.1. A Project Sponsor must requalify to be considered a qualified Project Sponsor during the next Regional Planning Cycle.

3.7.1.2. How to Pre-Qualify: A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>, by October 31st of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG Website to submit the data.

The Planning Committee and Cost Allocation Committee will apply the sponsor qualification criteria as summarized in Table 1 below in a comparable and non-discriminatory manner to both Incumbent and Nonincumbent Transmission Developers. The sufficiency of the qualification data will be determined by the Planning Committee and Cost Allocation Committee, in consultation with stakeholders, at regularly scheduled meetings in November of Quarter 8 of the prior Regional Planning Cycle.

The Planning Committee Chair and the Cost Allocation Committee Chair will jointly provide the Project Sponsor with notice of the committees' determinations within five business days following the date a determination has been made by both committees. The notice will provide either that the Project Sponsor satisfied the qualification data requirements, or will identify specific deficiencies.

The Project Sponsor has until March 31st of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not cured by the end of March of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with updated information and data deficiencies cured.

| <b>Table 1. Sponsor Qualification Data - Submit Quarter 8 Prior to the Regional Planning Cycle<sup>1</sup></b> |   |   |  |
|--|---|---|--|
|  | <b>Category</b>   | <b>Qualification Data</b>   | <b>How Sponsor Qualification Data Will be Evaluated</b>  |
| 1  | Project Sponsor description   | 1. Name and address.<br>2. Years in business.<br>3. Operating environment (nature of business).   | Assess whether the required data was submitted.  |
| 2  | Project summary   | 1. Voltage.<br>2. Single or double circuit.<br>3. AC or DC.<br>4. Estimated cost.<br>5. Approximate construction period.<br>6. Project location.<br>7. Points of interconnection with the transmission grid.  | Assess whether the required data was submitted.  |
| 3  | Project Name  | 1. Project Name.  | Assess whether the required data was submitted.  |
| 4  | Project Sponsor demonstration of technical expertise to develop, construct and own the proposed project | 1. Management's experience in developing, constructing (or managing construction), and owning a project of similar size and scope.<br>2. Clear discussion of Project Sponsor's depth and breadth of technical expertise, including Project Sponsor's internal expertise or external expertise, or both, to develop, construct, and own the proposed project.<br>3. Name, location, and description of a project of similar scale that demonstrates Project Sponsor's technical expertise to develop, construct, and own the proposed project. | Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or managing construction) and owning comparable projects. |



|   |   |   |   |
|---|---|---|---|
| 5 | Project Sponsor financial expertise to develop, construct, and own the proposed project | <p>Creditworthiness review requires the following information, if available:</p> <ol style="list-style-type: none"> <li>1. Most recent annual report.</li> <li>2. Most recent quarterly report.</li> <li>3. Last two most recent audited year-end financial statements.</li> <li>4. Rating agency reports.</li> <li>5. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable).</li> <li>6. Other information supporting Project Sponsor's financial expertise.</li> </ol> <p>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following test:</p> <p>A. Has a minimum tangible net worth of \$1,000,000 or total asset of \$10,000,000.</p> | Assess whether the qualification data was submitted and satisfied the required qualitative criteria.  |
| 6 | Proposed project financing plan   | <ol style="list-style-type: none"> <li>1. Describe how the project will be financed.</li> <li>2. List investors and percentage ownership of each.</li> <li>3. Proposed sources of debt and equity capital and the percentages of each.</li> </ol>   | Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4. |
| 7 | Project Sponsor ability to maintain and operate proposed project                        | <p>Clear description of Project Sponsor, its parent organization, or the third-party contractor(s) the Project Sponsor plans to retain to operate and/or maintain the proposed project. To the extent the Project Sponsor plans to rely on a third-party contractor(s) that is not yet under contract, the Project Sponsor must also indicate when it plans to enter into a definitive agreement with its contractor(s). Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor's consultant or outsourced entity.</p>  | Assess whether the qualification data was submitted and satisfied the required qualitative criteria.  |

|    |                         |   |   |
|----|-------------------------|---|---|
| 8. | Primary Project Contact | 1. Name.<br>2. Title.<br>3. Phone.<br>4. Email. | Assess whether the required data was submitted. |
| 9. | Signature               | Signature of authorized representative          | Assess whether the document was signed.         |

<sup>1</sup> All information supplied to the Planning Committee or subcommittees must be marked by the provider in accordance with the appropriate document class and is treated appropriately by all committee and subcommittee members. The markings should be as follows:

a) Public.

b) Contains Critical Energy Infrastructure Information - Do Not Release. (<http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>)

c) Contains Privileged Information - Do Not Release.

### 3.7.2. Quarter 1 - Data Gathering and Project Submittal

3.7.2.1. Data Gathering: Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.2.2.7 and Section 3.3.4) and stakeholder input, which may include ideas for consideration, applicable to the planning horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider's Local Transmission Plan and prior Regional Transmission Plan. A stakeholder shall use the Data Submittal Form found on the NTTG Website to submit its data. Any stakeholders wishing to submit input without submitting a Data Submittal Form can submit such input by email. Stakeholders shall submit such data and/or input by email to NTTG, through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>, no later than March 31<sup>st</sup> of Quarter 1.

3.7.2.2. Proposing a Project for Consideration: A Project Sponsor (refer to footnote 1 of Table 2) may propose a transmission project for consideration in the Regional Transmission Plan (a "Sponsored Project") by submitting to the Planning Committee chair the information identified in the "Sponsored Project" column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning

Committee chair via [info@nttg.biz](mailto:info@nttg.biz) the information identified in the "Un-sponsored Project" column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair via [info@nttg.biz](mailto:info@nttg.biz) the information identified in the "Merchant Developer Project" column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an "Applicant." Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG Website to submit its project. By March 31st of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz).

| Table 2: Minimum Information Required (Yes required or No not required)  |   |                   |                      |                            |
|--|---|-------------------|----------------------|----------------------------|
|  |   | Sponsored Project | Un-sponsored Project | Merchant Developer Project |
| A  | Load and resource data (1)  | Y                 | Y                    | N (2)                      |
| B  | Forecasted transmission service requirements, if any (5)  | Y                 | Y                    | N (3)                      |
| C  | Whether the proposed project meets reliability or load service needs  | Y                 | Y                    | N (3)                      |
| D  | Economic considerations (6)   | Y                 | Y                    | N (4)                      |
| E  | Whether the proposed project satisfies a transmission need driven by Public Policy Requirements                                   | Y                 | Y                    | N (3)                      |
| F  | Project location  | Y                 | Y                    | Y                          |
| G  | Voltage level (including whether AC or DC)  | Y                 | Y                    | Y                          |
| H  | Structure type  | Y                 | Y                    | Y                          |
| I  | Conductor type and configuration  | Y                 | Y                    | Y                          |
| J  | Project terminal facilities   | Y                 | Y                    | Y                          |
| K  | Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement | Y                 | Y                    | N                          |
| L  | Project development schedule  | Y                 | Y                    | Y                          |
| M  | Current project development phase   | Y                 | Y                    | Y                          |
| N  | In-service date   | Y                 | Y                    | Y                          |
| O  | A list of all planning regions to which an interregional project has been submitted for evaluation                                | Y                 | Y                    | N                          |
| 1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the load intended to be served |   |                   |                      |                            |

with the line and the generation resource intended to inject energy into the line for the identified load.

2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.
3. Provide this information only to the extent it is readily available when the information is due.
4. To the extent applicable and data is readily available for the proposed transmission project; provide that approximate location of the congestion that this project is proposed to address.
5. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in row "A," then do not provide them in response to this data request. If not provide, then provide the data.
6. Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.

3.7.2.3. Proposing a Project for Consideration for Cost Allocation: In addition to the information specified in Section 3.7.2.2 above, an Applicant shall use the Cost Allocation Data Form found on the NTTG Website to propose its project for cost allocation and submit the additional information requested below. By March 31<sup>st</sup> of Quarter 1, Applicant shall submit a completed form to NTTG, through [info@nttg.biz](mailto:info@nttg.biz) [<mailto:info@nttg.biz>](mailto:info@nttg.biz). Such Applicants are encouraged but not required to also provide following information:

- a) A statement as to whether the project was selected in a transmission provider's local plan;
- b) A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a transmission provider;
- c) If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;

- d) If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;
- e) To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;
- f) To the extent not already provided, copies of any WECC planning entity determinations relative to the project;
- g) To the extent not set forth in the material provided in response to items (b) -(e), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;
- h) Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

3.7.2.4. Submission of Economic Study Requests:  
Stakeholders may submit Economic Study Requests as set forth in Section 3.11.

3.7.2.5. Updates to Previously Selected Projects:  
For projects selected in the prior Regional Transmission Plan, the Applicant must submit an updated project development schedule to the Planning Committee. The Applicant must also submit updated information for its third-party contractor(s), to the extent such information or the timeline for entering into a definitive agreement is different than the information previously provided pursuant to Table 1 above. Applicants shall use the Data Submittal Form found on the NTTG Website. By March 31<sup>st</sup> of Quarter 1,

Applicants shall submit an updated form to NTTG through [info@nttg.biz](mailto:info@nttg.biz) <mailto:info@nttg.biz>.

3.7.2.6. Review for Completeness: The Planning Committee will review the information submitted pursuant to this Section 3.7.2 for completeness. If an Applicant fails to meet the information requirements set forth above, the Planning Committee shall notify the Applicant of the reasons for such failure. The Planning Committee will attempt to remedy deficiencies in the submitted information through informal communications with the Applicant. If such efforts are unsuccessful by April 15th of Quarter 2, the Planning Committee shall return the Applicant's information, and Applicant's request shall be deemed withdrawn. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, Applicant may resubmit the project, with updated information and data deficiencies cured, for consideration in the Regional Transmission Plan and may request cost allocation consideration. Figure 1. "Project Submittal Process" below, summarizes the process described in this Section 3.7.2 for submitting a project to be considered in the development of the Draft Regional Transmission Plan.

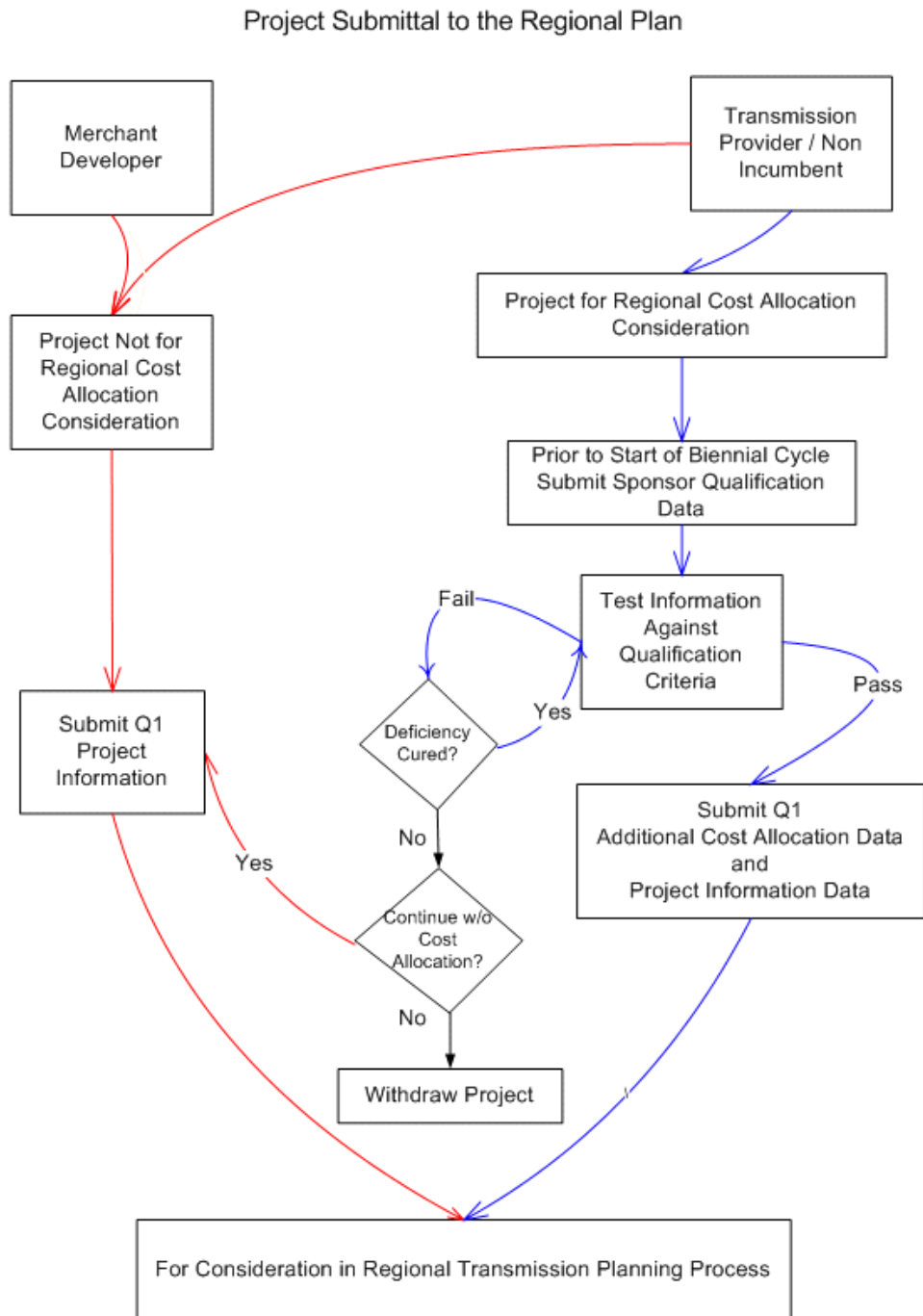


Figure 1. "Project Submittal Process"

### 3.7.3. Quarter 2 - Development of the Biennial Study Plan

3.7.3.1. Evaluate the Data: The Planning Committee shall identify the loads, resources, point-

to-point transmission requests, desired flows, constraints and other technical data needed to be included and met by the development of the Regional Transmission Plan. The Planning Committee shall evaluate all stakeholder submissions, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers. The Planning Committee shall evaluate solutions based on a comparison of their ability to meet reliability requirements, address economic considerations, and meet transmission needs driven by Public Policy Requirements.

3.7.3.2. Development of the Biennial Study Plan:  
The Planning Committee will develop the Biennial Study Plan, which describes:

- a) The detailed study methodology;
- b) Reliability criteria;
- c) Transmission needs driven by Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- d) Assumptions;
- e) Databases;
- f) Analysis tools;
- g) Projects (including unsponsored projects) included in the prior Regional Transmission Plan that will be reevaluated according to Section 3.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- h) The projects included in each of the Full Funders' Local Transmission Plans;
- i) Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, unsponsored projects



identified by the Planning Committee and  
unsponsored projects submitted by stakeholders;  
and

j) Cost allocation scenarios.

The projects identified in (g) and (h) are collectively referred to as the IRTP. The projects identified in (i) are referred to as the "Alternate Projects." The cost allocation scenarios referenced in (j) are developed by the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, for those parameters that will likely affect the amount of total benefits and their distribution among Beneficiaries as set forth in Section 3.8.2.3.

When developing the draft Biennial Study Plan, the Planning Committee will, under certain circumstances described in Section 3.9 below, identify projects selected in the prior Regional Transmission Plan that will be reevaluated and potentially replaced or deferred.

At a Quarter 2 public meeting, the Planning Committee and the Cost Allocation Committee will present the draft Biennial Study Plan to stakeholders for comment. The Planning Committee will recommend the draft Biennial Study Plan to the Steering Committee for approval.

After considering the draft Biennial Study Plan, the Steering Committee may remand it to the Planning Committee for any of the following reasons:

- (aa) the draft Biennial Study Plan lacks details;
- (bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or
- (cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.

Further, the Steering Committee may also remand the draft Biennial Study Plan to the Cost Allocation Committee on any of the following additional grounds:

- (dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or
- (ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.

In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.

#### 3.7.3.3. Selection of transmission needs driven by Public Policy Requirements and Public Policy Considerations Used in the Biennial Study Plan

3.7.3.3.1. Overview: NTTG's regional planning process, through the Planning Committee, receives transmission needs driven by Public Policy Requirements, Public Policy Considerations, and data from the local transmission plans and stakeholders during the Quarter 1 data gathering submittal period pursuant to Section 3.7.2.1. NTTG's Regional Transmission Plan only includes consideration of transmission needs driven by Public Policy Requirements. Public Policy Considerations as agreed upon by the Planning Committee, with stakeholder input, during Quarter 2 Biennial Study Plan development, will be evaluated as to whether they create additional transmission needs. Together, these transmission needs driven by Public Policy Requirements and Public Policy Considerations are approved by the Steering Committee as part of the Biennial Study Plan approval process at the end of Quarter 2.

3.7.3.3.2. Process: The Planning Committee applies the following process, shown in Figure 2 “Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations” and described below (in the event of conflict between the figure and the text, the text controls) to transmission needs driven by Public Policy Requirements and Public Policy Considerations data.

| <b>Q1 Transmission Needs Driven by Public Policy Data Submitted</b>  |  |
|--|--|
| Transmission Provider  | Stakeholder                                  |
|  |  |
| <b>Q2 Develop Biennial Study Plan Define Transmission Needs Driven by Public Policy Requirements &amp; Public Policy Considerations</b>  |  |
| With stakeholder and state regulator input, identify transmission needs driven by Public Policy Requirements and Public Policy Considerations to include in Regional Transmission Plan |  |
| Requirement included in Regional Transmission Plan   | Considerations included in scenario analysis |
|  |  |
| <b>Q2 (June)</b>   |  |
| Rationale for selection and exclusion of transmission needs driven by Public Policy Requirements and Public Policy Considerations posted on NTTG Website                               |  |
|  |  |
| <b>Q3 Start Technical Analysis</b>   |  |
| Transmission needs driven by Public Policy Requirements to be evaluated with other projects within biennial planning process   |  |

Figure 1. “Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations”

In Quarter 1, transmission needs and associated facilities driven by Public Policy Requirements and Public Policy Considerations are received from the transmission providers’ local transmission plans and received from stakeholders using NTTG’s data submittal forms. Refer to Section 3.7.2.1.

In Quarter 2, after consultation with stakeholders, including state regulators, the

Planning Committee recommends to the Steering Committee the transmission needs driven by Public Policy Requirements to be used in the Biennial Study Plan, as well as the transmission needs driven by Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2.

In June of Quarter 2, the Steering Committee approves the Biennial Study Plan, including the transmission needs driven by Public Policy Requirements for the Regional Transmission Plan and transmission needs driven by Public Policy Considerations for additional study analysis. Refer to Section 3.7.3.2.

3.7.3.3.3. Identification: During the Regional Planning Cycle, the Planning Committee determines if there is a more efficient or cost-effective regional solution to meet the transmission needs driven by Public Policy Requirements set forth in the Biennial Study Plan. The selection process and criteria for regional projects meeting transmission needs driven by Public Policy Requirements are the same as those used for any other regional project chosen for the Regional Transmission Plan. Rather than considering transmission needs driven by Public Policy Requirements separately from other transmission needs, the Planning Committee evaluates them in its technical analysis along with other regional projects.

3.7.3.3.4. Posting: After the Steering Committee approves the Public Policy Requirements and the Public Policy Considerations, the Planning Committee will post on the NTTG Website which transmission needs driven by Public Policy Requirements and Public Policy Considerations will and will not be evaluated in the Regional Planning Cycle, along with an explanation of why particular transmission needs driven by Public

Policy Requirements and Public Policy  
Considerations were or were not considered.

3.7.3.4 Identification of Un-sponsored Transmission Projects by Planning Committee: The Planning Committee may, using its knowledge of the transmission systems and its professional judgment, identify an unsponsored project.

3.7.4. Quarters 3 and 4 - Preparation of the Draft Regional Transmission Plan

3.7.4.1. Analysis and Methodology: The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the IRTTP based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing Non-Committed Project(s) in the IRTTP with one or more of the Alternative Projects. Each Change Case will be compared against the IRTTP for the tenth year of a ten-year planning horizon counted from the first year of the Regional Planning Cycle. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the IRTTP's incremental capital-related cost for replaced or deferred project(s) and incremental Monetized Non-Financial Incremental Costs. The set of projects (either the IRTTP or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. When making such a decision the Planning Committee may utilize the cost allocation scenarios developed in Section 3.8.2.3 to test the robustness of projects considered for the Draft Regional Transmission Plan. If there are projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan those projects will then be evaluated for cost allocation by the Cost Allocation

Committee as set forth in Section 3.8.2. As used in this paragraph, "Monetized Non-Financial Incremental Costs" means those incremental costs associated with an Alternative Project that are not directly evaluated and measured in dollars of changed revenues, expenses, or capital investment. Such incremental costs, which are non-financial in nature, will be monetized by applying an appropriate index or conversion factor to convert the units in which the incremental costs were directly evaluated and measured into a dollar value. (For example, losses are measured in megawatt hours. That quantity will be converted to dollars by multiplying the quantity by a dollar per megawatt hour index.)

3.7.4.2. Analysis Criteria: Criterion (a), (b), and (c) below will be used to determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the IRTP based upon the methodology set forth in Section 3.7.4.1:

- a) Capital-Related Costs. A change in Annual Capital-Related Costs between a Change Case and the IRTP captures benefits related to transmission needs driven by both reliability and Public Policy Requirements. This benefit metric captures the extent that a project in the IRTP can be displaced (either deferred or replaced) while still meeting all regional transmission needs, including reliability standards (associated with serving existing, as well as new, service obligations) such that the Change Case has lower capital-related costs. The displacement of a project in the IRTP may be due to a Change Case or due to the determination that more than one project in the IRTP is meeting the same transmission need. This same benefit metric also captures the extent to which a Change Case may displace one or more projects in the IRTP for purposes of meeting Public Policy Requirements because it is determined to have lower capital-related costs, while still meeting the same Public Policy Requirements.

"Annual Capital-Related Costs" will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation

and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

Those entities affected by the change in Annual Capital-Related Costs shall be identified for use in the cost allocation process.

- b) Energy Losses. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the IRTP measures the energy impact of changing (either displacing or adding) projects within the IRTP with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.
- c) Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the IRTP measures the energy impact of changing projects within the IRTP with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each

Change Case and the IRTP. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6 through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

3.7.4.3. Analysis of Additional Alternatives: The Planning Committee, as part of its analysis performed under Section 3.7.4.1, shall consider the Transmission Providers' and stakeholders' identified transmission needs vis-à-vis the projects identified in the Biennial Study Plan to determine whether there are other alternatives (including unsponsored projects) which may be more efficient or cost effective in meeting the region's transmission needs.

3.7.4.4. Impacts on Neighboring Regions: The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the IRTP or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or IRTP may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected



neighboring Planning Region), the Change Case or IRTP will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated, as necessary, until the Change Case or IRTP is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

3.7.4.5. Draft Regional Transmission Plan: The Planning Committee shall produce a Draft Regional Transmission Plan by the end of Quarter 4. The projects selected into the Draft Regional Transmission Plan are determined according to Section 3.7.4.1, and the projects selected into the Draft Regional Transmission Plan for cost allocation are determined according to Section 3.8.

### 3.7.5. Quarter 5 Stakeholder Review of Draft Regional Transmission Plan

3.7.5.1. Public Review: The Planning Committee will facilitate stakeholder review and comment on the Draft Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process.

3.7.5.2. Public Comment and Updates: Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan, through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>. Stakeholder comments may include identification of a new unsponsored project. New unsponsored projects will be considered to the extent feasible, as determined by the Planning Committee, without delaying the development of the Regional Transmission Plan. New unsponsored projects that are not considered during the current Regional Planning Cycle will be noted in the Regional Transmission Plan and carried forward for

consideration in the following Regional Planning Cycle. In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in Quarter 1 above need to be submitted. Changes to third-party contractor(s) information or the timeline for entering into a definitive agreement with a third-party contractor(s) is considered a material change and must be updated, to the extent the information is different than the information provided in Quarter 1. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

3.7.5.3. Submission of Economic Study Requests: Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

### 3.7.6. Quarter 6 - Updates to the Biennial Study Plan

3.7.6.1. Updated Biennial Study Plan: The Biennial Study Plan will be updated based on the Planning Committee's review of stakeholder-submitted comments received during Quarter 5, additional information about new or changed circumstances relating to loads, resources, transmission projects or alternative solutions, or identified changes to data provided in Quarter 1.

3.7.6.2. Cost Allocation: The Cost Allocation Committee will begin allocating costs of projects selected into the Draft Regional Transmission Plan to Beneficiaries as described in Section 3.8.2.

3.7.6.3. Draft Final Regional Transmission Plan:  
The Planning Committee will produce by the end of Quarter 6, the Draft Final Regional Transmission Plan.

3.7.7. Quarter 7 - Draft Final Regional Transmission Plan Review

3.7.7.1. The Planning Committee will facilitate a stakeholder process for review and comment on the Draft Final Regional Transmission Plan, including assessment of the benefits accruing from transmission facilities planned according to the transmission planning process. The Planning Committee will document and consider simultaneous feasibility of identified projects, cost allocation recommendations and stakeholder comments. The Planning Committee will produce a revised Draft Final Regional Transmission Plan, if necessary, after considering stakeholder comments.

3.7.8. Quarter 8 - Regional Transmission Plan Approval

3.7.8.1. The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan in the next local transmission planning cycle (see Section 2.2.2) and will share the Regional Transmission Plan as part of the Annual Interregional Information exchanged for the next Annual Interregional Coordination Meeting (as specified in Section 4.2).

Any unsponsored project in the Final Regional Transmission Plan may be resubmitted using the process described in Sections 3.7.1 and 3.7.2 above, as a Sponsored Project by a pre-qualified Project Sponsor for consideration in the next Regional Planning Cycle for purposes of cost allocation. Pursuant to Section 3.9 below, such project shall be subject to reevaluation unless it is a Committed Project.

3.7.9. Quarterly Meetings

3.7.9.1. The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the

development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

3.8. Cost Allocation. A Project Sponsor intending to submit its Sponsored Project for cost allocation must satisfy the pre-qualification requirements set forth in Section 3.7.1, submit the Sponsored Project as set forth in Section 3.7.2.2, and request cost allocation as set forth in Section 3.7.2.3. An Applicant desiring for its project to be considered for cost allocation as an unsponsored project must submit the unsponsored project as set forth in Section 3.7.2.2 and request cost allocation as set forth in Section 3.7.2.3. Transmission Provider may elect to allocate costs of its project through either participant funding as set forth in Section 3.8.1 or through NTTG's cost allocation process as set forth in Section 3.8.2 as either a Sponsored Project or unsponsored project, provided that the Transmission Provider complies with the applicable requirements specified above.

#### 3.8.1. Participant Funding

3.8.1.1. Open Season Solicitation of Interest: Transmission Provider may elect at its discretion to provide an "open season" solicitation of interest to secure additional project participants for any project. Upon a determination to hold an open season solicitation of interest for a project, Transmission Provider will:

3.8.1.1.1. Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;

3.8.1.1.2. Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and

3.8.1.1.3. Post information about the proposed project on its OASIS.

For any project entered into by Transmission Provider where an open season solicitation of interest process has been used, the Transmission Provider will choose to allocate costs among project participants in

proportion to investment or based on a commitment to transmission rights, unless the parties agree to an alternative mechanism for allocating project costs. In the event an open season process results in a single participant, the full cost and transmission rights will be allocated to that participant.

3.8.1.2. Projects without a Solicitation of Interest: Transmission Provider may elect to proceed with projects without an open season solicitation of interest, in which case Transmission Provider will proceed with the project pursuant to its rights and obligations as a Transmission Provider.

3.8.1.3. Other Sponsored Projects. Funding structures for non-Transmission Provider projects are not addressed in this Tariff. Nothing in this Tariff is intended to preclude any other entity from proposing its own funding structure.

3.8.2. Allocation of Costs: The Cost Allocation Committee will allocate the costs of projects the Planning Committee selects into the Draft Regional Transmission Plan for purposes of cost allocation according to this section. The Cost Allocation Committee shall use the methodology set forth in Section 3.8.2.2 to allocate project costs to Beneficiaries.

3.8.2.1. Project Qualification: To be eligible for cost allocation, and therefore selected into the Draft Transmission Plan for purposes of cost allocation, the Planning Committee shall verify that the project:

- (a) Was proposed for such purpose by a pre-qualified sponsoring entity, was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);
- (b) Was selected in the Draft Regional Transmission Plan, and

- (c) Has an estimated cost exceeding \$20 million.

3.8.2.2. Allocation of Project Costs to Beneficiaries: The Cost Allocation Committee and the Planning Committee initially identify Beneficiaries as all those entities that may be affected by the project based upon the application of the analysis criteria set forth in Section 3.7.4.2 and using the cost allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to Section 3.7.4.1, and remove those entities that do not receive a benefit from the project being evaluated.

Before allocating a transmission project's cost, the Cost Allocation Committee will adjust, as appropriate, the calculated initial net benefits for each Beneficiary based upon the following criteria:

- (a) The net benefits attributed in any scenario are capped at no less than 50% and no more than 150% of the average of the unadjusted, net benefits (whether positive or negative); and
- (b) If the average of the net benefits, as adjusted by (a) above, across the cost allocation scenarios is negative, the average net benefit to that Beneficiary is set to zero.

Each of these adjustments is applied to each Beneficiary independent of other Beneficiaries. The initial (and adjusted) net benefits for the selected Change Case are the sum of the benefits (which numerically may be positive or negative) across each of the analysis criteria. A Beneficiary will be included in the steps above even if only one of the analysis criteria is applicable to that Beneficiary and the estimated benefits for the other analysis criteria are, by definition, zero.

The adjusted net benefits, as determined by applying the limits in the two conditions above, are used for

allocating project costs proportionally to Beneficiaries. However, Beneficiaries other than the Applicant will only be allocated costs such that the ratio of adjusted net benefits to allocated costs is no less than 1.10 (or, if there is no Applicant, no less than 1.10). If a Beneficiary has an allocated cost of less than \$100,000, the cost allocated to that Beneficiary is set to zero. The following examples demonstrate the application of the benefit-to-cost ratio:

Example 1: Project Cost = \$800M; B's adjusted net benefits = \$483M; C's (Project Sponsor) adjusted net benefits = \$520M. B is allocated \$385M (i.e., the lesser of  $\$800M * (\$483 / (\$483 + \$520)) = \$385M$  OR  $\$483M / 1.1 = \$439.1M$ ) and C is allocated \$415M (i.e.,  $\$800 - \$385 = \$415$ ).

Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the lesser of  $\$950M * (\$483 / (\$483 + \$520)) = \$457.5M$  OR  $\$483 / 1.10 = \$439.1$ ) and C is allocated \$511M (i.e.,  $\$950 - \$439 = \$511$ ).

Unallocated costs due to the limitations above are reallocated among the remaining Beneficiaries. Reallocation will continue among regional Beneficiaries, which are still above the benefit-cost threshold (i.e., the 1.10 ratio of adjusted net benefits to allocated costs) until either all costs are allocated or there are no Beneficiaries above the 1.10 benefit-cost threshold. The Applicant may voluntarily accept any remaining project costs. Otherwise, if the thresholds prevent all costs from being reallocated among Beneficiaries and the unallocated costs are not accepted by the Applicant, the project is no longer eligible for cost allocation.

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership rights or Ownership-Like Rights on the project or the

transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or Ownership-Like Rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary. "Ownership-Like Rights," as used in this paragraph, refers to those arrangements where an entity has rights in certain transmission facilities or a transmission path owned by another entity (or entities), which are based upon a percentage of the facility or path's rated capacity, and which rights remain through the in-service life of the facility or path.

3.8.2.3. Cost Allocation Scenario: As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create cost allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries.

The variables in the cost allocation scenarios will include, but are not limited to, load levels by load-serving entity and geographic location, fuel prices, and fuel and resource availability. For example, cost allocation scenarios could include a range of future load levels. Future projections of load levels in a given scenario will be based on factors such as, but not limited to, projected demand for irrigation, economic development, and heating/cooling demands necessitated by weather forecasts in particular geographic locations. These load level projections will be compared against a range of future resource options. Future projections of resource options in a given scenario will be based on factors such as, but not limited to, projected fuel prices and projected yields of particular types of generation resources (e.g. wind, hydro, etc.). In the development of the cost allocation scenarios the Cost Allocation Committee will give consideration to alternative resource planning scenarios developed by transmission providers within the NTTG Footprint as well as scenarios developed by other regional and Western Interconnection entities.



The Cost Allocation Committee shall consider such cost allocation scenarios in its assessment of project benefits and their distribution among Beneficiaries.

Use of cost allocation scenarios recognizes that estimates of the amount and distribution of benefits may be highly uncertain and dependent on key assumptions and projections. By using scenarios that choose data across a range of outcomes for these parameters, the potential impact of these uncertainties is estimated and incorporated in the calculation of net benefits used in cost allocation.

3.8.3. Exclusions: The cost for projects undertaken in connection with requests for interconnection or transmission service under Sections II, III, IV or V of the Tariff will be governed solely by the applicable cost allocation methods associated with those requests under the Tariff.

### 3.9. Reevaluation

3.9.1. Reevaluation of the Regional Transmission Plan: NTTG expects the sponsor of an Original Project to inform the Planning Committee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-submits its project development schedule during Quarter 1. If the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original Project in the context of the current Regional Planning Cycle using an updated in-service date.

Committed Projects are Original Projects that have all permits and rights of way required for construction, as identified in the submitted development schedule, by the end of quarter 1 of the current Regional Planning Cycle. Committed Projects are not subject to reevaluation, unless the Original Project fails to meet its development schedule milestones such that the needs of the region will not be met, in which case, the Original Project loses its designation as a Committed Project.

If it is a Non-Committed Project the Original Project - whether selected for cost allocation or not - shall be reevaluated, and potentially replaced or deferred, in the current Regional Planning Cycle only in the event that:

(a) the Project Sponsor fails to meet its project development schedule such that the needs of the region will not be met,

(b) the Project Sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or

(c) the needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently or cost effectively.

If condition (a), (b) or (c) is true, then the incumbent transmission provider may propose solutions that it would implement within its retail distribution service territory or footprint (the "New Project"). Both the Original Project and the New Project will be reevaluated or evaluated, respectively, in Quarter 2 as any other project for consideration in the Regional Transmission Plan.

During such reevaluation the Planning Committee shall only consider remaining costs to complete the Original Project against the costs to complete of the other projects being evaluated.

3.9.2. Reevaluation of Cost Allocation: A cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed a Committed Project pursuant to Section 3.9.1.

3.10. Calculations: The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The

Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.

### 3.11. Economic Study Requests

3.11.1. Submission of Economic Study Requests: Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Section 2.7.2; and
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12;

Be aware that local and regional Economic Study processes have different submission windows and requirements. Stakeholders must comply with each process's submission windows and requirements.

3.11.2. Review for Completeness: The Planning Committee or the Transmission Provider will review the information it receives pursuant to this Section 3.11 for completeness. If a stakeholder fails to meet the information requirements, the Planning Committee or Transmission Provider shall notify the stakeholder of the reasons for such failure. The Planning Committee or Transmission Provider will attempt to remedy deficiencies in the submitted information through informal communications with the stakeholder. If such efforts are unsuccessful within 15 calendar days of the close of the submission window, the Planning Committee or Transmission Provider shall return the stakeholder's information, and the stakeholder's request shall be deemed withdrawn. The Planning Committee or Transmission Provider may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a request set forth in a withdrawn submission. Stakeholder may resubmit the request for consideration during the next submission window with updated information and data deficiencies cured.

3.11.3. Categorization and Processing of Economic Study Requests: All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request or a Regional Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Section 2.7.2. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12.

### 3.12. Regional Economic Study Requests

3.12.1. Submission Windows: Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 31<sup>st</sup> of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG Website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit the completed Economic Study Request Form and signed Economic Study Agreement to the transmission provider from which it obtained the Economic Study Agreement and provide a copy of the Economic Study Request Form and Economic Study Agreement to the Planning Committee, through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>.

3.12.2. Studies Performed: The Planning Committee will complete up to two (2) Regional Economic Studies per Regional Planning Cycle. By April 30<sup>th</sup> each year, the Planning Committee will determine the Regional Economic Study(ies) to be performed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle. If the Regional Economic Study cannot be completed by the end of the respective Quarter 4 or 8 of the Regional Planning Cycle, the Planning Committee will notify the study request sponsor of the delay, provide an explanation of the delay, and provide an estimated completion date. If the Planning Committee receives more than two (2) Regional Economic Study Requests per Regional Planning Cycle, it will prioritize the requests and determine which Regional

Economic Study Request(s) will be performed based on an evaluation of the following:

- a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and
- b. Input from stakeholders at the Planning Committee meeting.

The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

3.12.3. Additional Studies: The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by emailing the Planning Committee chair, through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>. Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.

3.12.4. Clustering Studying Requests: The Planning Committee will cluster and study together Regional Economic Study Requests if all of the Point(s) of Receipt and Point(s) of Delivery match one another or, in the alternative, it is reasonably determined by the Planning Committee that the Regional Economic Study Requests are geographically and electrically similar, and can be feasibly and meaningfully studied as a group.

3.12.5. Unaccommodated Economic Study Requests: All Regional Economic Study Requests not accommodated within the current study cycle will be deemed withdrawn and returned to the stakeholder without action and the stakeholder may submit the Regional Economic Study Request in the next Regional Planning Cycle.

3.12.6. Study Schedule: In Quarters 1 and 5, Regional Economic Study Requests are submitted by Stakeholders to the Planning Committee. In Quarters 2 and 6, study plans are developed by the Planning Committee for the Regional Economic Study Requests that will be modeled. In Quarters 3 and 7, Regional Economic Studies are performed by the Planning Committee or under the Planning Committee's direction. In Quarters 4 and 8, results of the regional Economic Studies are reported by the Planning Committee in the Draft Regional Transmission Plan and the Regional Transmission Plan, respectively, and provided to the requesting party.

#### **4. Interregional Coordination and Cost Allocation Process**

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order No. 1000 interregional provisions. NTTG is to conduct the activities and processes set forth in this Section 4 of Attachment K in accordance with the provisions of this Section 4 of Attachment K and the other provisions of this Attachment K.

Nothing in this section will preclude any transmission owner or transmission provider from taking any action it deems necessary or appropriate with respect to any transmission facilities it needs to comply with any local, state, or federal requirements.

Any Interregional Cost Allocation regarding any ITP is solely for the purpose of developing information to be used in the regional planning process of each Relevant Planning Region, including the regional cost allocation process and methodologies of each such Relevant Planning Region.

References in this section 4 to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order No. 1000.

##### **4.1. Definitions**

The following capitalized terms where used in this Section 4 of Attachment K, are defined as follows:

**Annual Interregional Coordination Meeting:** shall have the meaning set forth in Section 4.3 below.

**Annual Interregional Information:** shall have the meaning set forth in Section 4.2 below.

**Interregional Cost Allocation:** means the assignment of ITP costs between or among Planning Regions as described in Section 4.5.2 below.

**Interregional Transmission Project ("ITP"):** means a proposed new transmission project that would directly interconnect electrically to existing or planned transmission facilities in two or more Planning Regions and that is submitted into the regional transmission planning processes of all such Planning Regions in accordance with Section 4.4.1.

**Planning Region:** means each of the following Order No. 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG, and WestConnect.

**Relevant Planning Regions:** means, with respect to an ITP, the Planning Regions that would directly interconnect electrically with such ITP, unless and until such time as a Relevant Planning Region determines that such ITP will not meet any of its regional transmission needs in accordance with Section 4.4.2, at which time it shall no longer be considered a Relevant Planning Region.

#### **4.2. Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, NTTG is to make available by posting on the NTTG Website or otherwise provide to each of the other Planning Regions the following information, to the extent such information is available in its regional transmission planning process, relating to regional transmission needs in NTTG's transmission planning region and potential solutions thereto:

- (i) study plan or underlying information that would typically be included in a study plan, such as:
  - (a) identification of base cases;
  - (b) planning study assumptions; and
  - (c) study methodologies;

(ii) initial study reports (or system assessments);  
and

(iii) regional transmission plan

(collectively referred to as "Annual Interregional Information").

NTTG is to post its Annual Interregional Information on the NTTG Website according to its regional transmission planning process. Each other Planning Region may use in its regional transmission planning process NTTG's Annual Interregional Information. NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

NTTG is not required to make available or otherwise provide to any other Planning Region (i) any information not developed by NTTG in the ordinary course of its regional transmission planning process, (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region, or (iii) any information if NTTG reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission's Standards of Conduct or any other legal requirement. Annual Interregional Information made available or otherwise provided by NTTG shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NTTG's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by NTTG shall be "AS IS" and any reliance by the receiving Planning Region on such Annual Interregional Information is at its own risk, without warranty and without any liability of NTTG, the Transmission Provider, any entity supplying information in Transmission Provider's local transmission planning process, or any entity supplying information in NTTG's regional transmission planning process, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

#### **4.3. Annual Interregional Coordination Meeting**

NTTG is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTG is to host the Annual Interregional Coordination Meeting in turn with the other Planning Regions, and is to seek to convene such



meeting in February, but not later than March 31<sup>st</sup>. The Annual Interregional Coordination Meeting is to be open to stakeholders. NTTG is to provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

At the Annual Interregional Coordination Meeting, topics discussed may include the following:

- (i) each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
- (ii) identification and preliminary discussion of interregional solutions, including conceptual solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost effectively or efficiently; and
- (iii) updates of the status of ITPs being evaluated or previously included in NTTG's regional transmission plan.

#### **4.4. ITP Joint Evaluation Process**

##### **4.4.1 Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section 4.4.2 by submitting the ITP into the regional transmission planning process of each Relevant Planning Region in accordance with such Relevant Planning Region's regional transmission planning process and no later than March 31<sup>st</sup> of any even-numbered calendar year. Such proponent of an ITP seeking to connect to a transmission facility owned by multiple transmission owners in more than one Planning Region must submit the ITP to each such Planning Region in accordance with such Planning Region's regional transmission planning process. In addition to satisfying each Relevant Planning Region's information requirements, the proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions to which the ITP is being submitted.

##### **4.4.2 Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section 4.4.1, NTTG (if it is a Relevant Planning Region) is to participate in a joint evaluation by the Relevant Planning Regions that is to commence in the calendar year of the ITP's submittal in accordance with Section 4.4.1 or the immediately following calendar year. With respect to any such ITP, NTTG (if it is a Relevant Planning Region) is to confer with the other Relevant Planning Region(s) regarding the following:

- (i) ITP data and projected ITP costs; and
- (ii) the study assumptions and methodologies it is to use in evaluating the ITP pursuant to its regional transmission planning process.

For each ITP that meets the requirements of Section 4.4.1, NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's evaluation of the ITP;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section 4.4.2 in accordance with its regional transmission planning process;
- (c) is to notify the other Relevant Planning Regions if NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter NTTG has no obligation under this Section 4.4.2 to participate in the joint evaluation of the ITP; and
- (d) is to determine under its regional transmission planning process if such ITP is a more cost effective or efficient solution to one or more of NTTG's regional transmission needs.

#### **4.5. Interregional Cost Allocation Process**

##### **4.5.1 Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section 4.4.1, a proponent of such

ITP may also request Interregional Cost Allocation by requesting such cost allocation from NTTG and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

#### **4.5.2 Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section 4.5.1, NTTG (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) NTTG's regional benefits stated in dollars resulting from the ITP, if any; and
- (iii) assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to Section 4.6.2 below) to each Relevant Planning Region using the methodology described in this Section 4.5.2.

For each ITP that meets the requirements of Section 4.5.1, NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's analysis;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under this Section 4.5.2 in accordance with its regional transmission planning process;
- (c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in NTTG, NTTG

is to use its regional cost allocation methodology, as applied to ITPs;

- (d) is to calculate its assigned *pro rata* share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;
- (e) is to share with the other Relevant Planning Regions information regarding what its regional cost allocation would be if it were to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation; NTTG may use such information to identify its total share of the projected costs of the ITP to be assigned to NTTG in order to determine whether the ITP is a more cost effective or efficient solution to a transmission need in NTTG;
- (f) is to determine whether to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation, based on its regional transmission planning process; and
- (g) is to endeavor to perform its Interregional Cost Allocation activities pursuant to this Section 4.5.2 in the same general time frame as its joint evaluation activities pursuant to Section 4.4.2.

#### **4.6. Application of Regional Cost Allocation Methodology to Selected ITP**

##### **4.6.1 Selection by All Relevant Planning Regions**

If NTTG (if it is a Relevant Planning Region) and all of the other Relevant Planning Regions select an ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 4.5.2(d) or 4.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

##### **4.6.2 Selection by at Least Two but Fewer than All Relevant Regions**

If the NTTG (if it is a Relevant Planning Region) and at least one, but fewer than all, of the other Relevant Planning Regions select the ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, NTTG is to evaluate (or reevaluate, as the case may be) pursuant to Sections 4.5.2(d), 4.5.2(e), and 4.5.2(f) above whether, without the participation of the non-selecting Relevant Planning Region(s), the ITP is selected (or remains selected, as the case may be) in its regional transmission plan for purposes for Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective regional transmission plans of NTTG and at least one other Relevant Planning Region, NTTG is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 4.5.2(d) or 4.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

# Exhibit A



## Economic Study Agreement

This Economic Study Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

### Recitals

- A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of performing Economic Congestion Studies within the Northern Tier footprint<sup>1</sup> as requested by stakeholders following the process described in the Transmission Provider’s Attachment K;
- B. The Planning Committee operates according to the terms and conditions set forth in the Planning Committee Charter which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz) <<http://www.nttg.biz>>;
- C. This Agreement is intended to document an entity’s obligations regarding the Economic Study process, as described herein;

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

### Section 1. Duration and Termination

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

### Section 2. Obligations of the Undersigned

2.1 By executing the signature page set forth below, the undersigned, agrees to:

- (a) Submit Economic Study Requests to the Transmission Provider during the Economic Study Request windows and provide the data required to perform the study;

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<sup>1</sup> The Northern Tier’s footprint is defined by the service territories of those entities that have executed the Northern Tier Funding Agreement, as may be amended from time to time.

- (b) Acknowledge that Economic Study Requests will be evaluated and voted upon by the Planning Committee for potential clustering and selection for the up to two studies that will be performed during the Regional Planning Cycle;
- (c) Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in Section 3.6 of Attachment K;
- (d) If the Economic Study requests are not selected as one of the up to two studies, be subject to reimburse NTTG for the actual costs to perform the studies;
- (e) Act in a good faith manner to further the completion of the Economic Study Request according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time-to-time by the Steering Committee;
- (f) The extent practicable, provide support from internal resources to complete the Economic Study;
- (g) Bear its own costs and expenses associated with participation in and support of the Economic Study; and
- (h) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

### **Section 3. Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement's terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

|                            |   |                  |
|----------------------------|---|------------------|
| _____<br>(Signature)       | _____<br>(Name of Company or<br>Organization) | _____<br>(Phone) |
| _____<br>(Print Signature) | _____<br>(Street Address)                     | _____<br>(Fax)   |
| _____<br>(Title)           | _____<br>(City, State, Zip Code)              | _____<br>(Email) |



## **Exhibit B**



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### **STEERING COMMITTEE**

### **CHARTER**

**Adopted: September 19, 2016**

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**STEERING COMMITTEE CHARTER**  
**OF**  
**NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Steering Committee ("Committee") and supersedes all prior charters whether amended or restated.

**ARTICLE 1.**  
**PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall provide governance and direction on initiatives undertaken by the Northern Tier Full Funders and Nominal Funders, and approved by the Steering Committee. Those initiatives include, but are not limited to, increasing the efficiency and use of the transmission system to the benefit of customers, and furtherance of markets, regional transmission tariffs, and other transmission products, services, or structures that are economically justified. The Committee shall act in accordance with such Attachment Ks, this charter, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal an Attachment K, or any resolution of any other Northern Tier committee.

**ARTICLE 2.**  
**MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership; Becoming a Member.

(a) *Eligibility.* Class 1 members shall consist only of those entities enrolled in Northern Tier as a Full Funder or Nominal Funder. Class 2 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (the "Regulators").

(b) *Becoming a Member.* An entity that satisfies the criteria of the Funding Agreement becomes a member of Class 1 by signing the Funding Agreement. Regulators that satisfy the criteria of Class 2, and that submit a letter requesting membership in the class are members of the class. A Regulator shall submit the letter requesting membership to the Steering

Committee through [info@nttg.biz](mailto:info@nttg.biz).

2.3. Stakeholder Participation; Eligibility to Vote. Any stakeholder may participate in Committee meetings. However, only Committee members are eligible to vote during Committee meetings.

### **ARTICLE 3.**

#### **MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chairs of the Committee using such form as may be established by the chairs for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chairs of the Committee using such form as may be established by the chairs for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chairs. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that

notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation becomes effective, quorum and voting thresholds shall be reduced accordingly, until the eligible entity appoints a new member representative.

3.6. Removal. A member representative is automatically removed as a member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chairs shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

## **ARTICLE 4.**

### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chairs. Notice of all special meetings shall be transmitted by or on behalf of the chairs to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chairs shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chairs shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative or alternate list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting; provided, however, should the Utility Co-chair or Vice-chair determine that a Class 1 member has failed to timely fund its allocated share as provided for in the Northern Tier Funding Agreement, its right to vote shall be suspended and shall not be considered in determination of quorum or voting percentages; provided, further, that a suspended Class 1 member's voting rights shall be reinstated upon a determination by the Utility Co-chair or Vice-chair that said member has fully funded its allocation share. The Committee shall work to achieve unanimity for any items that require approval. However, if unable to achieve unanimity, the act of two-thirds (2/3) of the member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5. OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the co-chairs and vice-chairs. The Committee may elect such other officers and assistant officers as it shall deem necessary. On an annual basis coinciding with the first meeting of the Committee in each calendar year, the Committee shall elect from its member representatives (not alternates) two (2) chairs and two (2) vice-chairs. One co-chair and vice-chair shall be a Class 2 member representative that is also a state regulatory utility commissioner ("State Co-chair" and "State Vice-chair") and one co-chair and vice-chair shall be a member representative of a Class 1 Full Funder ("Utility Co-chair" and "Utility Vice-chair").

5.2. Co-Chairs.

(a) Joint Responsibility. The co-chairs are responsible for ensuring the Committee's purposes are achieved, and are the primary public spokespersons for the Committee. The co-chairs shall have such additional powers and duties as shall be prescribed by the Steering Committee.

(b) Utility Co-Chair Responsibility. The Utility Co-chair shall have the responsibility to:

- Initiate discussions among the Class 1 member representatives to review budget increases or financing for additional work streams approved by the Steering Committee; and
- Initiate and coordinate the dispute resolution process outlined in Attachment K.

(c) State Co-Chair Responsibility. The State Co-chair shall have the responsibility to:

- Lead Steering Committee process and enforce Steering Committee process rules;
- Declare an impasse in any dispute resolution pursuant to the process outlined in Attachment K; and
- Ensure Northern Tier cost allocation processes are followed and send acknowledgement that the process has been followed to regulatory agencies.

5.3. Vice-Chairs. The vice-chairs shall perform all duties usually inherent in such office. A vice-chair shall perform the duties of a co-chair in the event of absence or withdrawal of one of the co-chairs. In addition, if one of the member representatives serving as co-chair ceases being a member representative for any reason or submits his resignation as co-chair of the Committee, a vice-chair shall perform the duties of the co-chair for the remainder of the prior co-chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the co-chairs. The vice-chairs shall be the individuals intended to become the next co-chairs of the Committee.

5.4. Removal. The Committee may remove any officer whenever, in the Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the co-chairs (or, if one of the co-chairs, by giving notice to the other co-chair and to the vice-chairs). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the

Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chairs may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee co-chairs.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. This charter may be amended, in all or any part, by the Committee. At least once a year the Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.



## CERTIFICATION

The undersigned hereby certifies that the foregoing Steering Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 19<sup>th</sup> day of September, 2016, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

/s/ Ray Brush

By \_\_\_\_\_  
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

/s/ Travis Kavulla

By \_\_\_\_\_  
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group

## **Exhibit C**



### **PLANNING COMMITTEE**

### **CHARTER**

**Adopted: August 27, 2013**

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**PLANNING COMMITTEE CHARTER**  
**OF**  
**NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Planning Committee ("Committee") and supersedes all prior charters whether amended or restated.

**ARTICLE 1.**  
**PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties as assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, and the Steering Committee's directions, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

**ARTICLE 2.**  
**MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of three (3) classes of members: Class 1, and Class 2, and Class 3.

2.2. Eligibility for Membership. Class 1 members shall consist only of those transmission providers or transmission developers engaged in or intending to engage in the sale of electric transmission service within the Northern Tier Footprint (the "Transmission Provider/Developer Class"). Class 2 members shall consist only of those transmission users engaged in the purchase of electric transmission service within the Northern Tier Footprint, or other entity, which has, or intends to enter into, an interconnection agreement with a transmission provider within the Northern Tier Footprint (the "Transmission User Class"). Class 3 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (collectively, the

“Regulators,” and the “Regulatory Class”). Each entity is entitled to only one membership.

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings without signing the Planning Committee Membership Agreement. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, and execute the Planning Committee Membership Agreement that is attached as Exhibit A to this charter, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings.

Each signatory of the Northern Tier Funding Agreement that is subject to Federal Energy Regulatory Commission (“Commission”) jurisdiction under the Federal Power Act shall maintain the current form of the Planning Committee Membership Agreement approved by the Steering Committee as an exhibit to this charter, which in turn is an attachment to its respective OATT. Stakeholders seeking to join the Committee as a member of Class 1 (other than a funder) or Class 2 are not required to sign the Planning Committee Membership Agreement of any specific transmission provider. Rather, each stakeholder may choose and execute whichever form it desires to sign. However, a stakeholder must return the executed Planning Committee Membership Agreement to the transmission provider from which it obtained the form and to the Committee chair through [info@nttg.biz](mailto:info@nttg.biz) <<mailto:info@nttg.biz>>.

Upon receipt of an executed Planning Committee Membership Agreement, that transmission provider will notify the Commission of its execution via the Electronic Quarterly Reports, and the chair of the Committee will cause Northern Tier to maintain a list on its website that identifies every stakeholder that has signed a Planning Committee Membership Agreement. Signatories to the Northern Tier Funding Agreement are automatically members of the Committee, and will be identified on the Northern Tier website as a member of the Committee.

The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of each signatory of the Planning Committee Membership Agreement, each signatory of the Northern Tier Funding Agreement, and the Regulators that have requested Committee membership.

### **ARTICLE 3.**

#### **MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not

obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf of the member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the

Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

## **ARTICLE 4.**

### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in the Transmission Provider/Developer's Class and one other class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including

email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5. OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) that are Full Funders of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committees.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.



5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

## CERTIFICATION

The undersigned hereby certifies that the foregoing Planning Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27<sup>th</sup> day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

By                     /s/ Ray Brush                      
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

By                     /s/ Travis Kavulla                      
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group

## **Exhibit A**

### **Planning Committee Membership Agreement**

This Planning Committee Membership Agreement (“Agreement”) between the Transmission Provider and the undersigned is entered into by signing below.

#### **Recitals**

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of producing a regional transmission plan for the Northern Tier Footprint, and coordinating the transmission plan and its development with other regional planning groups;

B. The Planning Committee operates according to the terms and conditions set forth Attachment K and the Planning Committee Charter, which may be amended from time-to-time by the Northern Tier Steering Committee (the “Steering Committee”) and which is posted on the Northern Tier website, [www.nttg.biz](http://www.nttg.biz) <<http://www.nttg.biz>>;

C. Attachment K and the Planning Committee Charter provide that any stakeholder may attend and participate in Planning Committee meetings but limits those entities that may formally vote to those entities that become members of the committee and appoint a member representative;

D. This Agreement is intended to document an entity’s membership on the Planning Committee and commit the entity to act in a good faith manner to further the purpose of the Planning Committee and Northern Tier;

E. A list of all members of the Planning Committee is maintained on the Northern Tier website; and

F. The Planning Committee is funded by the signatories to the Northern Tier Funding Agreement (“Funding Members”), as it may be amended from time-to-time, and which has been filed with the Commission and posted on the Northern Tier website.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration the sufficiency of which are hereby recognized, the undersigned hereby agrees as follows:

#### **Section 1. Duration and Termination**

1.1 This Agreement is effective upon execution and shall continue in effect until terminated and the termination is made effective by the Federal Energy Regulatory Commission (the “Commission”); provided, however, the undersigned may independently terminate its participation in this Agreement after giving the Transmission Provider five (5) business days advance notice in writing or through electronic transmission.

## **Section 2. Obligations of the Undersigned**

2.1 By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class of the Planning Committee, and agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:

- (a) Acting in a good faith manner to carry out the responsibilities assigned to the Planning Committee in Attachment K, the purposes the Planning Committee Charter, and the governance of the Steering Committee, as each may be amended from time-to-time;
- (b) Be bound by the decisions of the Steering Committee, the Planning Committee, and the Cost Allocation Committee, and/or resolve disputes according to the process set forth in Attachment K;
- (c) To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter and the responsibilities assigned to the Planning Committee in Attachment K;
- (d) Bear its own costs and expenses associated with participation in and support of the Planning Committee;
- (e) Be responsible for the costs of meeting facilities and administration, including third-party contract resources, associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and
- (f) Execute non-disclosure agreements, as necessary, before receipt of transmission planning data or non-public information.

## **Section 3. Miscellaneous**

3.1 Limit of Liability. Neither the Transmission Provider nor the undersigned shall be liable for any direct, incidental, consequential, punitive, special, exemplary, or indirect damages associated with a breach of this Agreement. The Transmission Provider and the undersigned's sole remedy for any breach of this Agreement are to enforce prospective compliance with this Agreement's terms and conditions.

3.2 No Joint Action. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership, or to impose any partnership obligations or liability.

3.3 Ownership of Products. The undersigned agrees not to assert an ownership interest in products created by the efforts of the Planning Committee and/or the Cost Allocation Committee.

3.4 Amendments. The Transmission Provider retains the right to make a unilateral filing with the Commission to modify this Agreement under Section 205 or any other applicable provision of the Federal Power Act and the Commission's rules and regulations.

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

3.6 Severability. If any portion of this Agreement shall be held to be void or unenforceable, the balance thereof shall continue to be effective.

3.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.

3.8 Third Party Beneficiaries. All signatories of the NTTG Funding Agreement are third party beneficiaries of this Agreement.

3.9 Execution. The undersigned may deliver an executed signature page to the Transmission Provider by facsimile transmission.

3.10 Integration. This Agreement constitutes the entire agreement of the Transmission Provider and the undersigned. Covenants or representations not contained or incorporated herein shall not be binding upon the Parties.

IN WITNESS WHEREOF, the undersigned executes this Agreement on the date set forth below.

Requested Membership Class \_\_\_\_\_

|                            |   |                  |
|----------------------------|---|------------------|
| _____<br>(Signature)       | _____<br>(Name of Company or<br>Organization) | _____<br>(Phone) |
| _____<br>(Print Signature) | _____<br>(Street Address)                     | _____<br>(Fax)   |
| _____<br>(Title)           | _____<br>(City, State, Zip Code)              | _____<br>(Email) |

## **Exhibit D**



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# **COST ALLOCATION COMMITTEE CHARTER**

**Adopted: August 27, 2013**

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# **COST ALLOCATION COMMITTEE CHARTER**

## **OF**

### **NORTHERN TIER TRANSMISSION GROUP**

(An Unincorporated Association)

This document currently and completely sets forth the charter of the Northern Tier Transmission Group's ("Northern Tier") Cost Allocation Committee ("Committee") and supersedes all prior charters whether amended or restated.

#### **ARTICLE 1. PURPOSE AND LIMITATIONS**

1.1. Purpose. The Committee shall carry out the responsibilities assigned to the Committee in Attachment K of the Open Access Transmission Tariffs of the entities enrolled in Northern Tier as Full Funders. In addition, the Committee shall carry out such additional duties assigned by the Steering Committee. The Committee shall act in accordance with such Attachment Ks, this charter, the Steering Committee's directions, and applicable legal and regulatory requirements.

1.2. Limitations. The Committee does not have the authority to amend, alter or repeal a charter of Northern Tier, an Attachment K, the Practice Document, or any resolution of any other Northern Tier committee.

1.3. Reporting to Steering Committee. The Committee shall report to the Steering Committee through its chair.

#### **ARTICLE 2. MEMBERSHIP**

2.1. Membership Classes. The Committee is composed of two classes of members, Class 1 and Class 2.

2.2. Eligibility for Membership. Class 1 members shall consist only of those entities enrolled in Northern Tier as a funder and that have appointed a representative to the Steering Committee. Class 2 members shall consist only of those state utility commissions, state consumer advocates, or state transmission siting agencies within the Northern Tier Footprint that have appointed a representative to the Steering Committee (the "Regulators").

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the criteria of a



membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2

### **ARTICLE 3.**

#### **MEMBER REPRESENTATIVES**

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

3.2. Appointment of Member Representative. Each member is entitled (but not obligated) to appoint one (1) representative to the Committee. The individual must have authority to make decisions. Such member may appoint a representative at any time and may change its representative at any time; provided, however, a representative must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. A representative is appointed by the eligible member providing the representative's contact information to the chair of the Committee using such form as may be established by the chair for such purposes.

3.3. Alternate Representative. A member representative is entitled to appoint one (1) alternate with authority to make decisions to act on behalf of the member representative. An alternate assumes all the authority of the representative during the period of time designated by the member representative. An alternate must be appointed at least one (1) business day in advance of a meeting to be eligible to vote at the meeting. An alternate is appointed by the member representative by providing the alternate's contact information and beginning and ending dates of appointment to the chair of the Committee using such form as may be established by the chair for such purposes. An alternate's authority to act on behalf its appointing member representative terminates automatically if the member that appointed the member representative replaces the member representative.

3.4. State Representatives. Neither the actions nor positions taken or not taken by Northern Tier, any committee of Northern Tier, or member representative or alternate shall constitute a prejudgment of any issue in a proceeding before a state utility commission or state transmission siting agency.

3.5. Resignation. A member representative or an alternate may resign at any time by giving written notice to the chair. Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that

notice, the acceptance of the resignation shall not be necessary to make it effective. Once a resignation takes effect, quorum and voting thresholds shall be reduced accordingly, until the eligible member appoints a new member representative.

3.6. Removal. A member representative is automatically removed as member representative to the Committee if the member representative does not participate directly or through an alternate in three (3) consecutive meetings (whether regular or special). The chair shall cause notice of removal to be promptly provided to the member representative and member. While a member may appoint a new member representative to replace the removed member representative, the Committee will not consider the member to have done so for quorum or voting purposes until such time as the member appoints a new member representative and the representative so appointed attends a Committee meeting.

3.7. No Compensation from Northern Tier. No member representative or alternate shall receive compensation or any reimbursement of expenses from Northern Tier, the Committee, or a signatory to the Northern Tier Funding Agreement. A member representative or alternate shall look to its appointing member for compensation or reimbursement of expenses.

## **ARTICLE 4.**

### **MEMBER REPRESENTATIVE MEETINGS**

4.1. Open Meetings and Limitations. All Committee meetings are public and open to stakeholder participation; provided, however, that attendance may be restricted at a meeting to the extent necessary to address non-public information, critical energy infrastructure information, or other legal or regulatory requirements.

4.2. Meetings; Notice and Minutes. The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. Special meetings of the Committee may be called at any time by the chair. Notice of all special meetings shall be transmitted by or on behalf of the chair to all member representatives and alternates not less than seven (7) calendar days before each meeting. Notice shall be transmitted by email and posted on Northern Tier's website, and contain the date, time and location of the special meeting. Meeting materials shall be posted on the Northern Tier website prior to meeting. The chair shall cause minutes of each meeting to be taken and posted on Northern Tier's website.

4.3. Procedure. The chair shall establish the order of business at all meetings. In case of dispute regarding procedural matters, Roberts Rules of Order shall be followed.

4.4. Member Representative List. The member representative list in each class shall be established one (1) business day in advance of each meeting.

4.5. Quorum. Sixty percent (60%) of the member representatives or alternates set forth on the membership list in each class must be present at a meeting for voting to occur at the

meeting.

4.6. Voting. At any meeting of the Committee at which a quorum is achieved, any business may be transacted, and the Committee may exercise all of its powers. Each member representative or its designated alternate shall possess one vote in matters coming before the Committee. Only a member representative or designated alternate may vote at a meeting. The act of a majority of member representatives or alternates in each class that are present at a meeting at which a quorum is achieved shall be the act of the Committee. A member representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

4.7. Action Without Meeting. Any action that may be taken by the Committee at a meeting may be taken without a meeting if done in the form of a written record (including email). The record shall set forth the action to be taken. The consent of all member representatives on record at the time the vote was initiated shall be the act of the Committee. This consent may be given in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same record.

4.8. Telephone Participation. Member representatives and their alternates may participate in Committee meetings by means of a conference telephone or similar communications equipment where all persons participating in the meeting can hear each other at the same time. Participation of a member representative or designated alternate by such means shall constitute presence in person at a meeting.

## **ARTICLE 5.**

### **OFFICERS**

5.1. Officers, Election, and Term. The officers of the Committee shall be the chair and vice-chair. The Committee may elect such other officers and assistant officers as it shall deem necessary. Every two years in the fourth quarter, the Committee shall elect, from its member representatives (not alternates) of Class 1, a chair and a vice-chair.

5.2. Chair. The chair is responsible for ensuring the Committee's purposes are achieved, and is the primary public spokesperson for the Committee. The chair shall preside at all meetings of the Committee. The chair shall be accountable to the Steering Committee. The chair shall otherwise perform all other duties usually inherent in such office. The chair shall have such additional powers and duties as shall be prescribed by the Steering Committee.

5.3. Vice-Chair. The vice-chair shall perform all duties usually inherent in such office. The vice-chair shall perform the duties of the chair in the event of absence or withdrawal of the chair. In addition, if the member representative serving as chair ceases being a member

representative for any reason or submits his resignation as the chair, the vice-chair shall perform the duties of the chair for the remainder of the prior chair's term. The vice-chair shall have such additional powers and duties as shall be prescribed by the chair. The vice-chair shall be the individual intended to become the next chair of the Committee.

5.4. Removal. The Steering Committee or the Committee may remove any officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

5.5. Resignation. Any officer may resign at any time by giving written notice to the chair (or, if the chair, by giving notice to the Steering Committee chairs and to the vice-chair). Any resignation shall take effect on the date of the receipt of that notice or at any later time specified by that notice, and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.6. Vacancies. Vacancies in any office arising from any cause may be filled by the Committee at any regular or special meeting.

## **ARTICLE 6. MISCELLANEOUS**

6.1. Sub-Committees. The Committee chair or the Steering Committee may establish subcommittees to the Committee to further the purposes of the Committee. Such subcommittees shall be of limited duration, and shall report to the Committee chair.

6.2. Dispute Resolution. Disputes shall be subject to the dispute resolution process outlined in Attachment K of the OATT of the signatories to the Northern Tier Funding Agreement with an OATT.

6.3. Amendments. Recommendations to amend this charter, in all or any part, may be developed and approved from time to time by the Committee. Any such Committee recommendation shall be forwarded to the Steering Committee for consideration. At least once a year the Committee or the Steering Committee should review this charter to determine if it reflects the manner in which the Committee conducts its activities and proscribes a reasonable governance structure for the Committee.

## CERTIFICATION

The undersigned hereby certifies that the foregoing Cost Allocation Committee Charter of the Northern Tier Transmission Group was adopted at a meeting of the Steering Committee on the 27th day of August, 2013, and that the foregoing was approved to become effective on the effective date of the version of the Northern Tier Transmission Group's Attachment K that satisfies the regional requirements of Order No. 1000.

/s/ Ray Brush

By \_\_\_\_\_  
Ray Brush, Utility Co-Chair  
Steering Committee  
Northern Tier Transmission Group

/s/ Travis Kavulla

By \_\_\_\_\_  
Travis Kavulla, State Co-Chair  
Steering Committee  
Northern Tier Transmission Group