



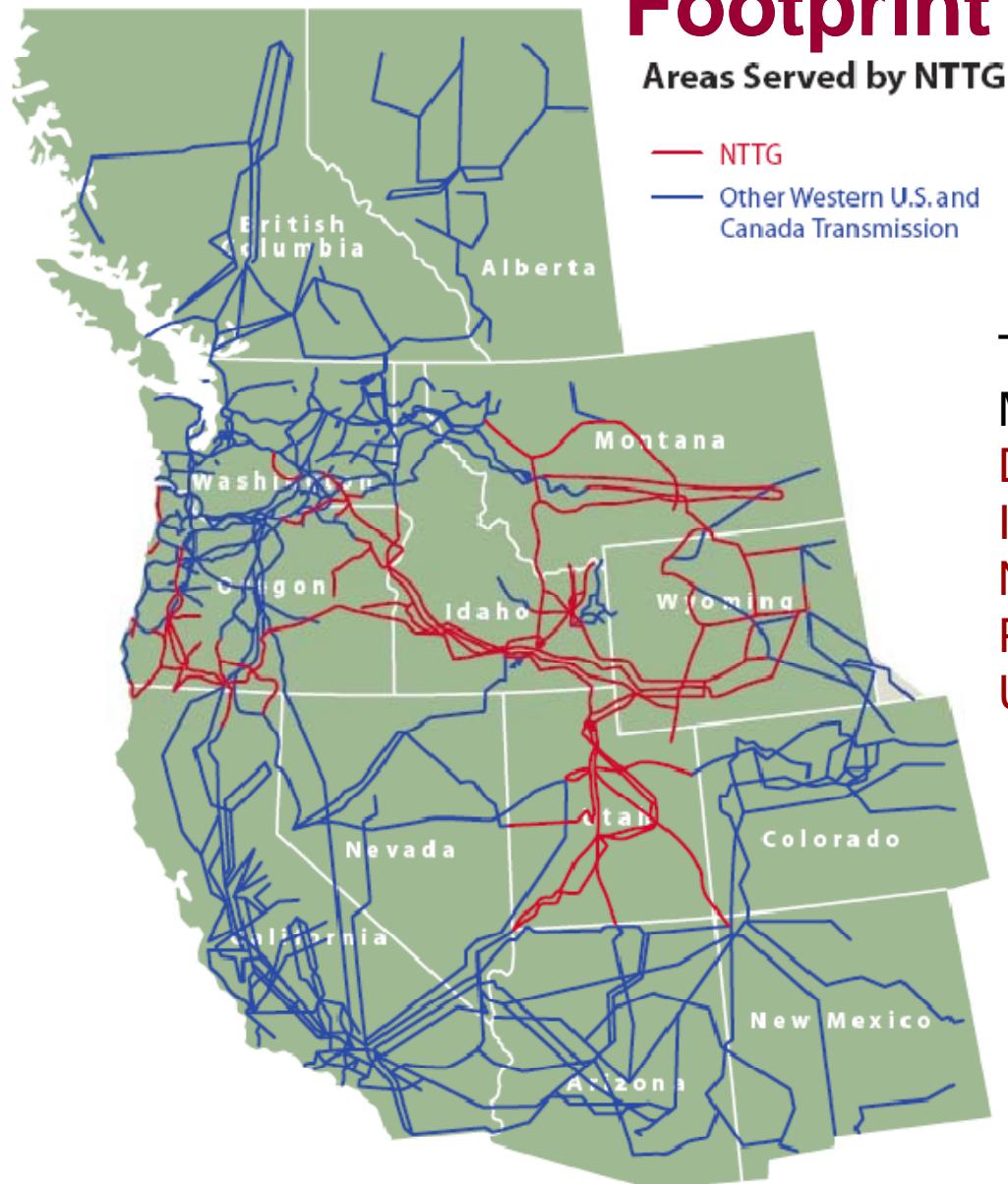
# **Northern Tier Transmission Group**

**Utah Association of Energy Users**

Salt Lake City October 19, 2007

“To ensure efficient, effective, coordinated use & expansion of the member’s transmission systems in the Western Interconnection to best meet the needs of customers & stakeholders. “

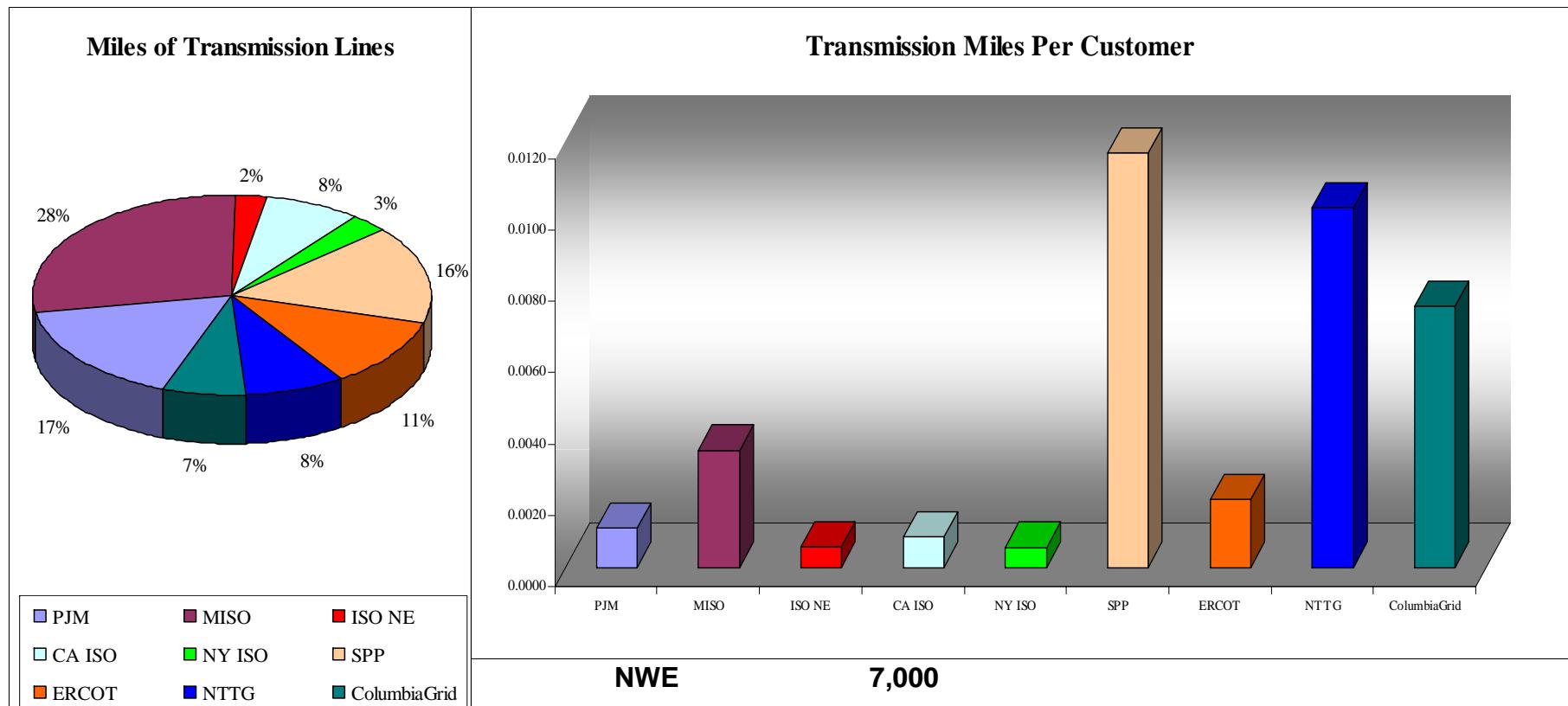
# Northern Tier Transmission Group Footprint



Transmission Members:  
Deseret Power  
Idaho Power  
Northwestern Energy  
PacifiCorp  
UAMPS



# Miles of Transmission



<b>NWE</b>	<b>7,000</b>
<b>Idaho Power</b>	<b>4,691</b>
<b>PacifiCorp</b>	<b>15,580</b>
<b>Deseret Power</b>	<b>287</b>
<b>UAMPS*</b>	<b>0</b>
<b>NTTG Total</b>	<b>27,558</b>



# Northern Tier Transmission Group

## – Status of Organization

- NTTG organization was established after Grid West (and prior to 890) to carry forward beneficial initiatives
  - Combined member Transmission Planning
  - Area Control Error Diversity Interchange (ADI)
  - Transmission Use and ATC
- Concept is to evolve the organization as required
  - Get initiatives accomplished –results first
  - Not get bogged down in structure debate
  - Use existing organizations and structure - avoid duplication
- Status
  - Approved: Planning Agreement, Steering Committee Charter, Cost Allocation Committee Charter, Use Committee Charter, Dispute Resolution Process
  - For approval in November: Planning Committee Charter, ADI Group charter



# Northern Tier Transmission Group

## NTTG Focus remains on completing initiatives:

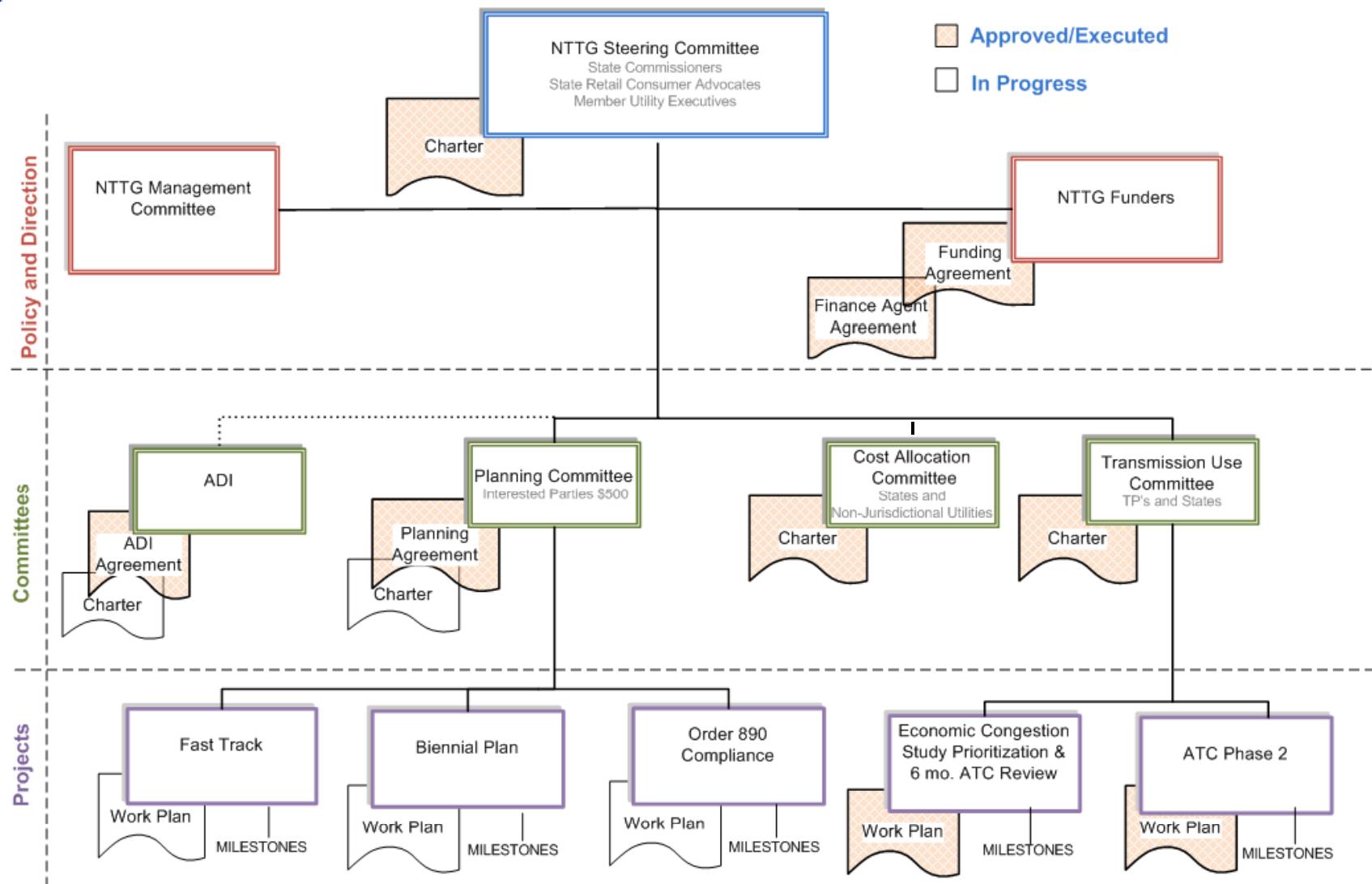
- Finalizing Biennial Planning Process
  - Consistent with 890 Attachment K
  - Synchronized with WECC Regional Planning
  - Includes Cost Allocation Committee and Process
- Implementing Sponsored (aka Fast Track) Transmission Projects
  - Projects resulting from Planning Process
- Area Control Error Diversity Interchange (ADI)
  - Initial Pilot implemented
  - Expansion
- Transmission Use Initiatives
  - “English” definitions of OASIS paths implemented
  - Review of ATC values and forum for prioritizing economic and congestion studies
  - Route map of OASIS paths
  - Coordination with Planning Initiatives to assist development of transmission plans

## Methods

- All with open stakeholder involvement
- Complying with FERC requirements



# Northern Tier Transmission Group Organization





# NTTG Structure

Northern Tier consists of:

- Steering Committee
  - State commissioners and government representatives
  - Member utility executives
- Working Committees
  - Cost Allocation – estimates cost allocation for new transmission projects
  - Transmission Planning – “fast track” and long term planning
  - Transmission Use – “voice of customer” and issues pertaining to the use of the existing transmission system
- Task forces
  - Order 890 planning Attachment K
  - Targeted administrative issues as required



# NTTG Transmission Planning Process

- Planning Goals
  - Provide customers with way to input their long range transmission needs and concepts ahead of formal OATT processes.
    - To determine if they wish to proceed with formal OATT Transmission Service Requests
    - To determine if it economical for them to proceed and in essence be a transmission project sponsor
  - Provide a forum and process for collaboration in open and transparent basis
  - Provide all parties planning data and information needed for their individual decisions
  - Provide a level of certainty on project related transmission costs, timing, and rights
- Ultimately it is the project sponsors that decide to fund transmission



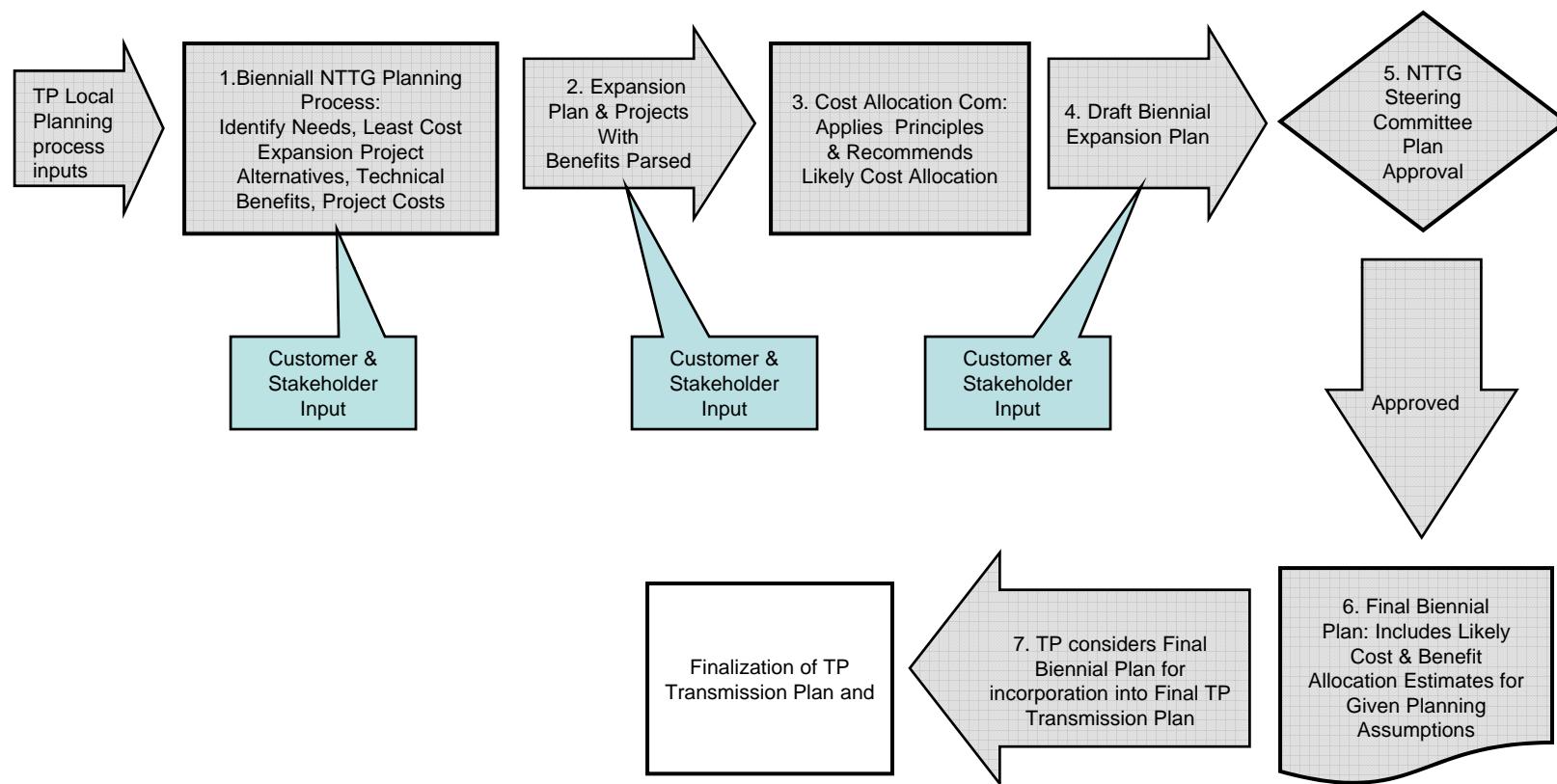
# NTTG Planning Process

## Planning Committee

- Consists of member reps and elected Chair
- Eligible members:
  - Parties that purchase or sell transmission services & signatories to Planning Agreement
  - Regulators & other state agencies in footprint states
  - Members represent their respective Customers and Stakeholders
- Customers submit needs, study requests, and concepts to the TP
  - TP consolidates and brings to the PC
- Open meetings to all Members, Eligible Customers, Stakeholders, and Interested Parties
  - All can comment on planning criteria, assumptions and results either through their Member or directly in participation with NTTG
- NTTG PC will conduct biennial planning process to identify transmission needs, least cost expansion project alternatives, technical benefits, and project costs
  - On Plans and Planning issues that effect more than a single TP
  - Biennial Bulk Transmission 10 Year Plan considering 20 year planning horizon
  - Eight quarter synchronized planning cycle
  - Economic and Reliability considerations
  - Will conduct congestion studies on existing and planned system
- NTTG will select beneficial sub-regional projects and Cost Allocation Committee will recommend cost allocation among participating Transmission Providers



# NTTG Planning Process





# FERC Order 890 Attachment K

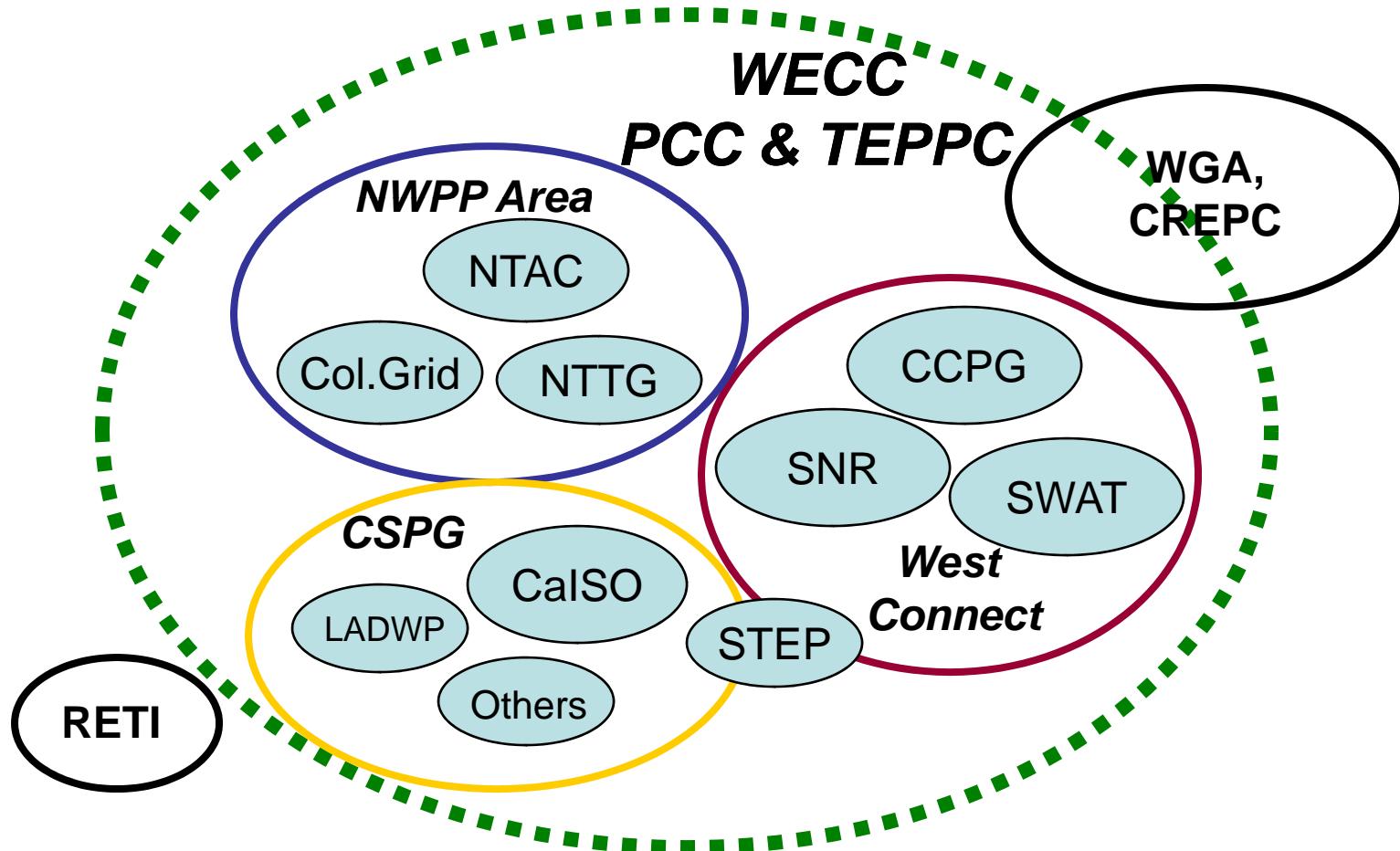
## Planning Principles

1. Coordination
2. Openness
3. Transparency
4. Information Exchange
5. Comparability
6. Dispute Resolution
7. Regional Participation
8. Economic Studies
9. Cost Allocation

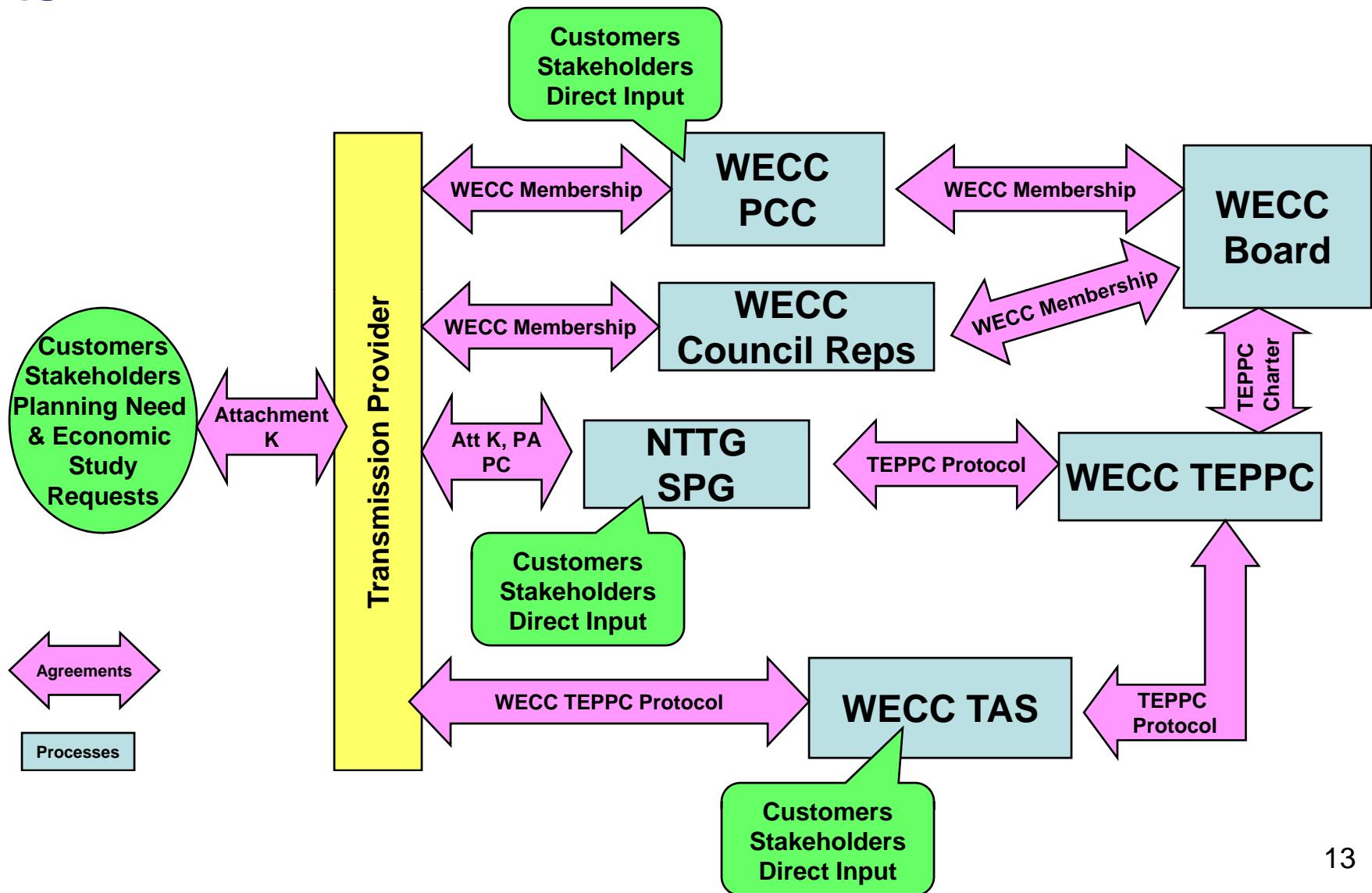


# Regional Coordination

Western Interconnection Transmission Planning Groups



# How Planning is Linked to Customer Needs





# WECC PCC and TEPPC Process Provide:

- Coordinated & exchanged planning information
- A synchronized planning process that produces planning information and plans considering:
  - local, sub-regional, and regional levels
- Open, streamlined & publicized process, meetings, & calendars
  - Open and inclusive, informative
  - Eliminate duplication
- Consideration of other's plans that overlap, are interdependent, or interact
- “Best effort” to:
  - Perform studies requested by TP's or customers
  - Facilitate formation of joint study teams with other transmission groups & perform analysis for projects that are interdependent or interacting
- Provide timely status reports



# Cost Allocation Committee

- History
  - Committee on Regional Electric Power Cooperation (CREPC) White Paper – 2005
  - CREPC formed the Transmission Regulatory Principles Work Group (TREG) to respond to recommendations in the Rocky Mountain Area Transmission Study (RMATS) Phase I report
    - To examine transmission regulatory issues and
    - To make recommendations on potential common regional regulatory principles and procedures
- Cost Allocation Committee
  - Reports to Steering Committee
  - Develops Cost Allocation Principles
  - Manages Cost Allocation Process in Synch with Planning
  - Applies Principles and recommends cost allocation to project sponsors
  - Appointed by state agency and publicly and consumer-owned NTTG members
- Initial Cost Allocation Process Test on Fast Tract Projects



# Transmission Use Committee

## Transmission Use Committee Goals:

- Provide full transparency into ATC, including building blocks
  - Ensure customers' commercial privacy is maintained
  - Description of why ATC components are set at the quantities shown
- Develop a common place to see ATC components in a common format
  - To be able to see ATC for high level understanding without becoming a registered customer



# Area Control Area Diversity Interchange (ADI)

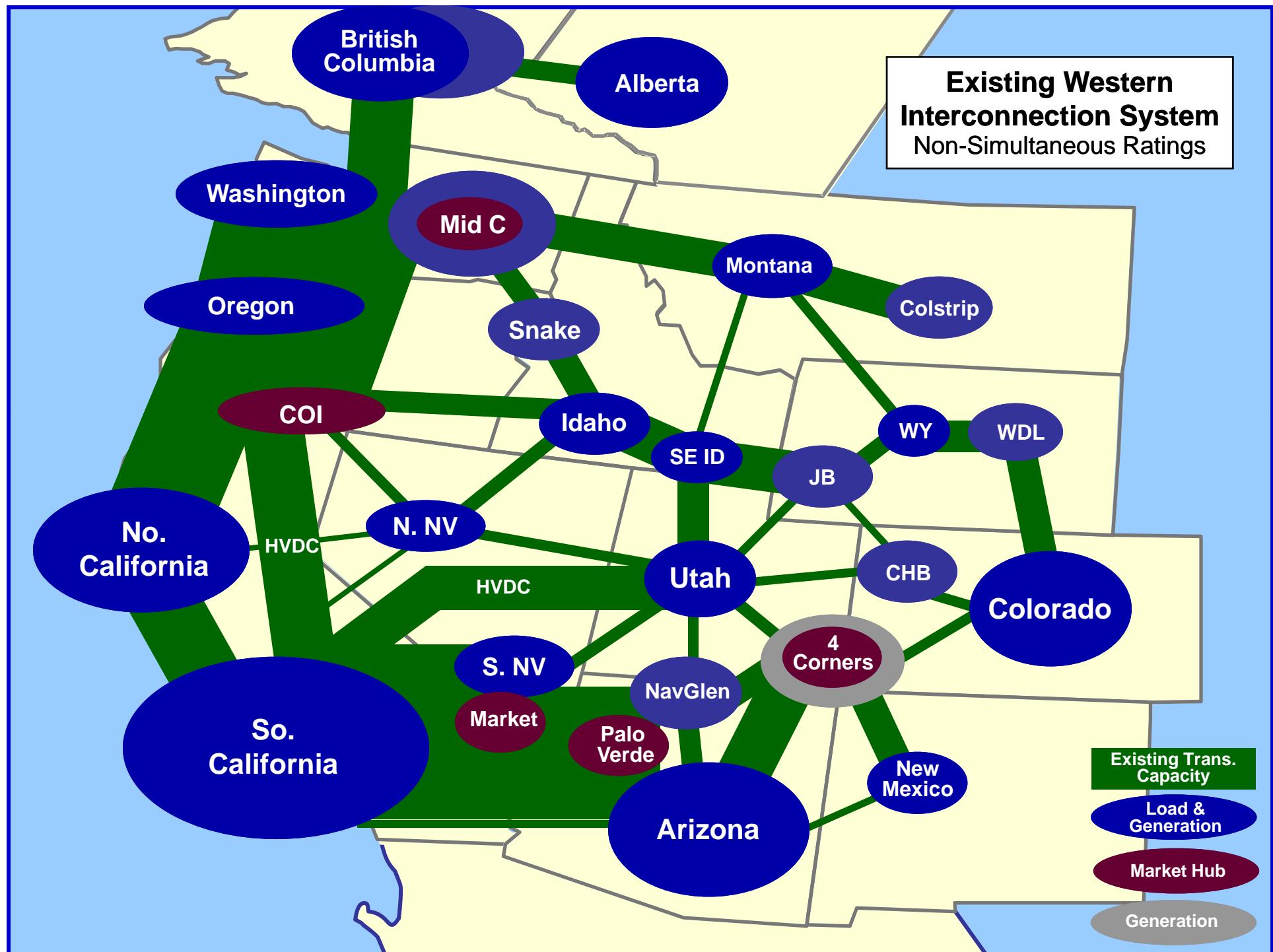
## What is ACE Diversity Interchange or ADI?

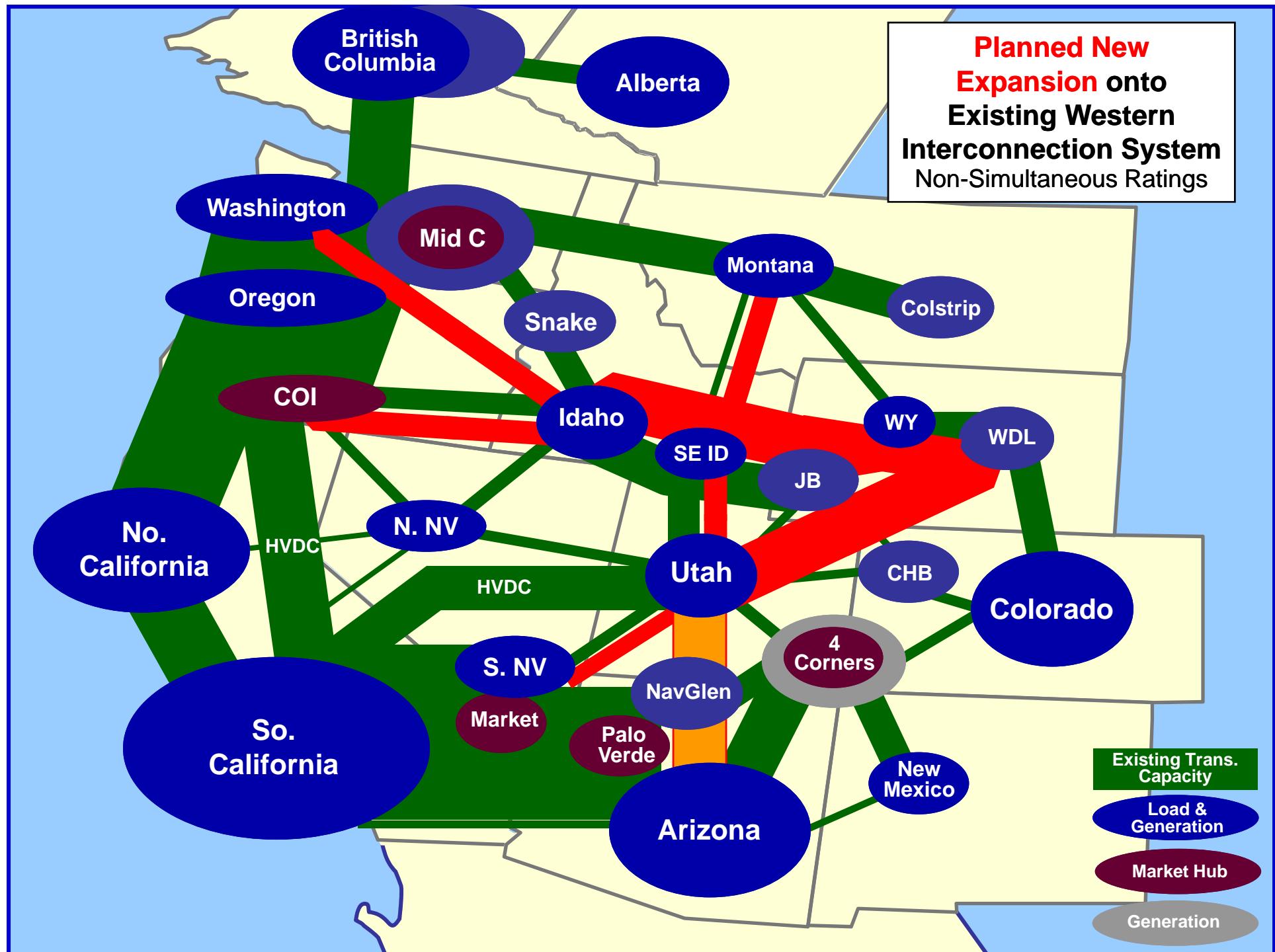
- ADI is the pooling of individual Area Control Errors (ACE) to take advantage of control error diversity (momentary imbalances of generation and load) .
- By pooling ACE the participants will be able to:
  - Reduce control burden on individual control areas;
  - Reduce sensitivity to resources with potentially volatile output such as wind projects; and,
  - Reduce unnecessary generator control movement.
- Participants in ADI should also realize compliance improvements in Control Performance Standards.



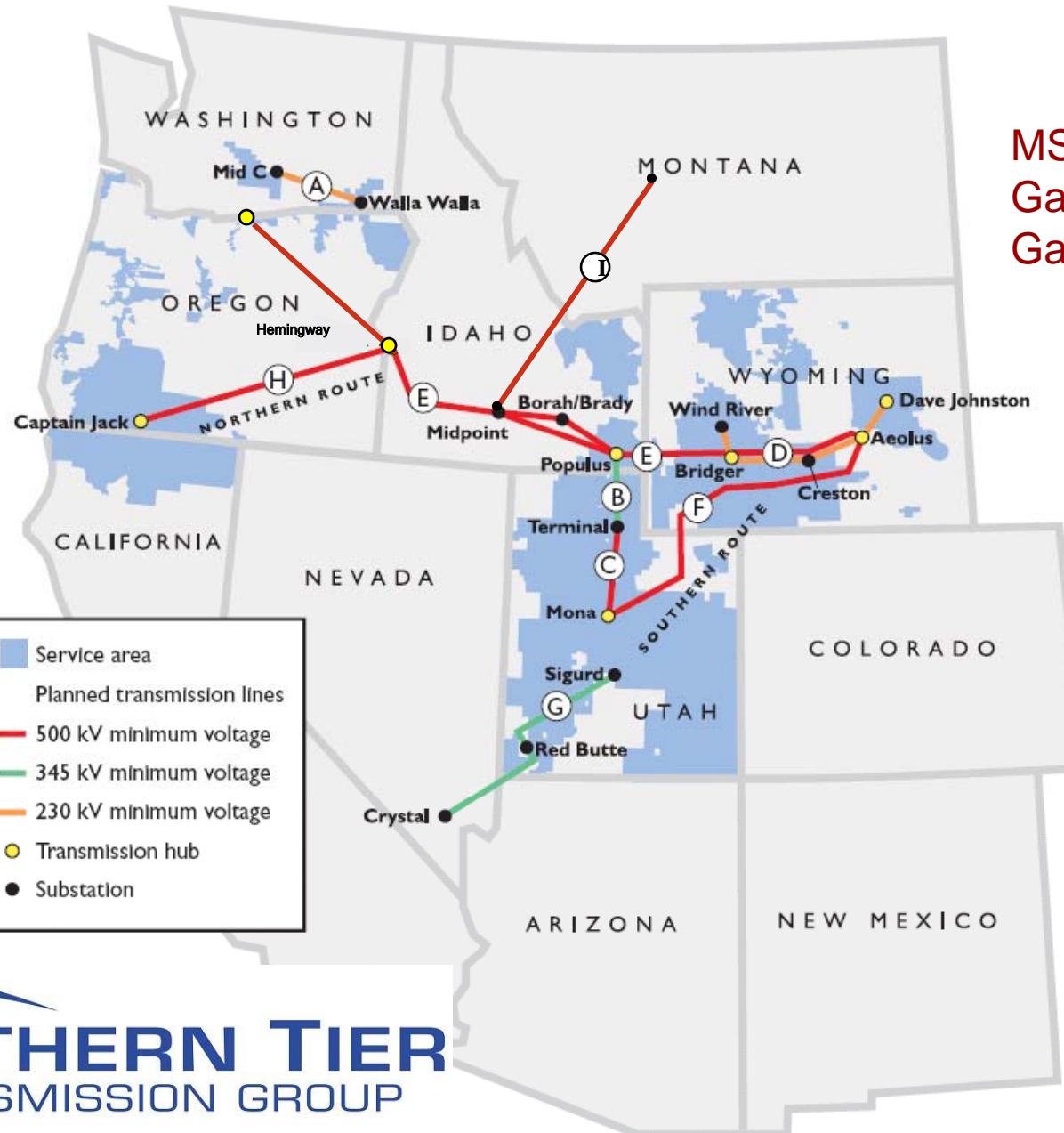
# NTTG Planning & Fast Track

1. Identified fast track transmission projects - June 30, 2007
2. Establish Order 890 planning process which provides for coordinated transmission plans
  - Tech Conference Oct 23-24 Denver
  - Filing Attachment K and related Agreements December 7, 2007



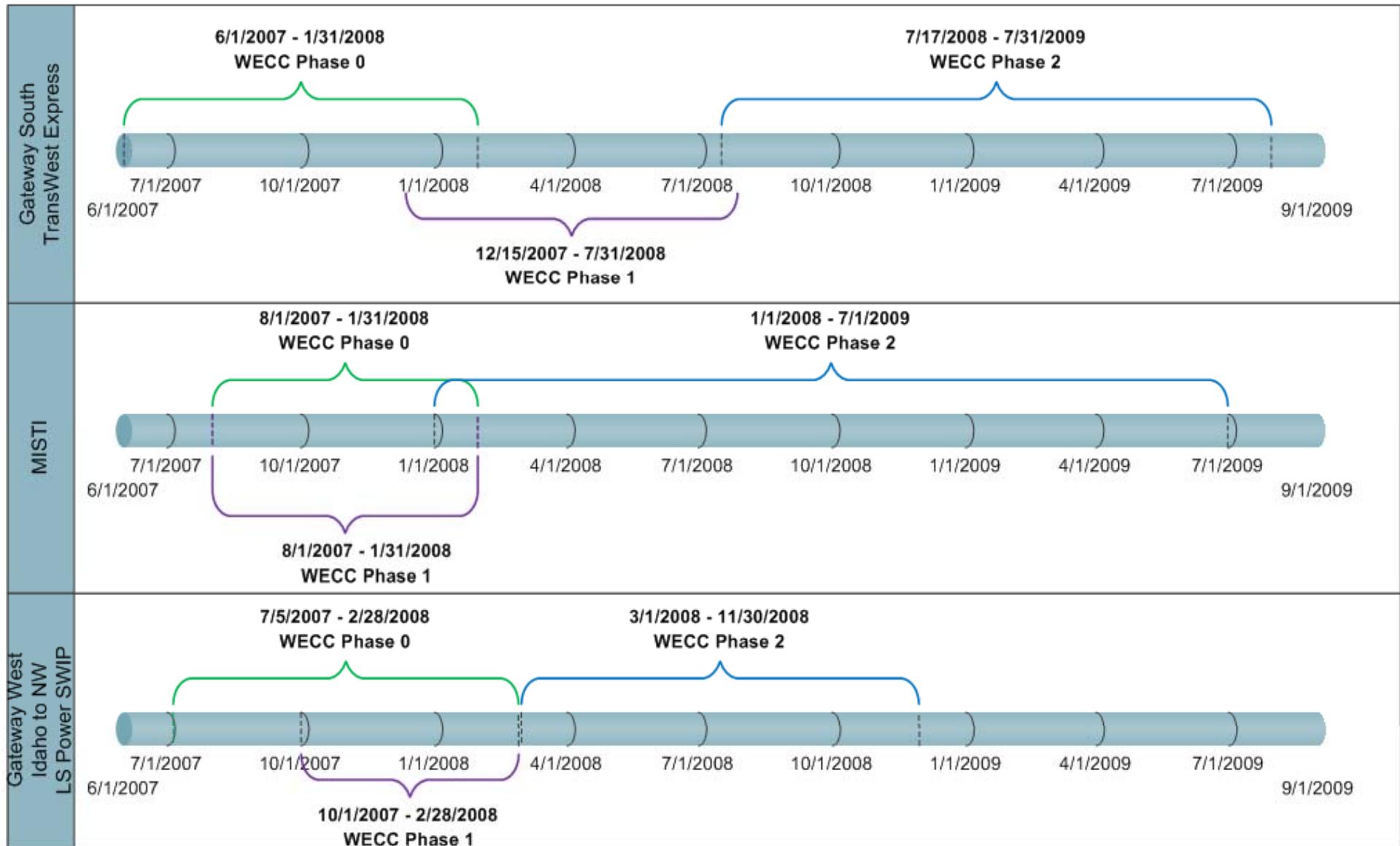


## Updated Transmission Expansion Plan



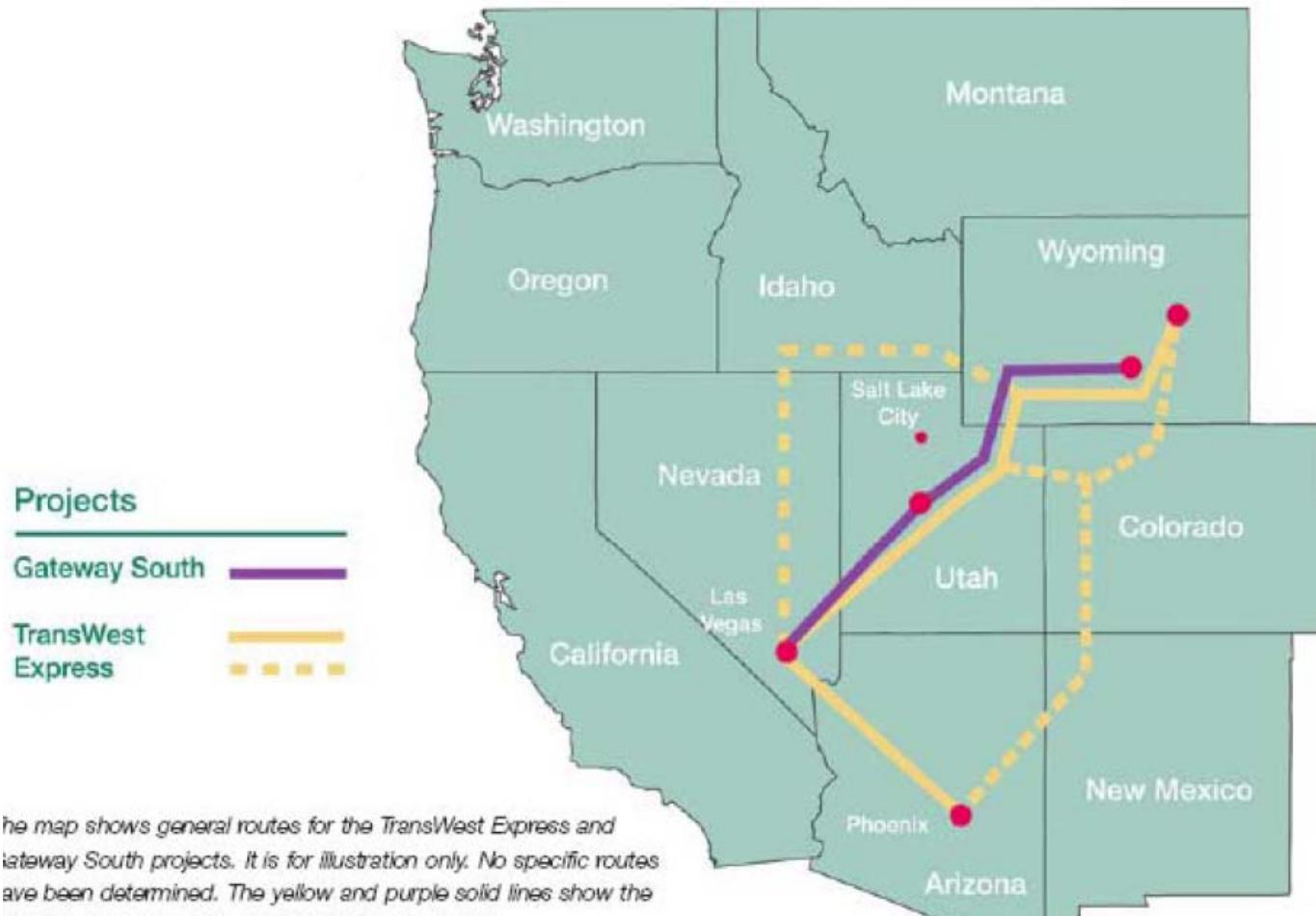
MSTI  
Gateway West  
Gateway South

# REGIONAL DEVELOPMENT PLAN





# Gateway South & TransWest Express



The map shows general routes for the TransWest Express and Gateway South projects. It is for illustration only. No specific routes have been determined. The yellow and purple solid lines show the potential common areas between the two projects.



nationalgrid



# NTTG KEY DATES AND MILESTONES AS OF 10.12.07

2007/2008

## ORDER 890

DATE\*

TP's post draft Attach K;

09.14.07

WECC posts Planning Protocol

09.14.07

NTTG mtg. w/ FERC staff

09.25.07

FERC Technical Conference – Denver, CO

10.23.07

10.24.07

Attachment K's Filed with FERC

12.07.07

## PLANNING COMMITTEE

DATE\*

Establish Planning Committee/Chair

09.10.07

09.26.07

10.03.07

Stakeholder Web Conference to review Common Base Case Assumptions

10.22.07

Stakeholder Meeting – Boise, ID

10.16.07

Initial Study Plans Reviewed

10.21.07

11.13.07

Initiate Coordination w/ Cost Allocation Process - CA

DEC 07

Stakeholder Meeting – SLC, UT

12.11.07

Draft Comprehensive Study Plan Reviewed

WECC Phase 0 Study Plan Completed and reviewed with Stakeholders

01.15.08

## COST ALLOCATION

DATE\*

Charter Approval – October Steering

10.01.07

Establish CA Committee Chair

10.31.07

Initiate Cost Allocation Processes for "Sponsored Projects"

DEC. 07

## ADI

DATE\*

ADI Charter Approval

NOV. 07

ADI Work Plan Approval

NOV. 07

october						
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november						
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## TRANSMISSION USE COMMITTEE

DATE\*

Establish TU Committee/Chair

09.04.07

Establish a standardized form and procedure to request economic congestion studies

11.09.07

11.20.07

Gather data required to complete analysis on unchanging monthly and yearly ATC values where paths have 0 ATC and where there is >10% change

12.03.07

Develop report summarizing results of analysis on paths w/zero ATC that don't change and paths with >10% change

12.31.07

Provide forum for public selection and prioritization of economic congestion study areas

01.15.07

## STEERING & JOINT COMMITTEE MEETINGS

DATE\*

November NTTG Steering Committee Meeting

11.01.07

NTTG Joint Committee Stakeholder Meeting

1.15.08

\*Date Legend:

Complete

On Target

At Risk