

October 29, 2021

**VIA ETARIFF**

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

Re: *PacifiCorp*  
Attachment K NorthernGrid Revisions  
Docket No. ER22-\_\_\_\_-000

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),<sup>1</sup> Part 35 of the regulations of the Federal Energy Regulatory Commission (the “Commission”),<sup>2</sup> and Order Nos. 890<sup>3</sup> and 1000<sup>4</sup>, PacifiCorp submits a revised Attachment K to its Open Access Transmission Tariff (“Tariff”). PacifiCorp owns and operates electric transmission facilities in the United States portion of the Western Interconnection and is subject to the jurisdiction of the Commission. As described herein, PacifiCorp’s proposed Attachment K revisions are administrative, non-substantive changes.

**I. BACKGROUND**

PacifiCorp is a member of NorthernGrid, a regional transmission planning association. NorthernGrid facilitates coordinated regional transmission planning for its members and facilitates open and transparent regional and interregional transmission planning in accordance with the Commission’s Order No. 1000 requirements for its jurisdictional members, who are referred to as Enrolled Party’s pursuant to each Party’s Attachment K.<sup>5</sup>

---

<sup>1</sup> 16 U.S.C. § 824e.

<sup>2</sup> 18 C.F.R. § 35.13(a)(2)(iii) (2019).

<sup>3</sup> *Preventing Undue Discrimination and Undue Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh’g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh’g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh’g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

<sup>4</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, 136 FERC ¶ 61,051, P 657 (2011) (“Order No. 1000”), *order on rehearing and clarification*, 139 FERC ¶ 61,132 (2012) (“Order No. 1000-A”), *order on rehearing and clarification*, 141 FERC ¶ 61,044 (2012) (“Order No. 1000-B”), *affirmed sub nom. S. C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

<sup>5</sup> The Commission first approved the Attachment Ks of the then-existing Enrolled Parties on March 31, 2020. *PacifiCorp*, 170 FERC ¶ 61,298 (2020).

## **II. DESCRIPTION OF FILING**

On August 25, 2021, Nevada Power Company and Sierra Pacific Power Company (together “NV Energy”) submitted a proposed tariff change to enable NV Energy’s participation in NorthernGrid.<sup>6</sup> NV Energy will be a NorthernGrid Enrolled Party as of January 1, 2022. Therefore, PacifiCorp is revising the list of Enrolled parties in Section 4.1.1. of its Attachment K to include NV Energy.<sup>7</sup> In addition, PacifiCorp is adding NV Energy as a signatory to the form of Non-Enrolled Developer Agreement that is Exhibit D.

Finally, PacifiCorp is removing language from the definition of “Submittal Window” and Article 5 of Exhibit C that was necessary for the transition to NorthernGrid. This language was only applicable to the first NorthernGrid planning cycle, which will be completed by year end. Therefore, this language is now moot.

## **III. EFFECTIVE DATE AND WAIVER**

PacifiCorp respectfully requests that the Commission accept its revised Attachment K to be effective January 1, 2022. To the extent necessary, PacifiCorp respectfully requests that the Commission waive any requirements of Part 35 of the Commission’s regulations, including any prior-notice requirement, and accept for filing the proposed revisions effective January 1, 2022.

## **IV. INFORMATION REQUIRED BY 18 C.F.R. PART 35**

In accordance with 18 C.F.R. Part 35, PacifiCorp submits this filing in the Commission’s eTariff filing format, consisting of this transmittal letter and the following documents:

Attachment 1: A marked-tariff version showing the proposed changes to Attachment K

Attachment 2: A clean-tariff version for filing in eTariff; and

Attachment 3: A clean-tariff version for filing in eLibrary

Because this filing does not involve a rate change, PacifiCorp respectfully requests waiver of any of the filing requirements of 18 C.F.R. § 35.13 to the extent they are applicable and not otherwise provided or addressed herein.

## **V. COMMUNICATIONS**

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

---

<sup>6</sup> NV Energy, Tariff Filing, Docket No. ER21-2768-000 (Aug. 25, 2021).

<sup>7</sup> Each Enrolled Party has or will submit corresponding revisions to its Attachment K.

Ms. Kimberly D. Bose

October 29, 2021

Page 3

Riley Peck  
Attorney  
PacifiCorp  
825 N.E. Multnomah, Suite 1600  
Portland, OR 97232  
(503) 813-6490  
[Riley.Peck@PacifiCorp.com](mailto:Riley.Peck@PacifiCorp.com)

Rick Vail  
Vice President, Transmission  
PacifiCorp  
825 N.E. Multnomah, Suite 1600  
Portland, OR 97232  
(503) 813-6938  
[Richard.Vail@PacifiCorp.com](mailto:Richard.Vail@PacifiCorp.com)

## VI. CONCLUSION

For the reasons set forth above, PacifiCorp requests that the Commission accept this filing and permit the revised Attachment K to become effective January 1, 2022.

*/s/ Riley Peck*

Riley Peck  
*Attorney for PacifiCorp*

**ATTACHMENT 1**

**Marked-Tariff Version of Revised Attachment**

**ATTACHMENT 2**

**Clean-Tariff Version of Revised Attachment K (eTariff)**

**ATTACHMENT 3**

**Clean-Tariff Version of Revised Attachment K (eLibrary)**

**Attachment K**

**Transmission Planning Process**

**TABLE OF CONTENTS**

1. Definitions..... 1

1.1 Additional Regional Costs from Interregional Cost Allocation..... 1

1.2 Alternative Project..... 1

1.3 Annual Interregional Coordination Meeting..... 1

1.4 Annual Interregional Information..... 1

1.5 Annualized Cost..... 1

1.6 Assigned Regional Costs from Interregional Cost Allocation..... 1

1.7 Baseline Projects of Enrolled Parties..... 2

1.8 Benefit..... 2

1.9 Benefit-to-Cost Ratio..... 2

1.10 Commission..... 2

1.11 Committed Project..... 2

1.12 Conceptual Solutions..... 2

1.13 Confidential Information..... 2

1.14 Cost Allocation Methodology..... 3

1.15 Cost Allocation Project..... 3

1.16 Cost Allocation Task Force..... 3

1.17 Cost Allocation Task Force Charter..... 3

1.18 Critical Energy Infrastructure Information..... 3

1.19 Data Submittal Form:..... 4

1.20 Demand Response Resources..... 4

1.21 Draft Final Regional Transmission Plan..... 4

1.22 Draft Regional Transmission Plan..... 4

1.23 Economic Study Request..... 4

1.24 Eligible Cost Allocation Project..... 5

1.25 Enrolled Parties and States Committee..... 5

1.26 Enrolled Parties and States Committee Charter..... 5

1.27 Enrolled Parties Planning Committee..... 5

1.28 Enrolled Parties Planning Committee Charter..... 5

1.29 Enrolled Party (or Enrolled Parties)..... 5

1.30 Enrolled Party Beneficiary..... 6

1.31 Enrolled Party Need..... 6

1.32 Enrolled Region..... 6

1.33 Estimated Cost..... 6

1.34 Funding Agreement..... 6

1.35 Interregional Cost Allocation..... 6

1.36 Interregional Transmission Project ("ITP")..... 7

1.37 Interregional Transmission Project Proponent..... 7

1.38 Local Economic Study..... 7

1.39 Local Transmission Plan..... 7

1.40 LTP Re-Study Request:..... 7

1.41 Material Adverse Impact..... 7

1.42 Merchant Transmission Developer..... 8



1.43	Merchant Transmission Project.....	8
1.44	Mitigation Cost.....	8
1.45	Neighboring System.....	8
1.46	Non-Enrolled Developer Agreement.....	8
1.47	Non-Incumbent Transmission Developer.....	8
1.48	Non-Jurisdictional Entity.....	9
1.49	Non-Transmission Alternative.....	9
1.50	NorthernGrid.....	9
1.51	NorthernGrid Website.....	9
1.52	Person.....	9
1.53	Planning Cycle.....	9
1.54	Planning Region.....	9
1.55	Potential Cost Allocation Project.....	10
1.56	Preliminary Cost Allocation Project.....	10
1.57	Project for Cost Allocation Consideration.....	10
1.58	Project Sponsor.....	10
1.59	Public Policy Requirement(s).....	10
1.60	Qualified Developer.....	10
1.61	Qualified Sponsor.....	10
1.62	Regional Benefits for Purposes of Interregional Cost Allocation.....	10
1.63	Regional Combination.....	11
1.64	Regional Economic Study.....	11
1.65	Regional Planning Horizon.....	11
1.66	Regional Transmission Plan.....	11
1.67	Relevant Planning Regions.....	11
1.68	Request for Cost Allocation.....	11
1.69	Sponsored Project.....	11
1.70	Study Scope.....	12
1.71	Submittal Window.....	12
1.72	Total Project Costs.....	12
1.73	Total Regional Costs from Interregional Cost Allocation.....	12
1.74	Transmission System.....	12
1.75	Western Electricity Coordinating Council ("WECC")...	12
1.76	Western Interconnection.....	13
2.	Local Planning Process.....	14
2.1	Preparation of a Local Transmission System Plan.....	14
2.2	Coordination.....	16
2.2.1	Planning Cycle.....	16
2.2.2	Sequence of Events.....	16
2.2.3	Focus Groups.....	24
2.2.4	Regional Plan.....	24
2.3	Information Exchange.....	25
2.3.1	Forecasts.....	25
2.3.2	Participation.....	26

2.4.	LTP Re-Study Requests.....	26
2.5.	OASIS Posting Requirements.....	27
2.6.	Cost Allocation.....	29
	2.6.1. Individual Transmission Service Request Costs Not Considered .....	30
	2.6.2. Rate Recovery.....	30
	2.6.3. Categories of Included Costs.....	30
2.7.	Local Economic Studies.....	31
	2.7.1. Local Economic Study Requests.....	31
	2.7.2. Categorization of Economic Studies.....	32
	2.7.3. Prioritization.....	32
	2.7.4. Requests.....	33
2.8.	Recovery of Planning Costs.....	34
2.9.	Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan.....	34
2.10.	Transmission Business Practice.....	34
2.11.	Openness.....	34
	2.11.1. Participation.....	34
	2.11.2. Critical Energy Infrastructure Information (CEII) .....	35
	2.11.3. Confidential Information.....	35
3.	Introduction.....	36
4.	Participation and Information Access.....	36
4.1	Enrolled Parties.....	36
	4.1.1 Identification .....	36
	4.1.2 Updates to Enrolled Parties List .....	37
4.2	Becoming an Enrolled Party.....	37
	4.2.1 Eligibility .....	37
	4.2.2 Process to become an Enrolled Party .....	37
	4.2.3 Process for Non-Incumbent Transmission Developers to Participate .....	38
	4.2.4 Process for Interregional Transmission Project Proponents to Participate .....	38
	4.2.5 Duration of Enrollment for Enrolled Parties .....	38
	4.2.6 Expectations of an Enrolled Party .....	38
4.3	Withdrawal of Enrolled Party.....	38
	4.3.1 Notice of Enrolled Party Withdrawal .....	38
	4.3.2 Effective Date of Notice of Withdrawal .....	39
	4.3.3 Deemed Withdrawal .....	39
	4.3.4 Significance of Withdrawal .....	39
4.4	Participation by Merchant Transmission Developer....	39
4.5	Stakeholder Participation.....	40
4.6	Engagement of States.....	40
4.7	Sensitive Information.....	40

4.7.1	Protocols for Treatment and Labeling of CEII or Confidential Information .....	40
4.7.2	Requesting and Processing Information Requests .....	40
5.	Data Gathering/Study Scope Inputs.....	41
5.1	Responsibility.....	41
5.2	Data Gathering.....	41
5.2.1	General from Stakeholders .....	41
5.2.2	Enrolled Party Information .....	42
5.2.3	Proposing a Project .....	42
5.2.4	Submittal Form and Due Date .....	50
5.2.5	Use of Submitted Information .....	50
5.3	Review of Submitted Information.....	50
5.4	Untimely or Improperly Submitted Requests or Submittals of Information.....	51
6.	Development of Draft Regional Transmission Plan.....	51
6.1	Study Scope Development.....	51
6.2	Review and Comment; Consideration of Comments; Update Study Scope.....	52
6.3	Analysis; Documentation in Draft Regional Transmission Plan.....	53
6.4	Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan.....	54
6.5	Comparability.....	55
7.	Qualifying to Request Cost Allocation.....	55
7.1	Qualification Process for/to Submit a Project for Cost Allocation.....	55
7.1.1	Qualification to Request Cost Allocation ...	55
7.1.2	Qualification Process .....	56
7.1.3	Evaluation of Project Sponsor Submissions ...	58
7.1.4	Opportunity to Cure Deficiencies and Failure to Cure .....	58
8.	Cost Allocation.....	59
8.1	Projects Eligible for Cost Allocation Consideration.....	59
8.2	Annualized Cost of Projects for Cost Allocation Consideration.....	59
8.2.1	Annualized Cost of a Project That Is Not an ITP .....	59
8.2.2	Annualized Cost of an ITP .....	60
8.3	Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.....	60
8.4	Benefits of An Eligible Cost Allocation Project.....	61

8.4.1	Deferred Costs .....	61
8.4.2	Avoided Capital Costs .....	62
8.4.3	Increased Useful Available Transfer Capability ("ATC") .....	62
8.5	Allocation of Total Project Costs to Enrolled Party Beneficiaries.....	62
8.5.1	Identification of Enrolled Party Beneficiaries .....	63
8.5.2	Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan .....	63
8.5.3	Allocation of Total Project Costs to Enrolled Party Beneficiaries .....	64
8.5.4	Acceptance of Total Project Costs; Removal from Cost Allocation .....	65
8.5.5	Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan .....	66
8.6	Exclusions.....	66
9.	Regional Transmission Plan.....	67
9.1	Preparation and Posting of Draft Final Regional Transmission Plan.....	67
9.2	Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.....	67
10.	Interregional Coordination and Cost Allocation Process...	69
10.1	Introduction.....	69
10.2	Annual Interregional Information Exchange.....	69
10.3	Annual Interregional Coordination Meeting.....	71
10.4	ITP Joint Evaluation Process.....	71
10.4.1	Submission Requirements .....	71
10.4.2	Joint Evaluation of an ITP .....	72
10.5	Interregional Cost Allocation Process.....	73
10.5.1	Submission Requirements .....	73
10.5.2	Interregional Cost Allocation Process .....	73
10.6	Application of Regional Cost Allocation Methodology to Selected ITP.....	75
10.6.1	Selection by All Relevant Planning Regions ..	75
10.6.2	Selection by at Least Two but Fewer than All Relevant Planning Regions .....	75
11.	ITPs, Joint Evaluation, and Interregional Cost Allocation.....	75
11.1	Introduction.....	76
11.2	Entities That May Submit an ITP for Joint Evaluation.....	76

11.3	Confirmation from Relevant Planning Regions.....	76
11.4	Submit ITP Information.....	76
11.5	Joint Evaluation Implementation.....	77
11.6	Interregional Cost Allocation Process.....	77
12.	Economic Study Requests.....	79
12.1	Performance of Economic Studies.....	79
12.1.1	Regional .....	79
12.1.2	Local .....	79
12.2	Stakeholder Requests to Perform an Economic Study...	79
12.2.1	Regional .....	79
12.2.2	Local .....	79
12.2.3	Study Characteristics .....	80
12.2.4	Study Report .....	80
12.3	Submission, Consideration and Prioritization of Economic Study Requests.....	80
12.4	Support for the Preparation of Economic Studies....	82
12.4.1	Regional .....	82
12.4.2	Local .....	82
12.5	Publication of Economic Study Report.....	83
13.	Dispute Resolution.....	84
13.1	Scope.....	84
13.2	Process.....	84
13.3	Timeliness.....	85
	RECITALS.....	11

Attachment K Exhibits:

Exhibit A--Cost Allocation Task Force Charter

Exhibit B--Enrolled Parties Planning Committee Charter

Exhibit C--Enrolled Parties and States Committee Charter

Exhibit D--Form of Non-Enrolled Developer Agreement

## **Part A. Definitions**

### **1. Definitions**

The following terms have the following definitions when used in this Attachment K. Other initially capitalized terms used in this Attachment K shall have the meanings set forth in the OATT.

#### **1.1 Additional Regional Costs from Interregional Cost Allocation**

"Additional Regional Costs from Interregional Cost Allocation" shall have the meaning set forth in Section 11.6 sub-sections (iii) and (v) of this Attachment K.

#### **1.2 Alternative Project**

"Alternative Project" refers to any Sponsored Projects or ITPs (including those carried over from a prior Regional Transmission Plan and projects submitted by Merchant Transmission Developers), and unsponsored projects (a concept that includes Non-Transmission Alternatives and Conceptual Solutions), if any, including those identified by the Enrolled Parties Planning Committee.

#### **1.3 Annual Interregional Coordination Meeting**

"Annual Interregional Coordination Meeting" means the annual meeting of the NorthernGrid Enrolled Region and other Planning Regions as set forth in Section 10.3 of this Attachment K.

#### **1.4 Annual Interregional Information**

"Annual Interregional Information" shall have the meaning set forth in Section 10.2 of this Attachment K.

#### **1.5 Annualized Cost**

"Annualized Cost" means one of the following, as determined by the Cost Allocation Task Force: the annualized costs of a project that is not an ITP pursuant to Section 8.2.1 of this Attachment K; or the annualized cost of an ITP pursuant to Section 8.2.2 of this Attachment K.

#### **1.6 Assigned Regional Costs from Interregional Cost Allocation**

"Assigned Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the NorthernGrid Enrolled

Region's assigned *pro rata* share of the projected costs of such ITP calculated pursuant to Section 11.6 of this Attachment K.

#### **1.7 Baseline Projects of Enrolled Parties**

"Baseline Projects of Enrolled Parties" means the transmission projects included in the Enrolled Parties' Local Transmission Plans plus those projects included in the prior Regional Transmission Plan that will be reevaluated (unless the Enrolled Parties Planning Committee has received 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 considered). Baseline Projects of Enrolled Parties do not include Committed Projects.

#### **1.8 Benefit**

"Benefit" means the benefits identified in Section 8.4 of this Attachment K that are calculated for an Enrolled Party associated with an Eligible Cost Allocation Project.

#### **1.9 Benefit-to-Cost Ratio**

"Benefit-to-Cost Ratio" means the ratio established in Section 8.5.2 of this Attachment K.

#### **1.10 Commission**

"Commission" means the Federal Energy Regulatory Commission or any successor entity.

#### **1.11 Committed Project**

"Committed Project" means a Sponsored Project or a local project for which the developer of such project has obtained substantially all federal, county and state permits, required for the development of the project.

#### **1.12 Conceptual Solutions**

"Conceptual Solutions" means projects or concepts that are developed from data or information provided in the Planning Cycle pursuant to Section 5.2 and that may be proposed pursuant to Section 5.2.3 of this Attachment K.

#### **1.13 Confidential Information**

"Confidential Information" means all information, regardless of the manner in which it is furnished, marked as "Confidential

Information" at the time of its furnishing; *provided that* Confidential Information shall not include information: (i) in the public domain or generally available or known to the public; (ii) disclosed to a recipient by a Person who had a legal right to do so; (iii) independently developed by the receiving party or known to such party prior to its disclosure to Transmission Provider in connection with its local transmission planning process, or to NorthernGrid in connection with the regional transmission planning process; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form where specific identifying information is unidentifiable; or (vi) required to be disclosed by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

#### **1.14 Cost Allocation Methodology**

"Cost Allocation Methodology" means the Cost Allocation Methodology set out in Section 8.5.3 of this Attachment K.

#### **1.15 Cost Allocation Project**

"Cost Allocation Project" means a project selected into the Regional Transmission Plan that received cost allocation.

#### **1.16 Cost Allocation Task Force**

"Cost Allocation Task Force" means the Task Force that carries out cost allocation tasks assigned to such Task Force in this Attachment K according to the Cost Allocation Task Force Charter.

#### **1.17 Cost Allocation Task Force Charter**

"Cost Allocation Task Force Charter" means the document attached as Exhibit A to this Attachment K that defines the manner in which the Cost Allocation Task Force carries out the tasks assigned to the Cost Allocation Task Force in this Attachment K.

#### **1.18 Critical Energy Infrastructure Information**

"Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. § 388.113(c), as may be amended from time to time.



#### **1.19 Data Submittal Form:**

1.21 "Data Submittal Form" means the form posted on the NorthernGrid Website that is to be used to submit data, including projects and project information for consideration and also updated project information, as discussed in Section 5.2 of this Attachment K.

#### **1.20 Demand Response Resources**

"Demand Response 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.

#### **1.21 Draft Final Regional Transmission Plan**

"Draft Final Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 9.2 of this Attachment K.

#### **1.22 Draft Regional Transmission Plan**

"Draft Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 6.4 of this Attachment K.

#### **1.23 Economic Study Request**

"Economic Study Request" shall mean a written request for a Local Economic Study or a Regional Economic Study, submitted by an Eligible Customer or stakeholder to the Transmission Provider

or NorthernGrid, as may be applicable, in accordance with Section 12.3.a. of this Attachment K.

#### **1.24 Eligible Cost Allocation Project**

"Eligible Cost Allocation Project" is defined in Section 8.3 of this Attachment K.

#### **1.25 Enrolled Parties and States Committee**

"Enrolled Parties and States Committee" means the committee that carries out the tasks assigned to such committee in this Attachment K according to the Enrolled Parties and States Committee Charter.

#### **1.26 Enrolled Parties and States Committee Charter**

"Enrolled Parties and States Committee Charter" means the document attached as Exhibit C to this Attachment K that defines the manner in which the Enrolled Parties and the official representative of each State's government work together.

#### **1.27 Enrolled Parties Planning Committee**

"Enrolled Parties Planning Committee" means the committee, comprised of Enrolled Parties and the co-chairs of the Enrolled Parties and States Committee, that carries out transmission planning tasks assigned to such committee in this Attachment K according to the Enrolled Parties Planning Committee Charter.

#### **1.28 Enrolled Parties Planning Committee Charter**

"Enrolled Parties Planning Committee Charter" means the document attached as Exhibit B to this Attachment K that defines the manner in which the Enrolled Parties Planning Committee operates

#### **1.29 Enrolled Party (or Enrolled Parties)**

"Enrolled Party" means a Person that has satisfied the eligibility requirements set forth in Section 4.2.1 of this Attachment K and completed the process set forth in Section 4.2.2 of this Attachment K to become enrolled in NorthernGrid. "Enrolled Parties" is a collective reference to each Enrolled Party.

### 1.30 **Enrolled Party Beneficiary**

"Enrolled Party Beneficiary" shall have the meaning set forth in Section 8.5.1 of this Attachment K. For avoidance of doubt, only an Enrolled Party may be identified as Enrolled Party Beneficiary. "Enrolled Party Beneficiaries" is a collective reference to each "Enrolled Party Beneficiary."

### 1.31 **Enrolled Party Need**

"Enrolled Party Need" means any need for transmission facilities of an Enrolled Party, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. To the extent a transmission need is satisfied by a Committed Project, it shall not be considered an Enrolled Party Need.

### 1.32 **Enrolled Region**

"Enrolled Region" or "NorthernGrid Enrolled Region" is comprised of the existing or proposed transmission facilities of any Enrolled Party and any proposed transmission facilities for which a Non-Incumbent Transmission Developer has properly submitted a Request for Cost Allocation; *provided that* the Enrolled Region specifically does not include any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

### 1.33 **Estimated Cost**

"Estimated Cost" means the estimated total capital costs of the project, that are submitted pursuant to row K of the table found in Section 5.2.3.5 of this Attachment K, as they may be updated pursuant to either Section 5.2.3.8 or Section 6.4 of this Attachment K.

### 1.34 **Funding Agreement**

"Funding Agreement" means the current version of the agreement among the Persons funding the activities of NorthernGrid that is required by Section 4.2.2 of this Attachment K. The Funding Agreement is available on the NorthernGrid Website.

### 1.35 **Interregional Cost Allocation**

"Interregional Cost Allocation" means the assignment of ITP costs between or among Relevant Planning Regions as described in Section 10 of this Attachment K.

### **1.36 Interregional Transmission Project ("ITP")**

"Interregional Transmission Project" or "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.

### **1.37 Interregional Transmission Project Proponent**

"Interregional Transmission Project Proponent" or "ITP Proponent" means the entity that has signed a "Non-Enrolled Developer Agreement" in accordance with Section 4.2.4 of this Attachment K and is proposing or sponsoring an Interregional Transmission Project.

### **1.38 Local Economic Study**

"Local Economic Study" is defined in Section 12.2.2 (c) of this Attachment K.

### **1.39 Local Transmission Plan**

"Local Transmission Plan" means a transmission provider's plan (depending upon context, the Transmission Provider or an Enrolled Party) that identifies planned new transmission facilities and facility replacements or upgrades for such transmission provider's Transmission System.

### **1.40 LTP Re-Study Request:**

"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 Response 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.

### **1.41 Material Adverse Impact**

"Material Adverse Impact" means one or more significant and verifiable adverse impacts on any Neighboring System that needs to be mitigated if it reduces the transfer capability of existing transmission facilities.

#### 1.42 **Merchant Transmission Developer**

“Merchant Transmission Developer” means an entity that proposes a Merchant Transmission Project.

#### 1.43 **Merchant Transmission Project**

“Merchant Transmission Project” means an existing or planned project for which the costs are recovered or intended to be recovered through negotiated rates instead of cost-based rates and are therefore not eligible for cost allocation.

#### 1.44 **Mitigation Cost**

“Mitigation Cost” means the estimated total cost of the solution that is identified to mitigate the Material Adverse Impact on a Neighboring System caused by a project identified in the Regional Combination, under Section 6.3 of this Attachment K.

#### 1.45 **Neighboring System**

“Neighboring System” means an electrically interconnected transmission system.

#### 1.46 **Non-Enrolled Developer Agreement**

“Non-Enrolled Developer Agreement” means the current version of the form agreement attached hereto as Exhibit D and entered into with the Enrolled Parties; it is intended for use by Non-Incumbent Transmission Developers, ITP Proponents, and Merchant Transmission Developers, as required in Sections 4.2.3, 4.2.4, and 4.4 respectively, of this Attachment K. The Non-Enrolled Developer Agreement form is available on the NorthernGrid Website.

#### 1.47 **Non-Incumbent Transmission Developer**

“Non-Incumbent 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.

#### 1.48 **Non-Jurisdictional Entity**

"Non-Jurisdictional Entity" means any entity that is within the definition of 16 U.S.C. § 824(f) (and hence is not a "public utility" under Part II of the Federal Power Act).

#### 1.49 **Non-Transmission Alternative**

"Non-Transmission Alternative" means a solution that is proposed for consideration, in the planning process, as an alternative to transmission facilities.

#### 1.50 **NorthernGrid**

"NorthernGrid" means the association described in Section 3 of this Attachment K.

#### 1.51 **NorthernGrid Website**

"NorthernGrid Website" is [www.northerngrid.net](http://www.northerngrid.net).

#### 1.52 **Person**

"Person" means an individual, corporation, cooperative corporation, municipal corporation, quasi-municipal corporation, joint operating entity, limited liability company, mutual association, partnership, limited partnership, limited liability partnership, association, joint stock company, trust, unincorporated organization, government entity or political subdivision thereof (including a federal power marketing administration), tribes, or organization recognized as a legal entity by law in the United States or Canada.

#### 1.53 **Planning Cycle**

"Planning Cycle" means each two-year period beginning on January 1 of even numbered years and ending on December 31 of odd numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.

#### 1.54 **Planning Region**

"Planning Region" means each of the following transmission planning regions recognized by the Commission within the Western Interconnection: California Independent System Operator Corporation, NorthernGrid Enrolled Region, and WestConnect.

#### **1.55 Potential Cost Allocation Project**

"Potential Cost Allocation Project" is defined in Section 5.2.3.2 and Section 5.2.3.3 of this Attachment K.

#### **1.56 Preliminary Cost Allocation Project**

"Preliminary Cost Allocation Project" is defined in Section 8.5.2 of this Attachment K.

#### **1.57 Project for Cost Allocation Consideration**

"Project for Cost Allocation Consideration" is defined in Section 8.1 of this Attachment K.

#### **1.58 Project Sponsor**

"Project Sponsor" has the definition contained in Section 5.2.3.1 of this Attachment K.

#### **1.59 Public Policy Requirement(s)**

"Public Policy Requirement" means any applicable public policy requirement established through one or more enacted statutes or regulations promulgated by a relevant local, state, or federal jurisdiction within the Enrolled Region. "Public Policy Requirements" is a collective reference to each "Public Policy Requirement."

#### **1.60 Qualified Developer**

"Qualified Developer" means a Person that has satisfied the requirements of Section 7.1.3 of this Attachment K and intends to develop the project for which a Request for Cost Allocation is to be submitted.

#### **1.61 Qualified Sponsor**

"Qualified Sponsor" means a Project Sponsor that intends to submit a Request for Cost Allocation but does not intend to develop the project for which such Request for Cost Allocation is intended to be submitted.

#### **1.62 Regional Benefits for Purposes of Interregional Cost Allocation**

"Regional Benefits for Purposes of Interregional Cost Allocation" means, with respect to an ITP, an amount equal to

the sum of the aggregate Benefits calculated in accordance with the provisions of Sections 8.4.1, 8.4.2, and 8.4.3 of this Attachment K for any Enrolled Party Beneficiary(ies) of such ITP. For purposes of items (ii) and (c) of Section 10.5.2 of this Attachment K, Regional Benefits for Purposes of Interregional Cost Allocation is referred to as NorthernGrid's regional benefits stated in dollars resulting from the ITP.

#### **1.63 Regional Combination**

"Regional Combination" is defined in Section 6.3 of this Attachment K.

#### **1.64 Regional Economic Study**

"Regional Economic Study" is defined in Section 12.2.1 (c) of this Attachment K.

#### **1.65 Regional Planning Horizon**

"Regional Planning Horizon" means the ten-year planning horizon considered in a given Planning Cycle.

#### **1.66 Regional Transmission Plan**

"Regional Transmission Plan" or "Plan" means the regional transmission plan developed during each biennial Planning Cycle pursuant to this Attachment K.

#### **1.67 Relevant Planning Regions**

"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 10.4.2 of this Attachment K, at which time it shall no longer be considered a Relevant Planning Region.

#### **1.68 Request for Cost Allocation**

"Request for Cost Allocation" means a request for a Sponsored Project to be considered for cost allocation that is submitted in accordance with Section 5.2.3.2 of this Attachment K.

#### **1.69 Sponsored Project**

"Sponsored Project" is defined in Section 5.2.3.1 of this Attachment K.



### 1.70 **Study Scope**

"Study Scope" means the range of items to be considered in performing analysis and studies to develop the Regional Transmission Plan as described in Section 6.1 of this Attachment K.

### 1.71 **Submittal Window**

"Submittal Window" begins on January 1 and runs through March 31 of even numbered years in each Planning Cycle.

### 1.72 **Total Project Costs**

"Total Project Cost" means the sum of the Estimated Cost and the Mitigation Cost (as either may be adjusted by the Cost Allocation Task Force, using the WECC Transmission Capital Costs Calculator or some other recognized tool) of a project that is not an ITP or the Assigned Regional Costs from Interregional Cost Allocation of a project that is an ITP.

### 1.73 **Total Regional Costs from Interregional Cost Allocation**

"Total Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the sum of the Assigned Regional Costs from Interregional Cost Allocation of such ITP plus any Additional Regional Costs from Interregional Cost Allocation of such ITP.

### 1.74 **Transmission System**

"Transmission System" means, for purposes of this Attachment K only, the existing or proposed transmission facilities of a transmission provider (depending upon context, the Transmission Provider or an Enrolled Party); *provided that* Transmission System specifically excludes any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

### 1.75 **Western Electricity Coordinating Council ("WECC")**

"Western Electricity Coordinating Council" or "WECC" refers to the Western Electricity Coordinating Council or any successor entity.

## 1.76 **Western Interconnection**

"Western Interconnection" refers to the western interconnected electric grid in North America. It spans 14 western states in the United States, the Canadian provinces of British Columbia and Alberta, and the northern portion of Baja California in Mexico.

## **Part B. Local Transmission Planning Process**

### **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 Studies, completed pursuant to Section 12 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. In developing the Local Transmission Plan, Transmission Provider shall also identify upgrades and other

investments to the Transmission System and Demand Response 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.

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, except where

such Planning Meeting is intended to be held in conjunction with a meeting organized or facilitated by NorthernGrid, in which case, such Planning Meeting shall be held in accordance with the notice provisions applicable to such NorthernGrid meeting. 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.

## 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 Response Resources and their impacts on demand and peak demand; and (5) transmission needs

driven by Public Policy Requirements 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. 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.

Transmission Provider shall use Point-to-Point Transmission Service usage forecasts and Demand Response 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 Study Requests, in accordance with Section 12, 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 Local Transmission Plan 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 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; and
- Those needs driven by Public Policy Requirements that will be used in the development of sensitivity analyses.

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 will be received, reviewed and evaluated is described in Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS website.

A regional or interregional Project Sponsor may submit information for its project to the Transmission Provider or Enrolled Parties Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Part C 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 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 Local Transmission Plan 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 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 Local Transmission Plan 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 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 Study Requests, in accordance with Section 12, 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, 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, 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 Local Transmission Plan 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 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 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 Local Transmission Plan 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 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 Local Transmission Plan 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 Study.

2.2.2.7. Quarter 8: The Transmission Provider shall post the final Local Transmission Plan on its OASIS and submit to NorthernGrid by the Submittal Window (as specified in Section 5.2.2).

During the Quarter 8 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan 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, including with NorthernGrid.

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. Such regional transmission planning process is detailed in Parts C through E of this Attachment K.

## 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 Response 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 Local Transmission Plan.

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 Response 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 Local Transmission Plan.

2.3.1.4. Transmission Needs Driven by Public Policy: All stakeholders have the opportunity to submit transmission needs driven by Public Policy Requirements 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 NorthernGrid 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 NorthernGrid'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 Response 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 8 of this Attachment K.

2.7. Local Economic Studies. Except as otherwise provided in Section 12 of this Attachment K, the following procedures shall govern with respect to Local Economic Studies.

2.7.1. Local Economic Study Requests. Local Economic Study Requests must be submitted pursuant to the procedures outlined in Section 12.3. Transmission Provider may choose to contract, at its discretion, with a qualified third-party to perform Economic Studies.

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

2.7.2.1. Local Economic Studies. A Local Economic Study has the meaning set forth in Section 12.2.2 and will be processed pursuant to Section 12 and, as applicable, this Section 2.

2.7.2.2. Regional Economic Studies. A Regional Economic Study has the meaning set forth in Section 12.2.1, and will be processed pursuant to Section 12.

2.7.2.3. Economic Study Requests Not Applicable. To be considered by the Transmission Provider, any Local Economic 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 prioritize one Economic Study Request to study as part of the local planning process each year of the biennial planning cycle consistent with Section 12.3. In the event that more than one Local Economic Study Requests are received by the Transmission Provider during either Quarter 1 or Quarter 5, the Transmission Provider shall determine which Economic 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. Economic Study Requests shall be submitted pursuant to the requirements of Section 12.3. The party submitting an Economic 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 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 Local Economic Study Request will not be modeled as part of the planning cycle, the requesting party may request that the Transmission Provider conduct the Economic 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 Study.

2.7.4.3. All Local Economic Study Requests that are not accommodated within the current 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 planning cycle.

2.7.4.4. If the Transmission Provider can feasibly cluster or batch requests, it will make efforts to do so.

2.7.5. Results of the Economic Studies shall be reported consistent with Section 12.5.

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. Eligible Customers and stakeholders shall utilize the dispute resolution process set forth in Section 13 to address all procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan.

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 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.



## **Part C. NorthernGrid's Enrolled Region Transmission Planning Process**

### **3. Introduction**

NorthernGrid is an unincorporated association of entities that either own or operate, or that propose to own or operate, electric transmission facilities in the Western Interconnection. NorthernGrid promotes coordinated, open, and transparent transmission planning and facilitates compliance with certain FERC transmission planning directives for the Enrolled Parties. Transmission Provider participates in NorthernGrid's transmission planning processes as set forth in this Attachment K.

NorthernGrid is to develop a Regional Transmission Plan each Planning Cycle as described in this Attachment K. Each Planning Cycle considers a ten-year planning horizon ("Regional Planning Horizon") to commence on the first day of that Planning Cycle. The Regional Transmission Plan is not intended to be a construction plan; however, the Regional Transmission Plan is intended to provide insight and information regarding regional transmission planning.

Parts C and D of Attachment K set forth NorthernGrid's Enrolled Region process to be used in developing the Regional Transmission Plan. Part E of Attachment K addresses local and regional economic study requests.

### **4. Participation and Information Access**

#### **4.1 Enrolled Parties**

##### **4.1.1 Identification**

The Enrolled Parties are:

- Avista Corporation;
- Idaho Power Company;
- MATL LLP;
- NorthWestern Corporation;
- NV Energy;
- PacifiCorp;
- Portland General Electric Company; and
- Puget Sound Energy, Inc.

#### 4.1.2 Updates to Enrolled Parties List

Transmission Provider is to revise the list of Enrolled Parties in Section 4.1.1 of this Attachment K to add any entity that enrolls pursuant to Section 4.2.2, or to remove any entity that withdraws (or is deemed to have withdrawn) as an Enrolled Party.

### 4.2 Becoming an Enrolled Party

#### 4.2.1 Eligibility

Any Person that satisfies the requirements of sub-sections (i) and (ii) is eligible to and may seek to become an Enrolled Party.

- (i) The Person owns or operates, or proposes to own or operate, transmission facilities in the United States portion of the Western Interconnection.
- (ii) The Person's transmission facilities (whether owned, operated or proposed) within the United States portion of the Western Interconnection are (or are proposed to be) electrically interconnected with another Enrolled Party's transmission facilities or the transmission facilities of a Non-Jurisdictional Entity that utilizes NorthernGrid for transmission planning.

#### 4.2.2 Process to become an Enrolled Party

A Person shall demonstrate eligibility and request to become an Enrolled Party by submitting a completed application form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.

The Person becomes an Enrolled Party on the date it satisfies the requirements of subsections (i), (ii), and (iii) below.

- (i) The Person demonstrates eligibility pursuant to Section 4.2.1.
- (ii) The Person places into effect either an Attachment K to its Open Access Transmission Tariff if FERC requires the Person to have an Open Access Transmission Tariff, or in the case of a Non-Jurisdictional Entity, executes an agreement that is consistent

with this Tariff that defines NorthernGrid's processes for producing a Regional Transmission Plan, Enrolled Party responsibilities, and stakeholder involvement.

- (iii) The Person becomes a party to the Funding Agreement.

#### **4.2.3 Process for Non-Incumbent Transmission Developers to Participate**

Provided it is not an Enrolled Party, a Non-Incumbent Transmission Developer that intends to propose a transmission project for evaluation and potential selection into the regional plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and pay the study fee indicated in that agreement.

#### **4.2.4 Process for Interregional Transmission Project Proponents to Participate**

Provided it is not an Enrolled Party, an Interregional Transmission Project Proponent that intends to propose an ITP for evaluation and potential selection into the regional transmission plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto.

#### **4.2.5 Duration of Enrollment for Enrolled Parties**

Enrolled Party status is retained, unless or until such time as the entity withdraws, or is deemed to have withdrawn, in accordance with Section 4.3 of this Attachment K.

#### **4.2.6 Expectations of an Enrolled Party**

Each Person that becomes an Enrolled Party pursuant to Section 4.2.2 is expected to actively participate in the transmission planning processes set forth in this Attachment K.

### **4.3 Withdrawal of Enrolled Party**

#### **4.3.1 Notice of Enrolled Party Withdrawal**

Any Enrolled Party may withdraw from being an Enrolled Party by providing written notice of withdrawal to the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee, at the address listed on the NorthernGrid Website, and to each

other Enrolled Party, at the address listed for each Enrolled Party on NorthernGrid's Website.

#### **4.3.2 Effective Date of Notice of Withdrawal**

If an Enrolled Party provides notice of withdrawal in accordance with Section 4.3.1, such withdrawal will be effective the end of the Planning Cycle in which such written notice of withdrawal is received by the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee; *provided, however,* if the withdrawing Enrolled Party is a Non-Jurisdictional Entity, such withdrawal shall be effective upon the receipt, by the Enrolled Parties' chair of the Enrolled Parties' Planning Committee, of the written notice of withdrawal from such Enrolled Party.

#### **4.3.3 Deemed Withdrawal**

Any Person enrolled as an Enrolled Party pursuant to Section 4.2.2 must remain a party to the Funding Agreement. If an Enrolled Party ceases being a party to the Funding Agreement, such Enrolled Party shall be deemed to have withdrawn as an Enrolled Party thirty (30) calendar days after the date such Enrolled Party ceases being a party to the Funding Agreement.

#### **4.3.4 Significance of Withdrawal**

Upon the effective date of withdrawal or deemed withdrawal of an Enrolled Party, all rights and obligations of the withdrawing Enrolled Party under this Attachment K shall terminate; provided that all obligations and liabilities of such withdrawing Enrolled Party, including any obligation with regard to any Total Project Cost allocated to such Enrolled Party in accordance with Section 8.5.4 of this Attachment K, accrued prior to the date upon which withdrawal of such Enrolled Party is effective, as provided in Section 4.3.2 or 4.3.3 (as applicable), are preserved until satisfied.

#### **4.4 Participation by Merchant Transmission Developer**

A Merchant Transmission Developer that has either executed the Funding Agreement or executed a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and paid a study fee in accordance with such agreement, may submit a Merchant Transmission Project into the Planning Cycle in accordance with Section 5.2.3.4.

#### 4.5 Stakeholder Participation

Any Person may attend public meetings, and any Person may submit comments to materials published on the NorthernGrid Website for public comment according to the instructions included with the materials. NorthernGrid is to post notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting. The meeting notice will identify the date, time, and location of the meeting.

#### 4.6 Engagement of States

State participation in the processes in this Attachment K is described in the Enrolled Parties and States Committee Charter.

#### 4.7 Sensitive Information

##### 4.7.1 Protocols for Treatment and Labeling of CEII or Confidential Information

Any Person seeking to participate in the processes of this Attachment K must adhere to the rules and/or guidelines established by the Enrolled Parties concerning CEII or Confidential Information. Those rules and any guidelines will be posted on the NorthernGrid Website and updated as necessary. Confidential Information and CEII must be clearly marked as such.

##### 4.7.2 Requesting and Processing Information Requests

A Person may request information from NorthernGrid by completing and submitting a written request form available on the NorthernGrid Website, specifying the information being requested. The Enrolled Parties Planning Committee is to determine whether any of the requested information includes CEII or Confidential Information. NorthernGrid is to provide to the requestor the information requested that NorthernGrid does not identify as information that includes any CEII or Confidential Information.

If the requested information includes CEII or Confidential Information, NorthernGrid is to notify the requestor in writing that information requested by such requestor includes CEII or Confidential Information and that the requestor must comply with restrictions imposed on access to and use of such data (such as a non-disclosure agreement) by the entity that owns such data. NorthernGrid is, to the extent practicable, to inform the requestor of the entities with which it must enter into a non-disclosure agreement. To the extent any other entity's

Confidential Information is contained within the work product of NorthernGrid, any non-disclosure agreements must be obtained with such entity prior to disclosure of Confidential Information by NorthernGrid.

The requestor shall work with each entity, as applicable, to execute non-disclosure agreements. Once NorthernGrid has received confirmation that applicable non-disclosure agreements have been executed, it is to provide the Confidential Information or CEII to the requestor. In no event shall the Transmission Provider or NorthernGrid be required to produce or provide to any Person information in violation of any applicable law, regulation, or other legal requirement.

## **NorthernGrid Planning Cycle**

### **5. Data Gathering/Study Scope Inputs**

#### **5.1 Responsibility**

The Enrolled Parties Planning Committee is to gather data to prepare the Study Scope and perform certain evaluations as set forth in this Attachment K.

#### **5.2 Data Gathering**

##### **5.2.1 General from Stakeholders**

Any stakeholder may submit data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Projects submitted by stakeholders as well as Conceptual Solutions derived from stakeholder information may become Sponsored Projects that may be submitted for evaluation and/or cost allocation pursuant to Section 5.2.3.1 or 5.2.3.2, or they may be submitted for evaluation and cost allocation pursuant to Section 5.2.3.3. A stakeholder shall use the Data Submittal Form to submit data and may use Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the Submittal Window. Stakeholders may also submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website within the sixty (60) day time period for submitting additional information under Section 6.2. Untimely submissions will not be considered.

### 5.2.2 Enrolled Party Information

Each Enrolled Party is to submit the following information to NorthernGrid within the Submittal Window:

- (i) Its Local Transmission Plan, and the data required by Section 5.2.3.5 for any local project that is to be evaluated by the Enrolled Parties Planning Committee;
- (ii) Any local project the Enrolled Party is identifying and submitting appropriate evidence for, such that the project may be evaluated by the Enrolled Parties Planning Committee for possible classification as a Committed Project;
- (iii) 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;
- (iv) Updates to previously submitted data;
- (v) Enrolled Party Needs, including such needs driven by Public Policy Requirements; and
- (vi) Any other project that such Enrolled Party intends to propose for evaluation in the Planning Cycle, including any Non-Transmission Alternatives or Conceptual Solutions.

### 5.2.3 Proposing a Project

#### 5.2.3.1 New Sponsored Projects

An Enrolled Party, a Non-Incumbent Transmission Developer, an ITP Proponent, or a Merchant Transmission Developer (each individually referred to as a Project Sponsor) may propose a new transmission project (each a "Sponsored Project") for evaluation in a Planning Cycle. At a minimum, the data identified in Table A must be submitted for each project being proposed. For any project submitted for possible classification as a Committed Project, the Project Sponsor must demonstrate, to the reasonable satisfaction of the Enrolled Parties Planning Committee, that the project is a Committed Project. Failure to do so will

result in the project being evaluated in the normal course, during the Planning Cycle.

#### 5.2.3.2 Request for Cost Allocation - Sponsored Project

An Enrolled Party, a Non-Incumbent Transmission Developer, and an ITP Proponent that is deemed a Qualified Sponsor or otherwise qualifies as a Qualified Developer in accordance with Section 7 below, may propose a Sponsored Project for evaluation and potential selection in the Regional Transmission Plan for purposes of cost allocation; provided, however, that Non-Transmission Alternatives are not eligible to be selected for purposes of cost allocation.

A Qualified Sponsor/Qualified Developer shall use the Data Submittal Form to submit data and may use Table A below, as guidance for the types of data to be submitted. Qualified Sponsors/Qualified Developers shall submit such data to NorthernGrid within the Submittal Window, or to the extent such submission is related to additional information submitted in accordance with Section 6.2, within fifteen (15) days after the close of the sixty (60) day period for submitting data pursuant to Section 6.2, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." A Qualified Sponsor/Qualified Developer may withdraw its Request for Cost Allocation at any time by providing written notice to the Chair of the Cost Allocation Task Force. In the event that all Qualified Sponsors/Qualified Developers of a specific Potential Cost Allocation Project withdraw their Request(s) for Cost Allocation, such project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

#### 5.2.3.3 Request for Cost Allocation - Un-sponsored Project

Any Enrolled Party, Non-Incumbent Transmission Developer, or ITP Proponent (only with regard to un-sponsored projects that are ITPs) may propose an un-sponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation. However, each un-sponsored project is dependent upon an otherwise Qualified Sponsor/Qualified Developer to submit a Request for Cost Allocation on behalf of the un-sponsored project. A



transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." If no Qualified Sponsor/Qualified Developer submits a Requests for Cost Allocation for an otherwise unsponsored transmission project, such unsponsored project will be removed from the Regional Transmission Plan.

Any Enrolled Party, Non-Incumbent Transmission Developer, or ITP Proponent proposing an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation, shall use the Data Submittal Form to submit relevant data about the project and shall use Table A and Section 5.2.3.6 below, for the types of data to be submitted. Such data shall be submitted to NorthernGrid within the Submittal Window, or to the extent such submission is related to additional information submitted in accordance with Section 6.2, within fifteen (15) days after the close of the sixty (60) day period for submitting data pursuant to Section 6.2, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

If a Request for Cost Allocation is made on behalf of an unsponsored project, such request may later be withdrawn by the Qualified Sponsor/Qualified Developer who requested cost allocation by providing written notice to the chair of the Cost Allocation Task Force. If the Request for Cost Allocation is withdrawn, such unsponsored project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

#### 5.2.3.4 Merchant Transmission Projects

A Merchant Transmission Developer may submit a Merchant Transmission Project for evaluation in the Planning Cycle by submitting the data identified in Table A below, to be submitted by Merchant Developers, and thereby have its project recognized as a "Sponsored Project." However, Merchant Transmission Projects shall not be considered for cost allocation.

#### 5.2.3.5 Minimum Data Submittal Requirements ("Project Data" or "Table A")

**Table A. Project Data Requirements**

	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
A	Proposed project name and name of Project Sponsor; if project is an unsponsored project, please clearly label project as "Unsponsored"	Y	Y
B	Whether or not project is claimed to be a Committed Project	Y	Y
C	Whether Project Sponsor intends to request cost allocation	Y	N
D	Identify the Enrolled Party Needs to be addressed and whether any such Enrolled Party Needs are driven by Public Policy Requirements	Y	Optional
E	Identify location of project, including map of proposed route	Y	Y
F	Any new facilities comprising the project (e.g., new substations and transmission lines)	Y	Y
G	Voltage level (including AC or DC)	Y	Y
H	Structure type (wood, steel, single-circuit, double-circuit, etc.)	Y	Y

**Table A. Project Data Requirements**

	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
I	Conductor type, mileage, configuration, and electrical parameters of components as necessary to model them accurately in power flow simulations (e.g., resistance, reactance, charging, ratings, etc.)	Y	Y
J	Project terminal facilities and any reactive elements (in MVAR)	Y	Y
K	"Estimated Cost" of project, and if available, the associated annual revenue requirement and underlying assumptions (such as annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes)	Y	Optional
L	Development schedule of the project	Y	Y
M	Planned in-service date of the project	Y	Y
N	Whether the project is being proposed as an Interregional	Y	N

<b>Table A. Project Data Requirements</b>			
	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
	Transmission Project (ITP)		
O	If the project is an Interregional Transmission Project, a list of all Relevant Planning Regions to which the Interregional Transmission Project has been, or is to be, submitted for evaluation	Y	N
P	Whether the project is a Merchant Transmission Project	N	Y
Q	Additional technical studies and analysis, if performed	Y	Y
R	Economic Considerations <sup>1</sup>	Y	Optional

If the Enrolled Parties Planning Committee determines that additional information is necessary or appropriate, it may request the additional information at any time and the Project Sponsor shall promptly provide such other information as may reasonably be requested.

#### 5.2.3.6 Additional Information about Potential Cost Allocation Projects

---

<sup>1</sup> 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.

Within fifteen (15) calendar days of submitting a Request for Cost Allocation for a Potential Cost Allocation Project in accordance with Section 5.2.3.2, the Qualified Sponsor/Qualified Developer of such Potential Cost Allocation Project shall, to the extent not already provided, submit the following additional information about the Potential Cost Allocation Project:

- (i) Qualified Sponsor's/Qualified Developer's anticipated role regarding the Potential Cost Allocation Project (e.g., intends to be the developer, owner, and/or operator of the Potential Cost Allocation Project) and the identity of any other entity that proposes to participate in the development, ownership, or operation of the Potential Cost Allocation Project;
- (ii) Required steps for developing the Potential Cost Allocation Project, such as granting of state, federal, and local approvals and obtaining easements necessary to develop and construct the Potential Cost Allocation Project so as to timely meet the Enrolled Party Need(s), and the current status regarding any such steps;
- (iii) Anticipated transfer capability or path rating increase associated with the Potential Cost Allocation Project;
- (iv) A list of new facility outages that should be analyzed as a result of the Potential Cost Allocation Project; and
- (v) All data underlying the calculation of Estimated Costs; must share sufficient detail to allow the Cost Allocation Task Force to determine the Annualized Cost of the Potential Cost Allocation Project (Note: Estimated Costs may be compared to the WECC Transmission Capital Costs Calculator or some other recognized tool).

The Enrolled Parties Planning Committee or the Cost Allocation Task Force may request additional information at any time and the Qualified Sponsor/Qualified Developer shall promptly provide such other information as may reasonably be requested.

5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan

Any Sponsored Project included in the prior Regional Transmission Plan for which the Project Sponsor does not intend to request cost allocation in the current Planning Cycle must be re-submitted as a Sponsored Project within the Submittal Window, along with updates to the information required by Table A, to be considered in the then-current Planning Cycle. To the extent a Project Sponsor fails to submit updated information identified in Table A, then only that information readily available to the Enrolled Parties Planning Committee shall be utilized. Sponsored Projects included in the prior Regional Transmission Plan will no longer be included in the Regional Transmission Plan for the current Planning Cycle if:

- (i) Such project no longer satisfies an Enrolled Party Need; or
- (ii) The Project Sponsor has withdrawn its project.

5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan

The previously Qualified Developer of any Cost Allocation Project selected in the prior Regional Transmission Plan must again qualify in the current Planning Cycle as a Qualified Developer under Section 7.1.2 by submitting, within the Submittal Window, updates to the information required by Table B, until such Cost Allocation Project either (i) is no longer to be included in a Regional Transmission Plan or (ii) has been demonstrated by the Qualified Developer to be a Committed Project. Updates to the information listed in Table A and Section 5.2.3.6 is also requested. However, to the extent a Qualified Developer fails to submit updated information identified in Table A and Section 5.2.3.6, only that information that is readily available to the Enrolled Parties Planning Committee and the Cost Allocation Task Force shall be utilized. Cost Allocation Projects selected in the prior Regional Transmission Plan will not be included in the Regional Transmission Plan as a Cost Allocation Project for the current Planning Cycle if, in the Planning Cycle, it is determined that:

- (i) All who originally submitted a Request for Cost Allocation on behalf of such project no

longer satisfy the criteria in the current Planning Cycle as Qualified Developers under Section 7.1.2;

- (ii) Such project no longer satisfies an Enrolled Party Need;
- (iii) All that properly submitted a Request for Cost Allocation with respect to such Cost Allocation Project have withdrawn their Requests for Cost Allocation;
- (iv) The project is no longer determined to be a more efficient or cost-effective solution to an Enrolled Party Need; or
- (v) Such project has been in the Regional Transmission Plan for three successive Planning Cycles and the Qualified Developer has not demonstrated that such project has achieved the status of being a Committed Project.

#### **5.2.4 Submittal Form and Due Date**

All data/information, including Request for Cost Allocation, submitted pursuant to the requirements described in Sections 5.2.1 through 5.2.3 shall be submitted within the Submittal Window to NorthernGrid using the Data Submittal Form (available on the NorthernGrid Website), consistent with the instructions available on the NorthernGrid Website.

#### **5.2.5 Use of Submitted Information**

By submitting data/information pursuant to this Attachment K, the submitting entity authorizes the use of the information in all NorthernGrid processes without compensation in any form. Any data/information made available or otherwise provided shall be "AS IS" and any reliance on such information is at one's own risk, without warranty and without any liability of NorthernGrid (or any committee or committee members of NorthernGrid), Transmission Provider, or any entity supplying information.

#### **5.3 Review of Submitted Information**

The Enrolled Parties Planning Committee is to review the information submitted in accordance with Section 5.2.3. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to meet the information requirements set forth in Section 5.2.3, the Enrolled Parties Planning Committee is to notify the Project

Sponsor/Qualified Sponsor/Qualified Developer of the reasons for such failure. Each Project Sponsor/Qualified Sponsor/Qualified Developer shall have an opportunity to remedy deficiencies in their submitted data/information. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to fully remedy such deficiencies by the first April 15<sup>th</sup> of the Planning Cycle, that Project Sponsor's/Qualified Sponsor's/Qualified Developer's proposed transmission project and/or Request for Cost Allocation shall be deemed withdrawn.

#### **5.4 Untimely or Improperly Submitted Requests or Submittals of Information**

Untimely (i.e., information received by NorthernGrid prior to the opening of the Submittal Window or after the Submittal Window has closed, with the exception of (i) information submitted no later than fifteen (15) days after the close of the Submittal Window to remedy a deficiency notice from the Enrolled Parties Planning Committee or (ii) additional data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs identified in the draft Study Scope that is submitted in accordance with Section 6.2) or improperly submitted requests made pursuant to Section 5.2.3, will not be considered.

### **6. Development of Draft Regional Transmission Plan**

#### **6.1 Study Scope Development**

The Enrolled Parties Planning Committee is to develop a draft Study Scope. The draft Study Scope shall describe:

- a. Projects submitted, and data gathered in accordance with Section 5.2;
- b. Any Committed Projects (If any project included in the prior Regional Transmission Plan is determined by the Enrolled Parties Planning Committee to be a Committed Project, such project shall be included in the Draft Regional Transmission Plan as a Committed Project and shall not be subject to further evaluation in this Planning Cycle);
- c. The detailed study methodology;
- d. Reliability criteria to be considered;
- e. Enrolled Party Needs, including needs driven by Public Policy Requirements;



- f. Assumptions (including loads, resources, desired flows, constraints);
- g. Baseline Projects of Enrolled Parties;
- h. Each Alternative Project to be considered;
- i. Each Non-Transmission Alternative to be considered;
- j. Databases to be utilized; and
- k. Evaluation scenarios.

## 6.2 **Review and Comment; Consideration of Comments; Update Study Scope**

Upon completion of the development of the draft Study Scope, the Enrolled Parties Planning Committee is to post the draft Study Scope on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the draft Study Scope and solicit comments from stakeholders and the Enrolled Parties and States Committee. NorthernGrid is to post the draft Study Scope and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the draft Study Scope to stakeholders and the Enrolled Parties and States Committee for comment. Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the draft Study Scope. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; *provided that* either Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond; and
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, and finalize the draft Study Scope.

In addition to the opportunity to comment on the draft Study Scope in accordance with this Section, stakeholders shall also have sixty (60) days following the posting of the draft Study Scope to submit additional data, including projects, for

evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs identified in the draft Study Scope, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Stakeholders shall use the Data Submittal Form to submit data and may use Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the sixty (60) day period set forth in this Section. Untimely submissions will not be considered.

After considering comments and any additional information submitted pursuant to this Section, the Enrolled Parties Planning Committee may modify the draft Study Scope and is to finalize the Study Scope. NorthernGrid is to post the final Study Scope on the NorthernGrid Website. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan, including the rationale for selecting and excluding transmission needs driven by Public Policy Requirements.

### **6.3 Analysis; Documentation in Draft Regional Transmission Plan**

The Enrolled Parties Planning Committee is to evaluate combinations of the Baseline Projects of Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs ("Regional Combination"). If a project does not meet any Enrolled Party Need, it will not be considered by Enrolled Parties for inclusion in the Draft Regional Transmission Plan.

Once the Enrolled Parties Planning Committee becomes aware of a Material Adverse Impact on a Neighboring System caused by a Sponsored Project or Alternative Project identified in the Regional Combination, the Project Sponsor is to coordinate with the Neighboring Systems to assess the facilities necessary to mitigate the Material Adverse Impact on the Neighboring Systems. If the Material Adverse Impact cannot be mitigated (by actions within the Enrolled Region or the Neighboring Systems), or the Project Sponsor does not identify solutions to mitigate the Material Adverse Impact on the Neighboring Systems, the Sponsored Project or Alternative Project identified in the Regional Combination will not be selected into the Draft Regional Transmission Plan. The Project Sponsor will provide the Mitigation Cost for each Material Adverse Impact to the

Enrolled Parties Planning Committee. The Enrolled Parties Planning Committee will determine the Mitigation Cost for each Material Adverse Impact for any Conceptual Solution. The Enrolled Parties Planning Committee will review and adjust the Mitigation Cost for each project and then associate the Mitigation Cost of each Material Adverse Impact to each project causing the Material Adverse Impact. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan.

#### **6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan**

Upon development of the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the Draft Regional Transmission Plan and solicit comments from stakeholders and the Enrolled Parties and States Committee. The Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the Draft Regional Transmission Plan to stakeholders and the Enrolled Parties and States Committee for comment. Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the Draft Regional Transmission Plan. Comments may include changes to the data provided pursuant to Section 5.2.

The Enrolled Parties Planning Committee is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Enrolled Party Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems

appropriate, to the Study Scope based upon additional information about new or changed circumstances related to loads, resources, transmission projects or Alternative Solutions, or identified changes to data provided and then, based upon the updated Study Scope, update the analysis performed in accordance with Section 6.3 "Analysis; Documentation in the Draft Regional Transmission Plan;" and

- d. Make modifications in response to comments received and/or make modifications resulting from the updated analysis performed in accordance with sub-section (c) above, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Regional Transmission Plan.

## **6.5 Comparability**

In developing the Study Scope and the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to consider all timely submitted information, including information and comments received from stakeholders, comparably to address Enrolled Party Needs including reliability requirements, economic considerations, and Public Policy Requirements.

## **7. Qualifying to Request Cost Allocation**

### **7.1 Qualification Process for/to Submit a Project for Cost Allocation**

#### **7.1.1 Qualification to Request Cost Allocation**

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3) or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does not intend to develop the project for which it intends to submit a Request for Cost Allocation, is deemed a Qualified Sponsor. Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does intend to develop the project for which it intends to submit a Request for Cost Allocation must first qualify in accordance with Section 7.1.2 to become a Qualified Developer.

### 7.1.2 Qualification Process

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that intends to develop a project for which it intends to submit a Request for Cost Allocation must submit, within the Submittal Window, the qualification data described in Table B below, through the NorthernGrid Website, using the Developer Qualification Data Form found on the NorthernGrid Website.

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
Project Sponsor's Identification	1. name 2. address 3. primary contact information, including: (i) name and title (ii) phone number (iii) address (iv) email address	Assess whether required data was submitted.
Project Sponsor's Experience	1. years in business 2. description of any relevant experience, including management and technical experience, developing, constructing, owning, and/or operating a project of similar size and scope as the Sponsored Project	Assess whether information indicates experience, including managerial and technical expertise in developing, constructing (or managing construction), owning, and/or operating comparable projects.
Reliance on Third Parties	1. identification of any third parties that the Project Sponsor intends to rely on for management, development, operating, or technical expertise	Assess whether information indicates the third party has experience, including

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
	<p>2. description of the expertise the third party is expected to provide</p> <p>3. information from which such third party's financial ability to perform can be evaluated, which may include information substantially similar to the information listed with regard to the Project Sponsor's financial ability below</p>	<p>managerial and technical expertise in developing, constructing (or managing construction), and/or operating comparable projects.</p>
Project Sponsor's Financials	<p>1. demonstrate that Project Sponsor, or Project Sponsor's parent, has either an investment grade rating or has a minimum tangible net worth of \$1,000,000 or total assets of \$10,000,000</p> <p>2. provide information from which Project Sponsor's creditworthiness can be evaluated, which may include the following (to the extent they exist):</p> <ul style="list-style-type: none"> <li>(i) most recent annual report</li> <li>(ii) most recent quarterly report</li> <li>(iii) last two most recent audited year-end financial statements</li> <li>(iv) rating agency reports</li> <li>(v) any material issues that could affect the credit rating, including any pending or expected litigation or investigations</li> </ul>	<p>Assess whether the information was submitted and satisfied the criteria.</p>

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
	(vi) other information supporting Project Sponsor's financial ability	
Affirmation	a signed affirmation by an authorized officer of Project Sponsor that the information provided under this Section is true, accurate, and complete to the best of such authorized officer's knowledge and belief	Assess whether the information was submitted.

### 7.1.3 Evaluation of Project Sponsor Submissions

The data submitted pursuant to Section 7.1.2 shall be evaluated to determine whether such entity has the minimum qualifications to develop the project submitted. For each Planning Cycle the Cost Allocation Task Force is to apply the criteria identified in Table B in a comparable and non-discriminatory manner. The sufficiency of the qualification data will be determined by the Cost Allocation Task Force. The Cost Allocation Task Force Co-Chairs are to provide the Project Sponsor with written notice of the Cost Allocation Task Force's determinations. The notice will provide either that the entity satisfies the qualification data requirements or will identify specific deficiencies. An entity that has satisfied the qualification data requirements is referred to as a "Qualified Developer."

### 7.1.4 Opportunity to Cure Deficiencies and Failure to Cure

If the Cost Allocation Task Force identifies deficiencies in the qualification data submitted by an entity, such entity has fifteen (15) calendar days from the date of notice of deficiencies to cure the identified deficiencies. If deficiencies are not timely cured, the Cost Allocation Task Force Chair is to provide the entity with written notice that it is not qualified to develop the project for which it intended to request cost allocation pursuant to Sections 5.2.3.2 or 5.2.3.3 in the Planning Cycle. An entity that fails to become a

Qualified Developer may seek to qualify during the Submittal Window in the next Planning Cycle.

## **8. Cost Allocation**

### **8.1 Projects Eligible for Cost Allocation Consideration**

The Cost Allocation Task Force is to identify whether a cost allocation analysis is required for any Potential Cost Allocation Project that was identified within a Regional Combination in Section 6.3 and included in the Draft Regional Transmission Plan. This is to be accomplished by the Cost Allocation Task Force confirming that each such Potential Cost Allocation Project has Estimated Costs exceeding \$20 million. Such a Potential Cost Allocation Project is then referred to as a "Project for Cost Allocation Consideration." Any Potential Cost Allocation Project with Estimated Costs that do not exceed \$20 million will no longer be considered for cost allocation in the Planning Cycle.

### **8.2 Total Project Cost and Annualized Cost of Projects for Cost Allocation Consideration**

The Cost Allocation Task Force is to determine the Total Project Cost of each Project for Cost Allocation Consideration. The Cost Allocation Task Force is also to determine the Annualized Cost of each Project for Cost Allocation Consideration as set forth in this Section 8.2.

#### **8.2.1 Annualized Cost of a Project That Is Not an ITP**

The Annualized Cost is a levelized annual cost over the life of the Project for Cost Allocation Consideration. When determining the Annualized Cost of a project that is not an ITP, the Cost Allocation Task Force shall include the following, as applicable:

- a. Estimated annualized revenue requirement of the Estimated Cost submitted pursuant to row K of Table A in Section 5.2.3.5, as such may be updated pursuant to either Section 5.2.3.8 or Section 6.4; and
- b. Estimated annualized revenue requirement of the Mitigation Cost identified in Section 6.3, to mitigate the Material Adverse Impact on the Neighboring Systems associated with a Project for Cost Allocation Consideration.



The annualized revenue requirement of the Estimated Cost and the annualized revenue requirement of the Mitigation Costs will include assumptions for annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes. The Cost Allocation Task Force may make adjustments to the annual revenue requirements and underlying assumptions submitted pursuant to row K of Table A in Section 5.2.3.5 as it in its professional judgment determines to be necessary. If no revenue requirements or assumptions are submitted, the Cost Allocation Task Force is to determine, in its professional judgment, the annual revenue requirements and underlying assumptions. Such adjustments or determinations are to be explained in the Draft Regional Transmission Plan.

When determining the Annualized Cost of each Project for Cost Allocation Consideration, the Cost Allocation Task Force may make adjustments to the Estimated Cost and Mitigation Cost submitted, using the WECC Transmission Capital Costs Calculator (or some other recognized tool), as the Cost Allocation Task Force in its professional judgment determines to be necessary. Such adjustments are to be explained in the Draft Regional Transmission Plan.

#### **8.2.2 Annualized Cost of an ITP**

With respect to the Annualized Cost of an ITP, the Cost Allocation Task Force shall annualize, in the manner described in Section 8.2.1, the Assigned Regional Costs from Interregional Cost Allocation, as determined in accordance with Section 11.6.

#### **8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan**

The Cost Allocation Task Force is to evaluate the Projects for Cost Allocation Consideration to determine whether any such projects are a more efficient or cost-effective solution to an Enrolled Party Need.

In determining whether a Project for Cost Allocation Consideration is the more efficient or cost-effective solution to an Enrolled Party Need, the Cost Allocation Task Force is to consider the following factors:

- a. Sponsorship and degree of development;
- b. Feasibility;
- c. Coordination with any affected transmission system;

- d. Economics;
- e. Effectiveness of performance;
- f. Satisfaction of an Enrolled Party's Need, including the extent to which the proposed solution satisfies multiple Enrolled Parties' Needs;
- g. Mitigation of any Material Adverse Impact of such proposed solution on any transmission system; and
- h. Consistency with applicable state, regional, and federal planning requirements and regulations.

No single factor is necessarily to be determinative in evaluating proposed solutions to address Enrolled Party(ies) Needs.

Any Project for Cost Allocation Consideration that is determined to be more efficient or cost-effective will then be incorporated within the Draft Regional Transmission Plan as an "Eligible Cost Allocation Project." The Cost Allocation Task Force is to document its analysis and results in the Draft Regional Transmission Plan, including analysis and results regarding any Project for Cost Allocation Consideration that is determined to not be the more efficient or cost-effective and thus not eligible for cost allocation.

#### **8.4 Benefits of An Eligible Cost Allocation Project**

The Benefits of any Eligible Cost Allocation Project are, Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability directly attributable to such Eligible Cost Allocation Project. Each Benefit is described and will be evaluated as set forth below. Each Benefit is converted to a levelized annual amount and assumed to continue over the life of the Eligible Cost Allocation Project.

##### **8.4.1 Deferred Costs**

Deferred Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Deferred Costs of an Enrolled Party for an Eligible Cost Allocation Project are the projected avoided costs of such Enrolled Party's deferred transmission facilities over the deferral period that are directly attributable to such Eligible Cost Allocation Project. Deferred Costs are to be calculated for each Enrolled Party based on the revenue requirement avoided over each year of the deferral period (i.e. annual return (both debt and equity), depreciation, taxes other

than income, operation and maintenance expense, and income taxes), and then annualized over the life of the Eligible Cost Allocation Project.

#### **8.4.2 Avoided Capital Costs**

Avoided Capital Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Avoided Capital Costs of an Enrolled Party for an Eligible Cost Allocation Project are the avoided costs of eliminated transmission facilities for such Enrolled Party that are directly attributable to such Eligible Cost Allocation Project. Avoided Capital Costs are to be calculated for each Enrolled Party based on the revenue requirement avoided over each year of the life of the Eligible Cost Allocation Project (i.e. annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes), and then annualized over the life of the Eligible Cost Allocation Project.

#### **8.4.3 Increased Useful Available Transfer Capability ("ATC")**

Increased Useful ATC of an Enrolled Party is a Benefit to such Enrolled Party. The Increased Useful ATC of an Enrolled Party for an Eligible Cost Allocation Project is the increased annual revenue from sales at cost-based rates projected to be accrued by such Enrolled Party over the life of the Eligible Cost Allocation Project due to an increase in transmission capacity on such Enrolled Party's Transmission System, where such increase in transmission capacity is a direct result of such Eligible Cost Allocation Project. The increased annual revenue from sales includes both sales enabled on existing transmission facilities as a result of the Eligible Cost Allocation Project and sales revenue for sales on the Eligible Cost Allocation Project. The Qualified Sponsor(s)/Qualified Developer(s) of such Eligible Cost Allocation Project and other Enrolled Parties projected to receive increased sales revenue as a result of the Eligible Cost Allocation Project each may receive a Benefit.

#### **8.5 Allocation of Total Project Cost to Enrolled Party Beneficiaries**

The Cost Allocation Task Force is to identify the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project, evaluate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project, and, if Benefit-to-Cost Ratio is satisfied, allocate Total Project Cost of each Eligible Cost Allocation Project to

the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project.

#### 8.5.1 Identification of Enrolled Party Beneficiaries

For each Eligible Cost Allocation Project, the Cost Allocation Task Force is to identify the Enrolled Parties that have a Benefit pursuant to Sections 8.4.1, 8.4.2, and/or 8.4.3 directly attributable to such Eligible Cost Allocation Project (each Enrolled Party that has a Benefit is referred to as an "Enrolled Party Beneficiary").

#### 8.5.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to calculate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project by summing the Benefits (annualized) identified in Sections 8.4.1, 8.4.2, and 8.4.3 for all Enrolled Party Beneficiaries as determined in Section 8.5.1 and dividing that sum by the Annualized Cost of such Eligible Cost Allocation Project as determined in Section 8.2.1 or 8.2.2, as applicable. If the Benefit-to-Cost Ratio calculated for the Eligible Cost Allocation Project is greater than or equal to 1.25, such project is a "Preliminary Cost Allocation Project." In the event the Benefit-to-Cost Ratio for the Eligible for Cost Allocation Project is less than 1.25, such project is no longer eligible for cost allocation. The Cost Allocation Task Force is to incorporate the results into the Draft Regional Transmission Plan and document the reasons for the decisions made.

#### **Example 1: Application of Benefit-to-Cost Ratio (for illustrative purposes only)**

Annualized Cost of Eligible Cost Allocation Project	=	\$100M
Beneficiary A's Annualized Benefits	=	\$60M
Beneficiary B's Annualized Benefits	=	\$50M
Beneficiary C's Annualized Benefits	=	<u>\$90M</u> (Beneficiary C is the Sponsor)
Total benefits	=	\$200M

In this example, the Benefit-to-Cost Ratio exceeds 1.25 and, therefore, the Eligible Cost Allocation Project becomes classified as a "Preliminary Cost Allocation Project."

### 8.5.3 Allocation of Total Project Cost to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to calculate the allocation of the Total Project Cost of each Preliminary Cost Allocation Project to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project. Total Project Cost of each Preliminary Cost Allocation Project (less any amount voluntarily accepted by a Person pursuant to Section 8.5.4) shall be allocated to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project based upon the Benefits (in dollars) applicable to each such Enrolled Party Beneficiary divided by the total Benefits (in dollars) applicable to all Enrolled Party Beneficiaries of such Preliminary Cost Allocation Project with that result multiplied by the Total Project Cost of the Preliminary Cost Allocation Project as expressed in the Formula 1 (the "Cost Allocation Methodology"). The Cost Allocation Task Force shall as soon as practical provide each Enrolled Party Beneficiary with the results from its application of the Cost Allocation Methodology for any Preliminary Cost Allocation Project.

#### **Formula 1: Allocation of Total Project Cost to Enrolled Party Beneficiaries**

$$D = (B/C)A$$

Where, for a Preliminary Cost Allocation Project:

"A" equals the Total Project Cost of the Preliminary Cost Allocation Project as determined in Section 8.2.1 (less any amount accepted by a Person pursuant to Section 8.5.4).

"B" equals the dollar amount of Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3, for a specific Enrolled Party Beneficiary.

"C" equals the dollar amount of the sum of Benefits calculated in Sections 8.4.1, 8.4.2, and 8.4.3, for all Enrolled Party Beneficiaries.

"D" equals the dollar amount of the Total Project Cost of the Preliminary Cost Allocation Project to be allocated to the specific Enrolled Party Beneficiary for which "B" applies.

This formula is to be applied to each Enrolled Party Beneficiary of the Preliminary Cost Allocation Project.

#### **Example 2: Allocation of Total Project Cost to Enrolled Party Beneficiaries (for illustrative purposes only)**

Example 2 builds upon the facts described in Example 1 above, and allocates the Preliminary Cost Allocation Project's \$100M costs to each Enrolled Party Beneficiary as follows:

Enrolled Party Beneficiary A:  $(\$60M/\$200M)\$100M = \$30M$

Enrolled Party Beneficiary B:  $(\$50M/\$200M)\$100M = \$25M$

Enrolled Party Beneficiary C:  $(\$90M/\$200M)\$100M = \underline{\$45M}$

Total = \$100M

#### 8.5.4 Acceptance of Total Project Cost; Removal from Cost Allocation

Upon receipt of the results of the Cost Allocation Task Force's application of the Cost Allocation Methodology to a Sponsored Preliminary Cost Allocation Project pursuant to Section 8.5.3 and prior to the Cost Allocation Task Force transmitting its results to the Planning Committee for inclusion in the Draft Regional Transmission Plan, the Enrolled Parties shall have thirty (30) calendar days to arrange participant funding for the Preliminary Cost Allocation Project (the "Negotiation Period"). On or before the conclusion of the Negotiation Period, the Project Sponsor shall notify the Cost Allocation Task Force of its election to proceed based upon one of the following three options:

- a. Continue with Cost Allocation - whereby the Cost Allocation Task Force is to proceed with notifying the Planning Committee of the results of its cost allocation.
- b. Hybrid Allocation—whereby the Project Sponsor includes with its notice of election a writing signed by one or more Persons (excluding Beneficiaries) agreeing to accept a specific allocation of the Total Project Cost of a Preliminary Cost Allocation Project ("Voluntary Allocation").
- c. Withdrawal —whereby the Project Sponsor voluntarily withdraws its request for cost allocation of the Preliminary Cost Allocation Project in the Planning Cycle.

In the event the "Continue with Cost Allocation" option is selected, the Cost Allocation Task Force shall provide the Planning Committee with the results of its cost allocation.

In the event the "Hybrid Allocation" option is selected, the Cost Allocation Task Force shall subtract the amount of Voluntary Allocation from the Total Project Cost of the Preliminary Cost Allocation Project. The Cost Allocation Task Force shall then allocate the remainder of the Total Project Cost of the Preliminary Cost Allocation Project to the Beneficiaries in accordance with the methodology set forth in Section 8.5.3 and provide the Planning Committee with the results of its cost allocation that takes into account the Voluntary Allocation.

In the event the "Withdrawal" option is selected, the Cost Allocation Task Force shall notify the Planning Committee that the Project Sponsor has withdrawn its request for cost allocation.

#### 8.5.5 **Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan**

Unless a Preliminary Cost Allocation Project is removed from cost allocation consideration, the Cost Allocation Task Force is to select only Qualified Developer submitted Preliminary Cost Allocation Projects submitted for purposes of cost allocation ("Cost Allocation Project") and incorporate the results from its application of the Cost Allocation Methodology for such Cost Allocation Project in the Draft Final Regional Transmission Plan. The Cost Allocation Task Force is to post such results on the NorthernGrid Website and post notice of, and hold, a public meeting in accordance with the Cost Allocation Task Force Charter to review the results. The Cost Allocation Task Force will then incorporate and document any comments received and the analysis, rationale, and results associated with the Qualified Developer's submitted Preliminary Cost Allocation Projects and the conclusion of any negotiation efforts, into the Draft Final Regional Transmission Plan and document the reasons for the decisions made.

#### 8.6 **Exclusions**

Projects undertaken in connection with requests for interconnection or transmission service under this Tariff will

be governed solely by the provisions of the Tariff applicable to such requests for interconnection or transmission service.

## **9. Regional Transmission Plan**

### **9.1 Preparation and Posting of Draft Final Regional Transmission Plan**

The Enrolled Parties Planning Committee is to post a Draft Final Regional Transmission Plan by the end of the last September in the Planning Cycle. The Draft Final Regional Transmission Plan is to include:

- i. A list of each Cost Allocation Project along with the results of the application of the Cost Allocation Methodology for such Cost Allocation Project including identification of each Enrolled Party Beneficiary, the share of the Total Project Cost allocated to each such Enrolled Party Beneficiary, and the Benefits identified for each such Enrolled Party Beneficiary;
- ii. Whether, and, if so, the extent to which costs of any Cost Allocation Project were voluntarily assumed by any other Person;
- iii. A list of any ITP(s) for which joint evaluation has been requested; and
- iv. A list of any projects listed as Cost Allocation Projects in the prior Regional Transmission Plan that, in accordance with Section 5.2.3.8, will not be included in the current Regional Transmission Plan as a Cost Allocation Project.

### **9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan**

Upon development of the Draft Final Regional Transmission Plan, the Enrolled Parties Planning Committee is to post the Draft Final Regional Transmission Plan on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to present the Draft Final Regional Transmission Plan and solicit comments from stakeholders and the Enrolled Parties and States Committee. NorthernGrid is to post



the Draft Final Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the Draft Final Regional Transmission Plan. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Final Regional Transmission Plan; and
- d. Cause the Final Regional Transmission Plan developed through the processes outlined in this Attachment K to be issued.

## **Part D. Interregional Coordination and Cost Allocation Process**

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

#### **10.1 Introduction**

This Section 10 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. NorthernGrid is to conduct the activities and processes set forth in this Section 10 of Attachment K in accordance with the provisions of this Section 10 of Attachment K and the other provisions of this Attachment K.

Nothing in this Section 10 of Attachment K 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 10 of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order No. 1000.

#### **10.2 Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, NorthernGrid is to make available by posting on the NorthernGrid 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 (Enrolled Party Needs) in NorthernGrid's Enrolled Region and Potential Solutions thereto:

- (i) Study Scope or underlying information that would typically be included in a Study Scope, 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.")

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

NorthernGrid is not required to make available or otherwise provide to any other Planning Region: (i) any information not developed by NorthernGrid 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 NorthernGrid 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 NorthernGrid shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NorthernGrid's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by NorthernGrid 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 NorthernGrid, Transmission Provider, or any entity supplying information in NorthernGrid'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.

### 10.3 **Annual Interregional Coordination Meeting**

The NorthernGrid Enrolled Region is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NorthernGrid 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. NorthernGrid 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:

1. Each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
2. 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
3. Updates of the status of any ITP being evaluated or previously included in NorthernGrid's Regional Transmission Plan.

### 10.4 **ITP Joint Evaluation Process**

#### 10.4.1 **Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section 10.4.2 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 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.

#### 10.4.2 **Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section 10.4.1, the NorthernGrid Enrolled Region (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 10.4.1 or the immediately following calendar year. With respect to any such ITP, the NorthernGrid Enrolled Region (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 10.4.1, the NorthernGrid Enrolled Region (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 NorthernGrid's evaluation of the ITP;
- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.4.2 in accordance with its regional transmission planning process;
- c. Is to notify the other Relevant Planning Regions if the NorthernGrid Enrolled Region determines that the ITP will not meet any of its regional transmission needs; thereafter the NorthernGrid Enrolled Region has no obligation under this Section 10.4.2 to participate in the joint evaluation of the ITP; and

- d. Is to process the ITP in accordance with its regional transmission planning process.

## **10.5 Interregional Cost Allocation Process**

### **10.5.1 Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section 10.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from the NorthernGrid Enrolled Region 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.

### **10.5.2 Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (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) the NorthernGrid Enrolled Region'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 10.6.2 ) to each Relevant Planning Region using the methodology described in this Section 10.5.2.

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (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 NorthernGrid's analysis;

- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.5.2 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 the NorthernGrid Enrolled Region, NorthernGrid 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; the NorthernGrid Enrolled Region may use such information to identify its total share of the projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region in order to determine whether the ITP is a more efficient or cost-effective solution to a transmission need in the NorthernGrid Enrolled Region;
- 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 10.5.2 in the same general time frame as its joint evaluation activities pursuant to Section 10.4.2.

#### **10.6 Application of Regional Cost Allocation Methodology to Selected ITP**

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

If the NorthernGrid Enrolled Region (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, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

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

If the NorthernGrid Enrolled Region (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, NorthernGrid is to evaluate (or reevaluate, as the case may be) pursuant to Sections 10.5.2 (d), 10.5.2 (e), and 10.5.2 (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 of 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 the NorthernGrid Enrolled Region and at least one other Relevant Planning Region, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2 (e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

## **11. ITPs, Joint Evaluation, and Interregional Cost Allocation**



## 11.1 Introduction

This Section 11 of Attachment K only applies to ITPs for which the NorthernGrid Enrolled Region is a Relevant Planning Region and does not apply to any ITP for which the NorthernGrid Enrolled Region is not a Relevant Planning Region.

## 11.2 Entities That May Submit an ITP for Joint Evaluation

Any Person that seeks to submit an ITP for joint evaluation pursuant to Sections 10 and 11 of this Attachment K must submit the ITP into the NorthernGrid Enrolled Region's regional transmission planning process in accordance with Section 5.2.3 of this Attachment K, and must submit the ITP into the planning process of all Relevant Planning Regions.

## 11.3 Confirmation from Relevant Planning Regions

NorthernGrid is to seek to confirm with each other Relevant Planning Region that such Enrolled Party or ITP Proponent has submitted such ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s). In the event that NorthernGrid is unable to confirm that the Enrolled Party or ITP Proponent has submitted its ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s), NorthernGrid is to notify the ITP Proponent in writing, and the ITP Proponent is to have thirty (30) calendar days from the date of such notice to provide NorthernGrid evidence, reasonably acceptable to NorthernGrid, that the ITP Proponent has timely submitted its ITP for evaluation to each other Relevant Planning Region(s). If an ITP Proponent fails to provide such evidence, the ITP Proponent's ITP is to be deemed withdrawn.

## 11.4 Submit ITP Information

Prior to commencing the joint evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, an ITP Proponent that is seeking such evaluation of an ITP is to submit to the NorthernGrid Enrolled Region information in accordance with Section 5.2.3 of this Attachment K, which is, to the extent permitted by law, to include a copy of all ITP data being

submitted by the ITP Proponent to any of the other Relevant Planning Regions for such ITP.

#### 11.5 Joint Evaluation Implementation

For purposes of the NorthernGrid Enrolled Region's evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, evaluation of such ITP is to be through the NorthernGrid Enrolled Region's transmission planning processes as set forth in this Attachment K.

#### 11.6 Interregional Cost Allocation Process

For each ITP that meets the requirements of Sections 11.1 and 11.2, the NorthernGrid Enrolled Region (if and so long as it is a Relevant Planning Region) is to:

- (i) Pursuant to item (c) of Section 10.5.2 of this Attachment K, determine the amount, if any, of Regional Benefits for Purposes of Interregional Cost Allocation resulting from such ITP;
- (ii) Pursuant to item (ii) of Section 10.5.2 of this Attachment K, notify each of the other Relevant Planning Regions with respect to such ITP of the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP so determined;
- (iii) Pursuant to item (d) of Section 10.5.2, calculate the NorthernGrid Enrolled Region's assigned *pro rata* share of the projected costs of such ITP (such share is also referred to as "Assigned Regional Costs from Interregional Cost Allocation"), which share is to be equal to the product of the projected costs of such ITP multiplied by a fraction, the numerator of which is to be the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and the denominator of which is to be the sum of (a) the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and (b) the sum of the regional benefits of each other Relevant Planning Region as calculated with respect to such ITP by such other Relevant Planning Region in accordance with its regional

transmission planning process and provided to the NorthernGrid Enrolled Region by such other Relevant Planning Region;

- (iv) If an ITP is identified as an Eligible Cost Allocation Project pursuant to Section 8.3, NorthernGrid's Cost Allocation Task Force is to proceed with the cost allocation analysis described in Section 8.5. Pursuant to item (e) of Section 10.5.2 of this Attachment K, NorthernGrid is to share the above determination with the other Relevant Planning Regions with regard to such ITP; and
- (v) If NorthernGrid receives information pursuant to item (e) of Section 10.5.2 of Attachment K from one or more other Relevant Planning Regions regarding what such Relevant Planning Region's regional cost allocation would be if it were to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation and what, if any, additional amount of projected project costs of such ITP its methodology would be attributable to the NorthernGrid Enrolled Region, the NorthernGrid Enrolled Region may use such information to identify an additional amount of projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region if such additional amount is properly allocable to an Beneficiary(ies) as an owner(s) or operator(s) of such ITP (any such additional, properly allocable, amount is also referred to as "Additional Regional Costs from Interregional Cost Allocation").

## **Part E. Economic Study Request**

### **12. Economic Study Requests**

#### **12.1 Performance of Economic Studies**

##### **12.1.1 Regional**

NorthernGrid, in coordination with Enrolled Parties and the Enrolled Parties Planning Committee, is to perform in accordance with this Part E of this Attachment K economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.1 of this Attachment K related to conditions within the Enrolled Party Region.

##### **12.1.2 Local**

Transmission Provider, in accordance with this Part E of this Attachment K, is to perform economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.2 of this Attachment K related to conditions within the Transmission Provider's Transmission System.

#### **12.2 Stakeholder Requests to Perform an Economic Study**

##### **12.2.1 Regional**

A stakeholder, which includes Enrolled Parties, may request that NorthernGrid initiate a study to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;
- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate or regional basis (a "Regional Economic Study").

##### **12.2.2 Local**

A stakeholder may request that Transmission Provider initiate a study related to conditions within the Transmission Provider's Transmission System to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;

- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate basis (a "Local Economic Study").

### 12.2.3 Study Characteristics

Any economic study performed must focus on evaluating high-level metrics depicting various possible future scenarios of expanding the power system and quantifying the advantages and disadvantages associated with each scenario. Any Economic Study Request that seeks to focus on the performance of individual assets shall not be performed.

### 12.2.4 Study Report

A Regional Economic Study is documented in a stand-alone report that is separate from the Regional Transmission Plan. A Local Economic Study is documented in a stand-alone report that is separate from the Local Transmission Plan and the Regional Transmission Plan.

## 12.3 Submission, Consideration and Prioritization of Economic Study Requests

Requests for a Regional Economic Study or a Local Economic Study shall be submitted, considered and prioritized as follows:

- a. Between January 1 and March 31 each year, a stakeholder may submit a Regional Economic Study request to NorthernGrid through the NorthernGrid Website, and a stakeholder may submit a Local Economic Study request to the Transmission Provider consistent with Sections 2 and 12 of this Attachment K and the Transmission Provider's transmission planning business practice posted on OASIS.
- b. Any Economic Study Request must describe the information to be evaluated and include information known by the requester that is relevant to the requested study.
- c. The Enrolled Parties Planning Committee, in the context of a request for a Regional Economic Study, is to develop a rough work scope and cost estimate for all requested Regional Economic

Studies and develop a preliminary prioritization or a recommendation to cluster, based on the Enrolled Parties Planning Committee's perceived regional benefits, to assist in the prioritization of Regional Economic Study requests. The Transmission Provider, in the context of a request for a Local Economic Study, is to develop a rough work scope and cost estimate for all requested Local Economic Studies associated with the Transmission Provider, and develop preliminary prioritization based on the Transmission Provider's perceived local benefits, to assist in the prioritization of Local Economic Study requests, which may include clustering, if appropriate.

- d. By no later than June 1 of each year, NorthernGrid is to hold a meeting of the Enrolled Parties Planning Committee for the members of the Enrolled Parties Planning Committee to discuss, identify, and prioritize, up to one (1) Regional Economic Study to be performed in a given year by NorthernGrid, and at no cost to the requestor, taking into consideration its impact on the NorthernGrid budget and other priorities. By no later than June 1 of each year, Transmission Provider receiving a Local Economic Study Request is to identify and prioritize, up to one (1) Local Economic Study to be performed in a given year by the Transmission Provider, at no cost to the requestor, taking into consideration the impact of performing such study on the Transmission Provider's budget and its other priorities. Regional Economic Studies and Local Economic Studies are intended to be completed by calendar year-end.
- e. The Enrolled Parties Planning Committee in the context of a Regional Economic Study or the Transmission Provider in the context of a Local Economic Study may respectively agree to hold additional meetings to further discuss and resolve any issue concerning the substance of the Regional Economic Studies or Local Economic Studies themselves and/or their prioritization.
- f. The Enrolled Parties Planning Committee is to publish a notice on the NorthernGrid Website detailing the prioritization of the Regional

Economic Studies. The Transmission Provider is to publish a notice on its OASIS detailing the prioritization of Local Economic Studies.

The foregoing timelines are subject to adjustment as determined by the Enrolled Parties Planning Committee in the context of Regional Economic Studies or the Transmission Provider in the context of Local Economic Studies.

Any study proponent may request and pay for NorthernGrid to perform a Regional Economic Study beyond the one Regional Economic Study per year identified in Section 12.3(d), and any study proponent may request and pay for the Transmission Provider to perform a Local Economic Study beyond the one Local Economic Study per year identified in Section 12.3(d).

#### **12.4 Support for the Preparation of Economic Studies**

##### **12.4.1 Regional**

For the development of each Regional Economic Study, the Enrolled Parties Planning Committee is to coordinate with the Enrolled Parties to support NorthernGrid's performance of any economic study. To facilitate this support, NorthernGrid is to post on the NorthernGrid Website the models, files, cases, contingencies, assumptions, and other information used to perform an economic study. NorthernGrid may establish requirements that any Enrolled Party or member of the Enrolled Parties Planning Committee must satisfy in order to access certain information used to perform the economic study, due to CEII constraints. NorthernGrid may ask Enrolled Parties or Enrolled Parties Planning Committee members with special expertise to provide technical support or perform studies required to assess one or more potential needs that will be considered in the Regional Economic Study process. NorthernGrid is to convene meetings open to any representative of an entity that is a member of the Enrolled Parties Planning Committee to facilitate input on draft Regional Economic Studies.

##### **12.4.2 Local**

For the development of a Local Economic Study, the Transmission Provider is to post on its OASIS the models, files, cases, contingencies, assumptions, and other information used to perform the Local Economic Study. The Transmission Provider may establish requirements that must be satisfied in order to access certain information used to perform the Local Economic Study, due to CEII constraints.

## 12.5 **Publication of Economic Study Report**

The Enrolled Parties Planning Committee is to post its Regional Economic Study reports on the NorthernGrid Website, subject to CEII constraints. Transmission Provider is to post its Local Economic Study reports on its OASIS, subject to CEII constraints. Economic Studies containing CEII will be posted as password-protected documents.



## **Part F. DISPUTE RESOLUTION**

### **13. Dispute Resolution.**

#### **13.1 Scope**

Transmission Provider and Any Enrolled Party, Non-Incumbent Transmission Developer, ITP Proponent, Merchant Transmission Developer, Eligible Customer, or stakeholder that participates in the local or regional planning processes outlined in this Attachment K shall utilize the dispute resolution process set forth in this Section 13 to resolve procedural and substantive disputes related thereto.

#### **13.2 Process**

The following dispute resolution process shall be followed, in an effort to resolve all disputes related to this Attachment K:

- Step 1 - The disputing entity shall provide prompt written notice of the dispute to the chairs of the Enrolled Parties Planning Committee; or to the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 by submitting a completed Dispute Resolution form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.
- Step 2 - An executive representative from the disputing entity shall participate in good faith negotiations with the chairs the Enrolled Parties Planning Committee; or an executive representative from the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 to resolve the dispute as promptly as practicable. In the event the executive representative and the chairs or Transmission Provider executive representative are unable to resolve the dispute by mutual agreement within thirty (30) calendar days of the written notice of dispute, or such other period as the parties may mutually agree upon, the parties shall proceed to Step 3.
- Step 3 - In furtherance of efforts to resolve the dispute the parties may utilize an agreed-upon third-party, or the Commission's dispute

resolution service, to facilitate mediation to resolve the dispute. If the dispute remains unresolved after Step 3, the disputing entity shall proceed to Step 4.

Step 4 - As a last resort, 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.

### 13.3 **Timeliness**

To facilitate the timely completion of the Local Transmission Plan and Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 13 be raised more than 30 calendar days after a decision is made in the study process or the posting of a document, whichever is earlier. Except to the extent that a binding arbitration decision has been rendered pursuant to Step 4 above, nothing contained in this Section 13 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

**ATTACHMENT K EXHIBITS  
FOLLOW**

## **Exhibit A**

Cost Allocation Task Force Charter

**NORTHERNGRID**

**COST ALLOCATION TASK FORCE**

**CHARTER**

Contents

<u>ARTICLE 1. PURPOSE AND LIMITATIONS</u> .....	2
<u>1.1 Purpose</u> .....	2
<u>1.2 Limitations</u> .....	2
<u>1.3 Confidential Information</u> .....	2
<u>ARTICLE 2. PARTICIPATION</u> .....	3
<u>2.1 Taskforce</u> .....	3
<u>2.2 Appointment of TF Participants (TF Participant list)</u> .....	3
<u>2.3 Eligibility to Make Decisions</u> .....	3
<u>2.4 TF Participant Disclaimer</u> .....	3
<u>2.5 No Compensation from NorthernGrid</u> .....	3
<u>ARTICLE 3. MEETINGS</u> .....	4
<u>3.1 Meetings; Notice</u> .....	4
<u>3.2 Procedure</u> .....	4
<u>3.3 Quorum</u> .....	4
<u>3.4 Decision Making</u> .....	4
<u>3.5 Remote Participation</u> .....	4
<u>ARTICLE 4. CHAIR</u> .....	4
<u>4.1 Election of Chair</u> .....	4
<u>4.2 Resignation</u> .....	5
<u>ARTICLE 5. MISCELLANEOUS</u> .....	5
<u>5.1 Amendments</u> .....	5

# **COST ALLOCATION TASK FORCE**

## **CHARTER**

**OF**

**NORTHERNGRID**

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Cost Allocation Task Force ("Taskforce").

### **ARTICLE 1.**

#### **PURPOSE AND LIMITATIONS**

**1.1 Purpose.** The Taskforce is convened by the Enrolled Parties and States Committee. The Taskforce's function is to carry out the responsibilities assigned to the Taskforce in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Taskforce shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements.

**1.2 Limitations.** The Taskforce does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any TF Participant appointed to this Taskforce, as defined in Section 2.1, from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

## **ARTICLE 2. PARTICIPATION**

**2.1 Taskforce.** The Taskforce is composed of individuals (each, a "TF Participant") appointed by Enrolled Parties and States to perform the work assigned to the Taskforce. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

**2.2 Appointment of TF Participants (TF Participant list).** Each Enrolled Party may appoint one (1) TF Participant to the Taskforce. Each State may appoint one (1) TF Participant to the Taskforce. Each Enrolled Party and each State may appoint a TF Participant or change its TF Participant at any time; provided, however, a TF Participant must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting. Enrolled Parties and States are encouraged to appoint TF Participants with appropriate skillsets. Notices of appointment and contact information for each TF Participant shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). Each Enrolled Party and State should appoint its TF Participant in the first January of each Planning Cycle to enable the Taskforce to begin work promptly when required.

**2.3 Eligibility to Make Decisions.** Only the TF Participants of Enrolled Parties and States appointed to the Taskforce are eligible to make decisions on matters before the Taskforce.

**2.4 TF Participant Disclaimer.** Actions or positions taken or not taken by a TF Participant appointed by a State through this Taskforce do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that TF Participant's State.

**2.5 No Compensation from NorthernGrid.** TF Participants shall not receive compensation or reimbursement of expenses from NorthernGrid; rather, a TF Participant may be



compensated or reimbursed by his or her appointing Enrolled Party or State.

### **ARTICLE 3.**

#### **MEETINGS**

**3.1 Meetings; Notice.** Meetings held by the Taskforce are 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. Stakeholders may provide comments during the meetings or within seven days of the meeting. The Taskforce shall convene at such times and locations as the Taskforce shall from time-to-time establish. Notice of meetings shall be emailed by the chair to all TF Participants at least seven days before the meeting. Notice of meetings shall also be posted on NorthernGrid's website stating the date, time, and location at least seven days before the meeting.

**3.2 Procedure.** The chair shall establish the agenda for all meetings.

**3.3 Quorum.** To make a decision, a quorum of 75% of the TF Participants appointed to the Taskforce by the Enrolled Parties (see Section 2.2) must be present at the meeting at which a decision is to be made.

**3.4 Decision Making.** Except as set forth in Section 4.1, a Taskforce decision is valid if 75% of the TF Participants present at the meeting approve.

**3.5 Remote Participation.** TF Participants may participate in Taskforce meetings by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the meeting.

### **ARTICLE 4.**

#### **CHAIR**

**4.1 Election of Chair.** The Taskforce shall be managed by a chair. At the first meeting of the Taskforce convened by

the Enrolled Parties and States Committee in a Planning Cycle or following a resignation, the TF Participants shall elect a chair from the TF Participants appointed by an Enrolled Party. This decision shall be by majority vote of the TF Participants that are present at the meeting in which the decision is made.

**4.2 Resignation.** The chair may resign at any time by giving written notice to the Taskforce. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that TF Participant from the Taskforce.

## **ARTICLE 5. MISCELLANEOUS**

**5.1 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Taskforce should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

**Exhibit B**

**Enrolled Parties Planning Committee  
Charter**

**NORTHERNGRID**

**ENROLLED PARTIES PLANNING COMMITTEE**

**CHARTER**

ARTICLE 1. PURPOSE AND LIMITATIONS..... 3

- 1.1 Purpose ..... 3
- 1.2 Limitations ..... 3
- 1.3 Confidential Information ..... 3

ARTICLE 2. PARTICIPATION ..... 4

- 2.1 Participants ..... 4
- 2.2 Definition ..... 4
- 2.3 Stakeholder Participation; Eligibility to Vote ..... 4

ARTICLE 3. REPRESENTATIVES..... 4

- 3.1 General Powers ..... 4
- 3.2 Appointment of Representatives or Alternates..... 4
- 3.3 Identification of Committee Members..... 5
- 3.4 Alternates ..... 5
- 3.5 Authority..... 5
- 3.6 Representative Disclaimer ..... 5
- 3.7 Non-Attendance ..... 5
- 3.8 No Compensation from NorthernGrid ..... 6

ARTICLE 4. REPRESENTATIVE MEETINGS ..... 6

- 4.1 Open Meetings and Limitations ..... 6
- 4.2 Regular Meetings; Notice and Minutes..... 6
- 4.3 Other Sessions ..... 6
- 4.4 Procedure ..... 7
- 4.5 Representative List..... 7
- 4.6 Quorum..... 7

4.7	<b>Decision Making</b> .....	7
4.8	<b>Remote Participation</b> .....	7
ARTICLE 5. CHAIR .....		7
5.1	<b>Officer, Election, and Term</b> .....	7
5.2	<b>Chairs</b> .....	8
5.3	<b>Removal</b> .....	8
5.4	<b>Resignation</b> .....	8
ARTICLE 6. MISCELLANEOUS.....		8
6.1	<b>Dispute Resolution</b> .....	8
6.2	<b>Amendments</b> .....	8

# ENROLLED PARTIES PLANNING COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties Planning Committee ("Committee").

## ARTICLE 1. PURPOSE AND LIMITATIONS

**1.1 Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below and the co-chairs of the Enrolled Parties and States Committee, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

**1.2 Limitations.** The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.**  
**PARTICIPATION**

**2.1 Participants.** The Committee is composed of representatives of the Enrolled Parties, and the co-chairs of the Enrolled Parties and States Committee.

**2.2 Definition.** Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K.

**2.3 Stakeholder Participation; Eligibility to Vote.** Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties appointed to the Committee, and the co-chairs of the Enrolled Parties and States Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.**  
**REPRESENTATIVES**

**3.1 General Powers.** The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2, and the co-chairs of the Enrolled Parties and States Committee. The co-chairs of the Enrolled Parties and States Committee participate in this Committee as representatives of the Enrolled Parties and States Committee. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

**3.2 Appointment of Representatives or Alternates.** Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each Enrolled Party may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. An Enrolled Party may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting.

**3.3 Identification of Committee Members.** Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. Contact information of the co-chairs of the Enrolled Parties and States Committee is to be found on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

**3.4 Alternates.** Except as provided in Section 5.1 as to eligibility for election as a chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

**3.5 Authority.** An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party.

**3.6 Representative Disclaimer.** Actions or positions taken or not taken by a representative of a state through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's state.

**3.7 Non-Attendance.** If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.



**3.8 No Compensation from NorthernGrid.** Representatives and the co-chairs of the Enrolled Parties and States Committee shall not receive compensation or reimbursement of expenses from NorthernGrid.

**ARTICLE 4.  
REPRESENTATIVE MEETINGS**

**4.1 Open Meetings and Limitations.** Public meetings held by the Committee are 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 Regular Meetings; Notice and Minutes.** The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the chair. Notice of all meetings shall be transmitted by email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The chair shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

**4.3 Other Sessions.** The chair may convene non-public sessions as may be necessary or as requested by any representative or the co-chairs of the Enrolled Parties and States Committee. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each such meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

**4.4 Procedure.** The chair shall establish the agenda for all meetings.

**4.5 Representative List.** The chair shall update and post the representative list including appointed alternates on the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

**4.6 Quorum.** Subject to the provisions of Section 3.7, seventy-five percent (75%) of the representatives and the co-chairs of the Enrolled Parties and States Committee must participate in a meeting for a decision to occur at the meeting.

**4.7 Decision Making.** Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative or either of the co-chairs of the Enrolled Parties and States Committee may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the individuals in attendance (the representatives and the co-chairs of the Enrolled Parties and States Committee) is required to act at a meeting.

**4.8 Remote Participation.** Representatives and the co-chairs of the Enrolled Parties and States Committee may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the meeting.

## **ARTICLE 5. CHAIR**

**5.1 Officer, Election, and Term.** The officer of the Committee shall be the chair. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a chair. Chair term is for two (2) years.

**5.2 Chairs.** The chair shall preside at all meetings of the Committee. The chair shall otherwise perform the other duties usually inherent in such office. The chair may appoint an acting chair when not able to attend a meeting. The appointment of an acting chair does not create a vacancy.

**5.3 Removal.** The Committee, acting as a whole, may remove the chair whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote as defined in Section 4.7, it is decided that removal will serve the best interests of the Committee.

**5.4 Resignation.** The chair may resign from the chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that representative from the Committee.

**5.5 Vacancies.** Vacancies in the chair arising from any cause shall be filled by the Enrolled Party representatives, at the next meeting by a majority vote as provided in Section 5.1. The newly appointed chair will complete the vacancy term.

## **ARTICLE 6. MISCELLANEOUS**

**6.1 Dispute Resolution.** Disputes shall be subject to the dispute resolution process outlined in Attachment K.

**6.2 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

## **Exhibit C**

### **Enrolled Parties and States Committee Charter**

**NORTHERNGRID**

**ENROLLED PARTIES AND STATES COMMITTEE**

**CHARTER**

ARTICLE 1. PURPOSE AND LIMITATIONS..... 3

    1.1 Purpose ..... 3

    1.2 Limitations..... 3

    1.3 Confidential Information ..... 3

ARTICLE 2. PARTICIPATION ..... 4

    2.1 Participant Classes ..... 4

    2.2 Definition of Classes..... 4

    2.3 Stakeholder Participation; Eligibility to Vote..... 4

ARTICLE 3. REPRESENTATIVES..... 4

    3.1 General Powers..... 4

    3.2 Appointment of Representatives or Alternates ..... 4

    3.3 Alternates..... 5

    3.4 Authority ..... 5

    3.5 Representative Disclaimer ..... 5

    3.6 Non-Attendance..... 5

    3.7 No Compensation from NorthernGrid..... 5

ARTICLE 4. REPRESENTATIVE MEETINGS ..... 6

    4.1 Open Meetings and Limitations..... 6

    4.2 Regular Meetings; Notice and Minutes ..... 6

    4.3 Other Sessions ..... 6

    4.4 Procedure..... 6

    4.5 Representative List ..... 6

    4.6 Quorum ..... 7

    4.7 Decision Making..... 7

    4.8 Remote Participation ..... 7

ARTICLE 5. OFFICERS .....	7
5.1 Officers, Election, and Term .....	7
5.2 Co-Chairs .....	8
5.3 Removal .....	8
5.4 Resignation.....	8
5.5 Vacancies .....	8
5.6 Participation in Other Committees.....	8
ARTICLE 6. MISCELLANEOUS.....	8
6.1 Taskforce .....	8
6.2 Dispute Resolution.....	9
6.3 Amendments.....	9

# ENROLLED PARTIES AND STATES COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties and States Committee ("Committee").

## ARTICLE 1. PURPOSE AND LIMITATIONS

**1.1 Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

**1.2 Limitations.** The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.**  
**PARTICIPATION**

**2.1 Participant Classes.** The Committee is composed of representatives of two classes, Enrolled Parties and States.

**2.2 Definition of Classes.** Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

**2.3 Stakeholder Participation; Eligibility to Vote.** Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties and States appointed to the Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.**  
**REPRESENTATIVES**

**3.1 General Powers.** The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

**3.2 Appointment of Representatives or Alternates.** Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each State may appoint up to two (2) representatives and one (1) alternate for each representative so appointed by that State. Each Enrolled Party or State may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. As examples, Enrolled Parties might appoint individuals with roles in transmission planning; States might appoint individuals from agencies such as state utility commissions, state customer advocates, or state transmission siting agencies. An Enrolled Party or State may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making



at the meeting. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

**3.3 Alternates.** Except as provided in Section 5.1 as to eligibility for election as a co-chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

**3.4 Authority.** An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party or State.

**3.5 Representative Disclaimer.** Actions or positions taken or not taken by a representative of a State through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's State.

**3.6 Non-Attendance.** If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.

**3.7 No Compensation from NorthernGrid.** Representatives shall not receive compensation or reimbursement of expenses from

NorthernGrid; rather, a representative may be compensated or reimbursed by his or her appointing Enrolled Party or State.

**ARTICLE 4.**  
**REPRESENTATIVE MEETINGS**

**4.1 Open Meetings and Limitations.** Public meetings held by the Committee are 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 Regular Meetings; Notice and Minutes.** The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the co-chairs. Notice of all meetings shall be transmitted by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each meeting. Such notice shall be transmitted by email to the representatives and alternates and posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The co-chairs shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

**4.3 Other Sessions.** The co-chairs may convene non-public sessions as may be necessary or as requested by any representative. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each such meeting. Such notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

**4.4 Procedure.** The co-chairs shall establish the agenda for all meetings.

**4.5 Representative List.** The co-chairs shall update and post the representative list including appointed alternates on

the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

**4.6 Quorum.** Subject to the provisions of Section 3.6, seventy-five percent (75%) of the representatives in each class must participate in a meeting for a decision to occur at the meeting.

**4.7 Decision Making.** Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the representatives in attendance of each class is required to act at a meeting. When only a single class approves of a proposed action, that class may provide a report detailing the issue and positions to the Planning Committee for their consideration.

**4.8 Remote Participation.** Representatives may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation of a representative by such means constitutes presence at the meeting.

## **ARTICLE 5. OFFICERS**

**5.1 Officers, Election, and Term.** The officers of the Committee shall be the co-chairs. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a co-chair. On a biannual basis coinciding with the first meeting of the Committee in an odd-numbered calendar year, the States shall elect, by majority vote, from among the State representatives a co-chair. Co-chair terms are for two (2)

years. The name and contact information of the co-chairs shall be posted on the NorthernGrid website.

**5.2 Co-Chairs.** A co-chair shall preside at all meetings of the Committee. The co-chairs shall otherwise perform the other duties usually inherent in such office, including representation of the decisions made by this Committee in other NorthernGrid committees, as may be necessary and appropriate.

**5.3 Removal.** The Committee, acting as a whole, may remove any officer from the officer position whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote of seventy-five percent (75%) of the representatives present, it is decided that removal will serve the best interests of the Committee.

**5.4 Resignation.** Any officer may resign from the co-chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as co-chair does not itself remove that representative from the Committee.

**5.5 Vacancies.** Vacancies in any office arising from any cause shall be filled by the class of representatives from which the vacant position arose, at the next meeting by a majority vote of the representatives as provided in Section 5.1. The newly appointed officer will complete the vacancy term.

**5.6 Participation in Other Committees.** The co-chairs are representatives to the Member Planning Committee and the Enrolled Parties Planning Committee.

## **ARTICLE 6. MISCELLANEOUS**

**6.1 Taskforce.** The co-chairs shall convene the Cost Allocation Taskforce within ten (10) business days upon a co-chair's receipt of a Project Sponsor's Request for Cost Allocation. Appointment of the participants on the Cost Allocation Taskforce shall occur in the manner defined in the Cost Allocation Taskforce Charter.

**6.2 Dispute Resolution.** Disputes shall be subject to the dispute resolution process outlined in Attachment K.

**6.3 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Committee or such other date as may be set by the Federal Energy Regulatory Commission.

**Exhibit D**  
**Form of Non-**  
**Enrolled Developer Agreement**

## Non-Enrolled Developer Agreement

This Non-Enrolled Developer Agreement ("**Agreement**") is by and between \_\_\_\_\_ ("**Developer**") and each of the Enrolled Parties of NorthernGrid, each of which hereafter shall be referred to individually as "Party" and collectively as "**Parties.**"

### RECITALS

- A. NorthernGrid is an unincorporated association of its members formed for the purpose of coordinating regional transmission planning for the NorthernGrid members;
- B. Developer is (i) a Non-Incumbent Transmission Developer, (ii) a Merchant Transmission Developer, or (iii) an Interregional Transmission Project (ITP) Proponent;
- C. Developer intends to propose a transmission project for evaluation in the NorthernGrid regional plan in accordance with the provision entitled "Proposing a Project" in the regional portion of the Enrolled Parties Attachment K (as defined below);
- D. This Agreement is for the Planning Cycle that begins January 1, \_\_\_\_\_, and ends December 31, \_\_\_\_\_; and
- E. The Parties desire to define their rights and obligations related to participation in the NorthernGrid planning process.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the Parties hereby agree as follows:

- 1. *Term.* This Agreement shall be effective on the later of (i) the first day of the Planning Cycle stated in the recitals above or (ii) the Execution Date indicated below, and shall continue in effect until the end of the Planning Cycle stated in the recitals above ("**Term**").
- 2. *Definitions.*
  - a. "**Commission**" or "**FERC**" means the Federal Energy Regulatory Commission or any successor entity.

- b. "**Enrolled Parties Attachment K**" means the Attachment K to the Open Access Transmission Tariffs of the Enrolled Parties that have an Attachment K approved by FERC.
- c. "**Finance Administrator**" means the entity that is selected to serve in the role of the Finance Administrator pursuant to the NorthernGrid Funding Agreement as may be amended from time to time.
- d. "**Funding Agreement**" or "NorthernGrid Funding Agreement" means the current version of the agreement among the parties funding the activities of NorthernGrid as may be amended from time to time.
- e. "**Member**" is an entity that has executed the NorthernGrid Funding Agreement.
- f. "**Planning Cycle**" means each two-year process beginning on January 1 of even-numbered years and ending on December 31 of odd-numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.
- g. "**Project Coordinator**" means the entity to be engaged to perform and/or facilitate transmission planning activities.

Except as may otherwise be expressly provided herein, capitalized terms in this Agreement shall have the meanings provided in the Enrolled Parties Attachment K.

### 3. *Study Fee.*

- a. Upon execution of this Agreement, a Non-Incumbent Developer or Merchant Transmission Developer shall pay \$10,000 to the Finance Administrator for the study fee for participating in the NorthernGrid planning processes. In no event will this study fee be refunded.
- b. An ITP Proponent is not required to pay the study fee.

### 4. *Expectations.* Developer agrees to:

- a. Comply with all applicable confidentiality requirements;
- b. Be bound by the decisions of the Planning Committee and the Cost Allocation Taskforce; and



- c. Actively participate in the transmission planning processes set forth in the Enrolled Parties Attachment K.

To the extent anything in this Agreement is inconsistent with the Enrolled Parties Attachment K, the Enrolled Parties Attachment K shall control.

#### 5. *Miscellaneous.*

- a. *Amendments.* This Agreement shall not be modified, amended, or changed in any respect except by a written document signed by all Parties; *provided*, however, that such modification, amendment, or change shall be subject to acceptance by the Commission, if required, before it becomes effective.
- b. *Applicable Law.* No Party will be considered the drafter of this Agreement for purposes of interpreting this Agreement. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Oregon; *provided* that this Agreement shall, with respect to a Party that is a U.S. government entity, be interpreted, construed, and enforced in accordance with the laws of the United States.
- c. *Assignment.* No Party may transfer or assign this Agreement, in whole or in part, without the other Parties' prior written consent, except that any Party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or other business entity acquiring all or substantially all assets of the assignment Party.
- d. *Binding Effect.* This Agreement is binding upon and inures to the benefit of the successors and assigns of the Parties.
- e. *Dispute Resolution.* The Parties agree to resolve disputes according to the process set forth in the Enrolled Parties Attachment K.
- f. *Execution in Counterparts.* The Parties may sign this Agreement in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or email shall be effective as delivery of a manually executed counterpart hereof.

- g. *Force Majeure*. No Party shall be liable or responsible to any other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments hereunder), when and to the extent such failure or delay is caused by or results from the following force majeure events ("**Force Majeure Events**"):
- (i) acts of God;
  - (ii) flood, fire, earthquake, or explosion;
  - (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest;
  - (iv) government order or law;
  - (v) actions or blockades in effect on or after the date of this Agreement;
  - (vi) action by any governmental authority;
  - (vii) national or regional emergency;
  - (viii) strikes, labor stoppages or slowdowns, or other industrial disturbances;
  - (ix) shortage of adequate power or transportation facilities; and
  - (x) other similar events beyond the control of the Party impacted by the Force Majeure Event (the "**Impacted Party**").
- The Impacted Party shall give notice within five (5) business days of the Force Majeure Event to the other Parties, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, to the extent practicable. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.
- h. *Headings*. The headings used in this Agreement are for convenience only and shall not be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.
- i. *Integration*. This Agreement, including any exhibits hereto, constitutes the complete agreement of the Parties and supersedes all prior or contemporaneous representations, statements, negotiations, understandings, or inducements with respect to the subject matter of this Agreement.
- j. *Jury Trial*. **To the fullest extent permitted by law, each Party waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under, or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been**

**waived with any other action in which a jury trial cannot be or has not been waived.**

k. *Limitation of Liability.* In no event shall any Party be liable under this Agreement to any other Party or to any third party for any consequential, incidental, indirect, exemplary, special, or punitive, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not the breaching party was advised of the possibility of such damages. The sole remedy for any breach of this Agreement is to enforce prospective compliance with this Agreement's terms and conditions.

l. *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.

m. *Notice.* Any notice to Developer regarding this Agreement shall be made to:

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City, State ZIP: \_\_\_\_\_

Email: \_\_\_\_\_

n. *Ownership of Products.* All information, data, reports, results, or other products generated pursuant to the planning efforts undertaken by NorthernGrid will be available to all Parties for their undivided use; provided, however, that Parties retain the right to engage in separate agreements addressing specific ownership rights of information, data, reports, results, or other products funded through mechanisms outside the scope of NorthernGrid.

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

p. *Third-Party Beneficiaries.* All signatories of the NorthernGrid Funding Agreement for the current

Planning Cycle are third-party beneficiaries of this Agreement.

q. *Waiver.* A waiver by a Party of any default or breach by another Party 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.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on \_\_\_\_\_ ("**Execution Date**").

**DEVELOPER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Developer is (check one):*

\_\_\_ Non-Incumbent Transmission Developer

\_\_\_ Merchant Transmission Developer

\_\_\_ Interregional Transmission Project (ITP) Proponent

**AVISTA CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**IDAHO POWER COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MATL LLP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NORTHWESTERN CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NV Energy**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PACIFICORP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PUGET SOUND ENERGY, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Attachment K**

**Transmission Planning Process**

**TABLE OF CONTENTS**

1. Definitions..... 1

1.1 Additional Regional Costs from Interregional Cost Allocation..... 1

1.2 Alternative Project..... 1

1.3 Annual Interregional Coordination Meeting..... 1

1.4 Annual Interregional Information..... 1

1.5 Annualized Cost..... 1

1.6 Assigned Regional Costs from Interregional Cost Allocation..... 1

1.7 Baseline Projects of Enrolled Parties..... 2

1.8 Benefit..... 2

1.9 Benefit-to-Cost Ratio..... 2

1.10 Commission..... 2

1.11 Committed Project..... 2

1.12 Conceptual Solutions..... 2

1.13 Confidential Information..... 2

1.14 Cost Allocation Methodology..... 3

1.15 Cost Allocation Project..... 3

1.16 Cost Allocation Task Force..... 3

1.17 Cost Allocation Task Force Charter..... 3

1.18 Critical Energy Infrastructure Information..... 3

1.19 Data Submittal Form:..... 4

1.20 Demand Response Resources..... 4

1.21 Draft Final Regional Transmission Plan..... 4

1.22 Draft Regional Transmission Plan..... 4

1.23 Economic Study Request..... 4

1.24 Eligible Cost Allocation Project..... 5

1.25 Enrolled Parties and States Committee..... 5

1.26 Enrolled Parties and States Committee Charter..... 5

1.27 Enrolled Parties Planning Committee..... 5

1.28 Enrolled Parties Planning Committee Charter..... 5

1.29 Enrolled Party (or Enrolled Parties)..... 5

1.30 Enrolled Party Beneficiary..... 6

1.31 Enrolled Party Need..... 6

1.32 Enrolled Region..... 6

1.33 Estimated Cost..... 6

1.34 Funding Agreement..... 6

1.35 Interregional Cost Allocation..... 6

1.36 Interregional Transmission Project ("ITP")..... 7

1.37 Interregional Transmission Project Proponent..... 7

1.38 Local Economic Study..... 7

1.39 Local Transmission Plan..... 7

1.40 LTP Re-Study Request:..... 7

1.41 Material Adverse Impact..... 7

1.42 Merchant Transmission Developer..... 8



1.43	Merchant Transmission Project.....	8
1.44	Mitigation Cost.....	8
1.45	Neighboring System.....	8
1.46	Non-Enrolled Developer Agreement.....	8
1.47	Non-Incumbent Transmission Developer.....	8
1.48	Non-Jurisdictional Entity.....	9
1.49	Non-Transmission Alternative.....	9
1.50	NorthernGrid.....	9
1.51	NorthernGrid Website.....	9
1.52	Person.....	9
1.53	Planning Cycle.....	9
1.54	Planning Region.....	9
1.55	Potential Cost Allocation Project.....	10
1.56	Preliminary Cost Allocation Project.....	10
1.57	Project for Cost Allocation Consideration.....	10
1.58	Project Sponsor.....	10
1.59	Public Policy Requirement(s).....	10
1.60	Qualified Developer.....	10
1.61	Qualified Sponsor.....	10
1.62	Regional Benefits for Purposes of Interregional Cost Allocation.....	10
1.63	Regional Combination.....	11
1.64	Regional Economic Study.....	11
1.65	Regional Planning Horizon.....	11
1.66	Regional Transmission Plan.....	11
1.67	Relevant Planning Regions.....	11
1.68	Request for Cost Allocation.....	11
1.69	Sponsored Project.....	11
1.70	Study Scope.....	12
1.71	Submittal Window.....	12
1.72	Total Project Costs.....	12
1.73	Total Regional Costs from Interregional Cost Allocation.....	12
1.74	Transmission System.....	12
1.75	Western Electricity Coordinating Council ("WECC")...	12
1.76	Western Interconnection.....	13
2.	Local Planning Process.....	14
2.1	Preparation of a Local Transmission System Plan.....	14
2.2	Coordination.....	16
2.2.1	Planning Cycle.....	16
2.2.2	Sequence of Events.....	16
2.2.3	Focus Groups.....	24
2.2.4	Regional Plan.....	24
2.3	Information Exchange.....	25
2.3.1	Forecasts.....	25
2.3.2	Participation.....	26

2.4.	LTP Re-Study Requests.....	26
2.5.	OASIS Posting Requirements.....	27
2.6.	Cost Allocation.....	29
2.6.1.	Individual Transmission Service Request Costs Not Considered .....	30
2.6.2.	Rate Recovery.....	30
2.6.3.	Categories of Included Costs.....	30
2.7.	Local Economic Studies.....	31
2.7.1.	Local Economic Study Requests.....	31
2.7.2.	Categorization of Economic Studies.....	32
2.7.3.	Prioritization.....	32
2.7.4.	Requests.....	33
2.8.	Recovery of Planning Costs.....	34
2.9.	Dispute Resolution Relative to Compliance with Attachment K and Local Transmission Plan.....	34
2.10.	Transmission Business Practice.....	34
2.11.	Openness.....	34
2.11.1.	Participation.....	34
2.11.2.	Critical Energy Infrastructure Information (CEII) .....	35
2.11.3.	Confidential Information.....	35
3.	Introduction.....	36
4.	Participation and Information Access.....	36
4.1	Enrolled Parties.....	36
4.1.1	Identification .....	36
4.1.2	Updates to Enrolled Parties List .....	37
4.2	Becoming an Enrolled Party.....	37
4.2.1	Eligibility .....	37
4.2.2	Process to become an Enrolled Party .....	37
4.2.3	Process for Non-Incumbent Transmission Developers to Participate .....	38
4.2.4	Process for Interregional Transmission Project Proponents to Participate .....	38
4.2.5	Duration of Enrollment for Enrolled Parties .....	38
4.2.6	Expectations of an Enrolled Party .....	38
4.3	Withdrawal of Enrolled Party.....	38
4.3.1	Notice of Enrolled Party Withdrawal .....	38
4.3.2	Effective Date of Notice of Withdrawal .....	39
4.3.3	Deemed Withdrawal .....	39
4.3.4	Significance of Withdrawal .....	39
4.4	Participation by Merchant Transmission Developer....	39
4.5	Stakeholder Participation.....	40
4.6	Engagement of States.....	40
4.7	Sensitive Information.....	40

4.7.1	Protocols for Treatment and Labeling of CEII or Confidential Information .....	40
4.7.2	Requesting and Processing Information Requests .....	40
5.	Data Gathering/Study Scope Inputs.....	41
5.1	Responsibility.....	41
5.2	Data Gathering.....	41
5.2.1	General from Stakeholders .....	41
5.2.2	Enrolled Party Information .....	42
5.2.3	Proposing a Project .....	42
5.2.4	Submittal Form and Due Date .....	50
5.2.5	Use of Submitted Information .....	50
5.3	Review of Submitted Information.....	50
5.4	Untimely or Improperly Submitted Requests or Submittals of Information.....	51
6.	Development of Draft Regional Transmission Plan.....	51
6.1	Study Scope Development.....	51
6.2	Review and Comment; Consideration of Comments; Update Study Scope.....	52
6.3	Analysis; Documentation in Draft Regional Transmission Plan.....	53
6.4	Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan.....	54
6.5	Comparability.....	55
7.	Qualifying to Request Cost Allocation.....	55
7.1	Qualification Process for/to Submit a Project for Cost Allocation.....	55
7.1.1	Qualification to Request Cost Allocation ...	55
7.1.2	Qualification Process .....	56
7.1.3	Evaluation of Project Sponsor Submissions ...	58
7.1.4	Opportunity to Cure Deficiencies and Failure to Cure .....	58
8.	Cost Allocation.....	59
8.1	Projects Eligible for Cost Allocation Consideration.....	59
8.2	Annualized Cost of Projects for Cost Allocation Consideration.....	59
8.2.1	Annualized Cost of a Project That Is Not an ITP .....	59
8.2.2	Annualized Cost of an ITP .....	60
8.3	Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan.....	60
8.4	Benefits of An Eligible Cost Allocation Project.....	61

8.4.1	Deferred Costs .....	61
8.4.2	Avoided Capital Costs .....	62
8.4.3	Increased Useful Available Transfer Capability ("ATC") .....	62
8.5	Allocation of Total Project Costs to Enrolled Party Beneficiaries.....	62
8.5.1	Identification of Enrolled Party Beneficiaries .....	63
8.5.2	Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan .....	63
8.5.3	Allocation of Total Project Costs to Enrolled Party Beneficiaries .....	64
8.5.4	Acceptance of Total Project Costs; Removal from Cost Allocation .....	65
8.5.5	Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan .....	66
8.6	Exclusions.....	66
9.	Regional Transmission Plan.....	67
9.1	Preparation and Posting of Draft Final Regional Transmission Plan.....	67
9.2	Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan.....	67
10.	Interregional Coordination and Cost Allocation Process...	69
10.1	Introduction.....	69
10.2	Annual Interregional Information Exchange.....	69
10.3	Annual Interregional Coordination Meeting.....	71
10.4	ITP Joint Evaluation Process.....	71
10.4.1	Submission Requirements .....	71
10.4.2	Joint Evaluation of an ITP .....	72
10.5	Interregional Cost Allocation Process.....	73
10.5.1	Submission Requirements .....	73
10.5.2	Interregional Cost Allocation Process .....	73
10.6	Application of Regional Cost Allocation Methodology to Selected ITP.....	75
10.6.1	Selection by All Relevant Planning Regions ..	75
10.6.2	Selection by at Least Two but Fewer than All Relevant Planning Regions .....	75
11.	ITPs, Joint Evaluation, and Interregional Cost Allocation.....	75
11.1	Introduction.....	76
11.2	Entities That May Submit an ITP for Joint Evaluation.....	76

11.3	Confirmation from Relevant Planning Regions.....	76
11.4	Submit ITP Information.....	76
11.5	Joint Evaluation Implementation.....	77
11.6	Interregional Cost Allocation Process.....	77
12.	Economic Study Requests.....	79
12.1	Performance of Economic Studies.....	79
12.1.1	Regional .....	79
12.1.2	Local .....	79
12.2	Stakeholder Requests to Perform an Economic Study...	79
12.2.1	Regional .....	79
12.2.2	Local .....	79
12.2.3	Study Characteristics .....	80
12.2.4	Study Report .....	80
12.3	Submission, Consideration and Prioritization of Economic Study Requests.....	80
12.4	Support for the Preparation of Economic Studies....	82
12.4.1	Regional .....	82
12.4.2	Local .....	82
12.5	Publication of Economic Study Report.....	83
13.	Dispute Resolution.....	84
13.1	Scope.....	84
13.2	Process.....	84
13.3	Timeliness.....	85
	RECITALS.....	11

Attachment K Exhibits:

Exhibit A--Cost Allocation Task Force Charter

Exhibit B--Enrolled Parties Planning Committee Charter

Exhibit C--Enrolled Parties and States Committee Charter

Exhibit D--Form of Non-Enrolled Developer Agreement

## **Part A. Definitions**

### **1. Definitions**

The following terms have the following definitions when used in this Attachment K. Other initially capitalized terms used in this Attachment K shall have the meanings set forth in the OATT.

#### **1.1 Additional Regional Costs from Interregional Cost Allocation**

"Additional Regional Costs from Interregional Cost Allocation" shall have the meaning set forth in Section 11.6 sub-sections (iii) and (v) of this Attachment K.

#### **1.2 Alternative Project**

"Alternative Project" refers to any Sponsored Projects or ITPs (including those carried over from a prior Regional Transmission Plan and projects submitted by Merchant Transmission Developers), and unsponsored projects (a concept that includes Non-Transmission Alternatives and Conceptual Solutions), if any, including those identified by the Enrolled Parties Planning Committee.

#### **1.3 Annual Interregional Coordination Meeting**

"Annual Interregional Coordination Meeting" means the annual meeting of the NorthernGrid Enrolled Region and other Planning Regions as set forth in Section 10.3 of this Attachment K.

#### **1.4 Annual Interregional Information**

"Annual Interregional Information" shall have the meaning set forth in Section 10.2 of this Attachment K.

#### **1.5 Annualized Cost**

"Annualized Cost" means one of the following, as determined by the Cost Allocation Task Force: the annualized costs of a project that is not an ITP pursuant to Section 8.2.1 of this Attachment K; or the annualized cost of an ITP pursuant to Section 8.2.2 of this Attachment K.

#### **1.6 Assigned Regional Costs from Interregional Cost Allocation**

"Assigned Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the NorthernGrid Enrolled

Region's assigned *pro rata* share of the projected costs of such ITP calculated pursuant to Section 11.6 of this Attachment K.

#### **1.7 Baseline Projects of Enrolled Parties**

"Baseline Projects of Enrolled Parties" means the transmission projects included in the Enrolled Parties' Local Transmission Plans plus those projects included in the prior Regional Transmission Plan that will be reevaluated (unless the Enrolled Parties Planning Committee has received 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 considered). Baseline Projects of Enrolled Parties do not include Committed Projects.

#### **1.8 Benefit**

"Benefit" means the benefits identified in Section 8.4 of this Attachment K that are calculated for an Enrolled Party associated with an Eligible Cost Allocation Project.

#### **1.9 Benefit-to-Cost Ratio**

"Benefit-to-Cost Ratio" means the ratio established in Section 8.5.2 of this Attachment K.

#### **1.10 Commission**

"Commission" means the Federal Energy Regulatory Commission or any successor entity.

#### **1.11 Committed Project**

"Committed Project" means a Sponsored Project or a local project for which the developer of such project has obtained substantially all federal, county and state permits, required for the development of the project.

#### **1.12 Conceptual Solutions**

"Conceptual Solutions" means projects or concepts that are developed from data or information provided in the Planning Cycle pursuant to Section 5.2 and that may be proposed pursuant to Section 5.2.3 of this Attachment K.

#### **1.13 Confidential Information**

"Confidential Information" means all information, regardless of the manner in which it is furnished, marked as "Confidential

Information" at the time of its furnishing; *provided that* Confidential Information shall not include information: (i) in the public domain or generally available or known to the public; (ii) disclosed to a recipient by a Person who had a legal right to do so; (iii) independently developed by the receiving party or known to such party prior to its disclosure to Transmission Provider in connection with its local transmission planning process, or to NorthernGrid in connection with the regional transmission planning process; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form where specific identifying information is unidentifiable; or (vi) required to be disclosed by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

#### **1.14 Cost Allocation Methodology**

"Cost Allocation Methodology" means the Cost Allocation Methodology set out in Section 8.5.3 of this Attachment K.

#### **1.15 Cost Allocation Project**

"Cost Allocation Project" means a project selected into the Regional Transmission Plan that received cost allocation.

#### **1.16 Cost Allocation Task Force**

"Cost Allocation Task Force" means the Task Force that carries out cost allocation tasks assigned to such Task Force in this Attachment K according to the Cost Allocation Task Force Charter.

#### **1.17 Cost Allocation Task Force Charter**

"Cost Allocation Task Force Charter" means the document attached as Exhibit A to this Attachment K that defines the manner in which the Cost Allocation Task Force carries out the tasks assigned to the Cost Allocation Task Force in this Attachment K.

#### **1.18 Critical Energy Infrastructure Information**

"Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. § 388.113(c), as may be amended from time to time.



#### **1.19 Data Submittal Form:**

1.21 "Data Submittal Form" means the form posted on the NorthernGrid Website that is to be used to submit data, including projects and project information for consideration and also updated project information, as discussed in Section 5.2 of this Attachment K.

#### **1.20 Demand Response Resources**

"Demand Response 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.

#### **1.21 Draft Final Regional Transmission Plan**

"Draft Final Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 9.2 of this Attachment K.

#### **1.22 Draft Regional Transmission Plan**

"Draft Regional Transmission Plan" means the version of the Regional Transmission Plan that is developed pursuant to this Attachment K and presented for stakeholder comment pursuant to Section 6.4 of this Attachment K.

#### **1.23 Economic Study Request**

"Economic Study Request" shall mean a written request for a Local Economic Study or a Regional Economic Study, submitted by an Eligible Customer or stakeholder to the Transmission Provider

or NorthernGrid, as may be applicable, in accordance with Section 12.3.a. of this Attachment K.

#### **1.24 Eligible Cost Allocation Project**

"Eligible Cost Allocation Project" is defined in Section 8.3 of this Attachment K.

#### **1.25 Enrolled Parties and States Committee**

"Enrolled Parties and States Committee" means the committee that carries out the tasks assigned to such committee in this Attachment K according to the Enrolled Parties and States Committee Charter.

#### **1.26 Enrolled Parties and States Committee Charter**

"Enrolled Parties and States Committee Charter" means the document attached as Exhibit C to this Attachment K that defines the manner in which the Enrolled Parties and the official representative of each State's government work together.

#### **1.27 Enrolled Parties Planning Committee**

"Enrolled Parties Planning Committee" means the committee, comprised of Enrolled Parties and the co-chairs of the Enrolled Parties and States Committee, that carries out transmission planning tasks assigned to such committee in this Attachment K according to the Enrolled Parties Planning Committee Charter.

#### **1.28 Enrolled Parties Planning Committee Charter**

"Enrolled Parties Planning Committee Charter" means the document attached as Exhibit B to this Attachment K that defines the manner in which the Enrolled Parties Planning Committee operates

#### **1.29 Enrolled Party (or Enrolled Parties)**

"Enrolled Party" means a Person that has satisfied the eligibility requirements set forth in Section 4.2.1 of this Attachment K and completed the process set forth in Section 4.2.2 of this Attachment K to become enrolled in NorthernGrid. "Enrolled Parties" is a collective reference to each Enrolled Party.

### 1.30 **Enrolled Party Beneficiary**

"Enrolled Party Beneficiary" shall have the meaning set forth in Section 8.5.1 of this Attachment K. For avoidance of doubt, only an Enrolled Party may be identified as Enrolled Party Beneficiary. "Enrolled Party Beneficiaries" is a collective reference to each "Enrolled Party Beneficiary."

### 1.31 **Enrolled Party Need**

"Enrolled Party Need" means any need for transmission facilities of an Enrolled Party, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. To the extent a transmission need is satisfied by a Committed Project, it shall not be considered an Enrolled Party Need.

### 1.32 **Enrolled Region**

"Enrolled Region" or "NorthernGrid Enrolled Region" is comprised of the existing or proposed transmission facilities of any Enrolled Party and any proposed transmission facilities for which a Non-Incumbent Transmission Developer has properly submitted a Request for Cost Allocation; *provided that* the Enrolled Region specifically does not include any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

### 1.33 **Estimated Cost**

"Estimated Cost" means the estimated total capital costs of the project, that are submitted pursuant to row K of the table found in Section 5.2.3.5 of this Attachment K, as they may be updated pursuant to either Section 5.2.3.8 or Section 6.4 of this Attachment K.

### 1.34 **Funding Agreement**

"Funding Agreement" means the current version of the agreement among the Persons funding the activities of NorthernGrid that is required by Section 4.2.2 of this Attachment K. The Funding Agreement is available on the NorthernGrid Website.

### 1.35 **Interregional Cost Allocation**

"Interregional Cost Allocation" means the assignment of ITP costs between or among Relevant Planning Regions as described in Section 10 of this Attachment K.

**1.36 Interregional Transmission Project  
("ITP")**

"Interregional Transmission Project" or "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.

**1.37 Interregional Transmission Project  
Proponent**

"Interregional Transmission Project Proponent" or "ITP Proponent" means the entity that has signed a "Non-Enrolled Developer Agreement" in accordance with Section 4.2.4 of this Attachment K and is proposing or sponsoring an Interregional Transmission Project.

**1.38 Local Economic Study**

"Local Economic Study" is defined in Section 12.2.2 (c) of this Attachment K.

**1.39 Local Transmission Plan**

"Local Transmission Plan" means a transmission provider's plan (depending upon context, the Transmission Provider or an Enrolled Party) that identifies planned new transmission facilities and facility replacements or upgrades for such transmission provider's Transmission System.

**1.40 LTP Re-Study Request:**

"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 Response 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.

**1.41 Material Adverse Impact**

"Material Adverse Impact" means one or more significant and verifiable adverse impacts on any Neighboring System that needs to be mitigated if it reduces the transfer capability of existing transmission facilities.

#### 1.42 **Merchant Transmission Developer**

“Merchant Transmission Developer” means an entity that proposes a Merchant Transmission Project.

#### 1.43 **Merchant Transmission Project**

“Merchant Transmission Project” means an existing or planned project for which the costs are recovered or intended to be recovered through negotiated rates instead of cost-based rates and are therefore not eligible for cost allocation.

#### 1.44 **Mitigation Cost**

“Mitigation Cost” means the estimated total cost of the solution that is identified to mitigate the Material Adverse Impact on a Neighboring System caused by a project identified in the Regional Combination, under Section 6.3 of this Attachment K.

#### 1.45 **Neighboring System**

“Neighboring System” means an electrically interconnected transmission system.

#### 1.46 **Non-Enrolled Developer Agreement**

“Non-Enrolled Developer Agreement” means the current version of the form agreement attached hereto as Exhibit D and entered into with the Enrolled Parties; it is intended for use by Non-Incumbent Transmission Developers, ITP Proponents, and Merchant Transmission Developers, as required in Sections 4.2.3, 4.2.4, and 4.4 respectively, of this Attachment K. The Non-Enrolled Developer Agreement form is available on the NorthernGrid Website.

#### 1.47 **Non-Incumbent Transmission Developer**

“Non-Incumbent 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.

#### 1.48 **Non-Jurisdictional Entity**

"Non-Jurisdictional Entity" means any entity that is within the definition of 16 U.S.C. § 824(f) (and hence is not a "public utility" under Part II of the Federal Power Act).

#### 1.49 **Non-Transmission Alternative**

"Non-Transmission Alternative" means a solution that is proposed for consideration, in the planning process, as an alternative to transmission facilities.

#### 1.50 **NorthernGrid**

"NorthernGrid" means the association described in Section 3 of this Attachment K.

#### 1.51 **NorthernGrid Website**

"NorthernGrid Website" is [www.northerngrid.net](http://www.northerngrid.net).

#### 1.52 **Person**

"Person" means an individual, corporation, cooperative corporation, municipal corporation, quasi-municipal corporation, joint operating entity, limited liability company, mutual association, partnership, limited partnership, limited liability partnership, association, joint stock company, trust, unincorporated organization, government entity or political subdivision thereof (including a federal power marketing administration), tribes, or organization recognized as a legal entity by law in the United States or Canada.

#### 1.53 **Planning Cycle**

"Planning Cycle" means each two-year period beginning on January 1 of even numbered years and ending on December 31 of odd numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.

#### 1.54 **Planning Region**

"Planning Region" means each of the following transmission planning regions recognized by the Commission within the Western Interconnection: California Independent System Operator Corporation, NorthernGrid Enrolled Region, and WestConnect.

#### **1.55 Potential Cost Allocation Project**

"Potential Cost Allocation Project" is defined in Section 5.2.3.2 and Section 5.2.3.3 of this Attachment K.

#### **1.56 Preliminary Cost Allocation Project**

"Preliminary Cost Allocation Project" is defined in Section 8.5.2 of this Attachment K.

#### **1.57 Project for Cost Allocation Consideration**

"Project for Cost Allocation Consideration" is defined in Section 8.1 of this Attachment K.

#### **1.58 Project Sponsor**

"Project Sponsor" has the definition contained in Section 5.2.3.1 of this Attachment K.

#### **1.59 Public Policy Requirement(s)**

"Public Policy Requirement" means any applicable public policy requirement established through one or more enacted statutes or regulations promulgated by a relevant local, state, or federal jurisdiction within the Enrolled Region. "Public Policy Requirements" is a collective reference to each "Public Policy Requirement."

#### **1.60 Qualified Developer**

"Qualified Developer" means a Person that has satisfied the requirements of Section 7.1.3 of this Attachment K and intends to develop the project for which a Request for Cost Allocation is to be submitted.

#### **1.61 Qualified Sponsor**

"Qualified Sponsor" means a Project Sponsor that intends to submit a Request for Cost Allocation but does not intend to develop the project for which such Request for Cost Allocation is intended to be submitted.

#### **1.62 Regional Benefits for Purposes of Interregional Cost Allocation**

"Regional Benefits for Purposes of Interregional Cost Allocation" means, with respect to an ITP, an amount equal to

the sum of the aggregate Benefits calculated in accordance with the provisions of Sections 8.4.1, 8.4.2, and 8.4.3 of this Attachment K for any Enrolled Party Beneficiary(ies) of such ITP. For purposes of items (ii) and (c) of Section 10.5.2 of this Attachment K, Regional Benefits for Purposes of Interregional Cost Allocation is referred to as NorthernGrid's regional benefits stated in dollars resulting from the ITP.

#### **1.63 Regional Combination**

"Regional Combination" is defined in Section 6.3 of this Attachment K.

#### **1.64 Regional Economic Study**

"Regional Economic Study" is defined in Section 12.2.1 (c) of this Attachment K.

#### **1.65 Regional Planning Horizon**

"Regional Planning Horizon" means the ten-year planning horizon considered in a given Planning Cycle.

#### **1.66 Regional Transmission Plan**

"Regional Transmission Plan" or "Plan" means the regional transmission plan developed during each biennial Planning Cycle pursuant to this Attachment K.

#### **1.67 Relevant Planning Regions**

"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 10.4.2 of this Attachment K, at which time it shall no longer be considered a Relevant Planning Region.

#### **1.68 Request for Cost Allocation**

"Request for Cost Allocation" means a request for a Sponsored Project to be considered for cost allocation that is submitted in accordance with Section 5.2.3.2 of this Attachment K.

#### **1.69 Sponsored Project**

"Sponsored Project" is defined in Section 5.2.3.1 of this Attachment K.



### 1.70 **Study Scope**

"Study Scope" means the range of items to be considered in performing analysis and studies to develop the Regional Transmission Plan as described in Section 6.1 of this Attachment K.

### 1.71 **Submittal Window**

"Submittal Window" begins on January 1 and runs through March 31 of even numbered years in each Planning Cycle.

### 1.72 **Total Project Costs**

"Total Project Cost" means the sum of the Estimated Cost and the Mitigation Cost (as either may be adjusted by the Cost Allocation Task Force, using the WECC Transmission Capital Costs Calculator or some other recognized tool) of a project that is not an ITP or the Assigned Regional Costs from Interregional Cost Allocation of a project that is an ITP.

### 1.73 **Total Regional Costs from Interregional Cost Allocation**

"Total Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, the sum of the Assigned Regional Costs from Interregional Cost Allocation of such ITP plus any Additional Regional Costs from Interregional Cost Allocation of such ITP.

### 1.74 **Transmission System**

"Transmission System" means, for purposes of this Attachment K only, the existing or proposed transmission facilities of a transmission provider (depending upon context, the Transmission Provider or an Enrolled Party); *provided that* Transmission System specifically excludes any existing or proposed transmission facilities in any Planning Region other than the Enrolled Region.

### 1.75 **Western Electricity Coordinating Council ("WECC")**

"Western Electricity Coordinating Council" or "WECC" refers to the Western Electricity Coordinating Council or any successor entity.

## 1.76 **Western Interconnection**

"Western Interconnection" refers to the western interconnected electric grid in North America. It spans 14 western states in the United States, the Canadian provinces of British Columbia and Alberta, and the northern portion of Baja California in Mexico.

## **Part B. Local Transmission Planning Process**

### **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 Studies, completed pursuant to Section 12 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. In developing the Local Transmission Plan, Transmission Provider shall also identify upgrades and other

investments to the Transmission System and Demand Response 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.

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, except where

such Planning Meeting is intended to be held in conjunction with a meeting organized or facilitated by NorthernGrid, in which case, such Planning Meeting shall be held in accordance with the notice provisions applicable to such NorthernGrid meeting. 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.

## 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 Response Resources and their impacts on demand and peak demand; and (5) transmission needs

driven by Public Policy Requirements 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. 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.

Transmission Provider shall use Point-to-Point Transmission Service usage forecasts and Demand Response 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 Study Requests, in accordance with Section 12, 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 Local Transmission Plan 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 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; and
- Those needs driven by Public Policy Requirements that will be used in the development of sensitivity analyses.

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 will be received, reviewed and evaluated is described in Transmission Provider's transmission planning business practice, posted on Transmission Provider's OASIS website.

A regional or interregional Project Sponsor may submit information for its project to the Transmission Provider or Enrolled Parties Planning Committee for consideration in the Regional Transmission Plan. This project data submission process is described in Part C 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 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 Local Transmission Plan 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 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 Local Transmission Plan 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 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 Study Requests, in accordance with Section 12, 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, 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, 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 Local Transmission Plan 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 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 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 Local Transmission Plan 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 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 Local Transmission Plan 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 Study.

2.2.2.7. Quarter 8: The Transmission Provider shall post the final Local Transmission Plan on its OASIS and submit to NorthernGrid by the Submittal Window (as specified in Section 5.2.2).

During the Quarter 8 Planning Meeting, Transmission Provider shall generally address the status of the Local Transmission Plan 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, including with NorthernGrid.

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. Such regional transmission planning process is detailed in Parts C through E of this Attachment K.

## 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 Response 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 Local Transmission Plan.

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 Response 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 Local Transmission Plan.

2.3.1.4. Transmission Needs Driven by Public Policy: All stakeholders have the opportunity to submit transmission needs driven by Public Policy Requirements 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 NorthernGrid 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 NorthernGrid'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 Response 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 8 of this Attachment K.

2.7. Local Economic Studies. Except as otherwise provided in Section 12 of this Attachment K, the following procedures shall govern with respect to Local Economic Studies.

2.7.1. Local Economic Study Requests. Local Economic Study Requests must be submitted pursuant to the procedures outlined in Section 12.3. Transmission Provider may choose to contract, at its discretion, with a qualified third-party to perform Economic Studies.

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

2.7.2.1. Local Economic Studies. A Local Economic Study has the meaning set forth in Section 12.2.2 and will be processed pursuant to Section 12 and, as applicable, this Section 2.

2.7.2.2. Regional Economic Studies. A Regional Economic Study has the meaning set forth in Section 12.2.1, and will be processed pursuant to Section 12.

2.7.2.3. Economic Study Requests Not Applicable. To be considered by the Transmission Provider, any Local Economic 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 prioritize one Economic Study Request to study as part of the local planning process each year of the biennial planning cycle consistent with Section 12.3. In the event that more than one Local Economic Study Requests are received by the Transmission Provider during either Quarter 1 or Quarter 5, the Transmission Provider shall determine which Economic 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. Economic Study Requests shall be submitted pursuant to the requirements of Section 12.3. The party submitting an Economic 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 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 Local Economic Study Request will not be modeled as part of the planning cycle, the requesting party may request that the Transmission Provider conduct the Economic 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 Study.

2.7.4.3. All Local Economic Study Requests that are not accommodated within the current 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 planning cycle.

2.7.4.4. If the Transmission Provider can feasibly cluster or batch requests, it will make efforts to do so.

2.7.5. Results of the Economic Studies shall be reported consistent with Section 12.5.

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. Eligible Customers and stakeholders shall utilize the dispute resolution process set forth in Section 13 to address all procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and development of the Local Transmission Plan.

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 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.



## **Part C. NorthernGrid's Enrolled Region Transmission Planning Process**

### **3. Introduction**

NorthernGrid is an unincorporated association of entities that either own or operate, or that propose to own or operate, electric transmission facilities in the Western Interconnection. NorthernGrid promotes coordinated, open, and transparent transmission planning and facilitates compliance with certain FERC transmission planning directives for the Enrolled Parties. Transmission Provider participates in NorthernGrid's transmission planning processes as set forth in this Attachment K.

NorthernGrid is to develop a Regional Transmission Plan each Planning Cycle as described in this Attachment K. Each Planning Cycle considers a ten-year planning horizon ("Regional Planning Horizon") to commence on the first day of that Planning Cycle. The Regional Transmission Plan is not intended to be a construction plan; however, the Regional Transmission Plan is intended to provide insight and information regarding regional transmission planning.

Parts C and D of Attachment K set forth NorthernGrid's Enrolled Region process to be used in developing the Regional Transmission Plan. Part E of Attachment K addresses local and regional economic study requests.

### **4. Participation and Information Access**

#### **4.1 Enrolled Parties**

##### **4.1.1 Identification**

The Enrolled Parties are:

- Avista Corporation;
- Idaho Power Company;
- MATL LLP;
- NorthWestern Corporation;
- NV Energy;
- PacifiCorp;
- Portland General Electric Company; and
- Puget Sound Energy, Inc.

#### 4.1.2 Updates to Enrolled Parties List

Transmission Provider is to revise the list of Enrolled Parties in Section 4.1.1 of this Attachment K to add any entity that enrolls pursuant to Section 4.2.2, or to remove any entity that withdraws (or is deemed to have withdrawn) as an Enrolled Party.

### 4.2 Becoming an Enrolled Party

#### 4.2.1 Eligibility

Any Person that satisfies the requirements of sub-sections (i) and (ii) is eligible to and may seek to become an Enrolled Party.

- (i) The Person owns or operates, or proposes to own or operate, transmission facilities in the United States portion of the Western Interconnection.
- (ii) The Person's transmission facilities (whether owned, operated or proposed) within the United States portion of the Western Interconnection are (or are proposed to be) electrically interconnected with another Enrolled Party's transmission facilities or the transmission facilities of a Non-Jurisdictional Entity that utilizes NorthernGrid for transmission planning.

#### 4.2.2 Process to become an Enrolled Party

A Person shall demonstrate eligibility and request to become an Enrolled Party by submitting a completed application form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.

The Person becomes an Enrolled Party on the date it satisfies the requirements of subsections (i), (ii), and (iii) below.

- (i) The Person demonstrates eligibility pursuant to Section 4.2.1.
- (ii) The Person places into effect either an Attachment K to its Open Access Transmission Tariff if FERC requires the Person to have an Open Access Transmission Tariff, or in the case of a Non-Jurisdictional Entity, executes an agreement that is consistent

with this Tariff that defines NorthernGrid's processes for producing a Regional Transmission Plan, Enrolled Party responsibilities, and stakeholder involvement.

- (iii) The Person becomes a party to the Funding Agreement.

#### **4.2.3 Process for Non-Incumbent Transmission Developers to Participate**

Provided it is not an Enrolled Party, a Non-Incumbent Transmission Developer that intends to propose a transmission project for evaluation and potential selection into the regional plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and pay the study fee indicated in that agreement.

#### **4.2.4 Process for Interregional Transmission Project Proponents to Participate**

Provided it is not an Enrolled Party, an Interregional Transmission Project Proponent that intends to propose an ITP for evaluation and potential selection into the regional transmission plan in accordance with Section 5.2.3 must first execute a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto.

#### **4.2.5 Duration of Enrollment for Enrolled Parties**

Enrolled Party status is retained, unless or until such time as the entity withdraws, or is deemed to have withdrawn, in accordance with Section 4.3 of this Attachment K.

#### **4.2.6 Expectations of an Enrolled Party**

Each Person that becomes an Enrolled Party pursuant to Section 4.2.2 is expected to actively participate in the transmission planning processes set forth in this Attachment K.

### **4.3 Withdrawal of Enrolled Party**

#### **4.3.1 Notice of Enrolled Party Withdrawal**

Any Enrolled Party may withdraw from being an Enrolled Party by providing written notice of withdrawal to the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee, at the address listed on the NorthernGrid Website, and to each

other Enrolled Party, at the address listed for each Enrolled Party on NorthernGrid's Website.

#### **4.3.2 Effective Date of Notice of Withdrawal**

If an Enrolled Party provides notice of withdrawal in accordance with Section 4.3.1, such withdrawal will be effective the end of the Planning Cycle in which such written notice of withdrawal is received by the Enrolled Parties' representative chair of the Enrolled Parties Planning Committee; *provided, however,* if the withdrawing Enrolled Party is a Non-Jurisdictional Entity, such withdrawal shall be effective upon the receipt, by the Enrolled Parties' chair of the Enrolled Parties' Planning Committee, of the written notice of withdrawal from such Enrolled Party.

#### **4.3.3 Deemed Withdrawal**

Any Person enrolled as an Enrolled Party pursuant to Section 4.2.2 must remain a party to the Funding Agreement. If an Enrolled Party ceases being a party to the Funding Agreement, such Enrolled Party shall be deemed to have withdrawn as an Enrolled Party thirty (30) calendar days after the date such Enrolled Party ceases being a party to the Funding Agreement.

#### **4.3.4 Significance of Withdrawal**

Upon the effective date of withdrawal or deemed withdrawal of an Enrolled Party, all rights and obligations of the withdrawing Enrolled Party under this Attachment K shall terminate; provided that all obligations and liabilities of such withdrawing Enrolled Party, including any obligation with regard to any Total Project Cost allocated to such Enrolled Party in accordance with Section 8.5.4 of this Attachment K, accrued prior to the date upon which withdrawal of such Enrolled Party is effective, as provided in Section 4.3.2 or 4.3.3 (as applicable), are preserved until satisfied.

#### **4.4 Participation by Merchant Transmission Developer**

A Merchant Transmission Developer that has either executed the Funding Agreement or executed a Non-Enrolled Developer Agreement in the form of Exhibit D, attached hereto, and paid a study fee in accordance with such agreement, may submit a Merchant Transmission Project into the Planning Cycle in accordance with Section 5.2.3.4.

#### 4.5 Stakeholder Participation

Any Person may attend public meetings, and any Person may submit comments to materials published on the NorthernGrid Website for public comment according to the instructions included with the materials. NorthernGrid is to post notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting. The meeting notice will identify the date, time, and location of the meeting.

#### 4.6 Engagement of States

State participation in the processes in this Attachment K is described in the Enrolled Parties and States Committee Charter.

#### 4.7 Sensitive Information

##### 4.7.1 Protocols for Treatment and Labeling of CEII or Confidential Information

Any Person seeking to participate in the processes of this Attachment K must adhere to the rules and/or guidelines established by the Enrolled Parties concerning CEII or Confidential Information. Those rules and any guidelines will be posted on the NorthernGrid Website and updated as necessary. Confidential Information and CEII must be clearly marked as such.

##### 4.7.2 Requesting and Processing Information Requests

A Person may request information from NorthernGrid by completing and submitting a written request form available on the NorthernGrid Website, specifying the information being requested. The Enrolled Parties Planning Committee is to determine whether any of the requested information includes CEII or Confidential Information. NorthernGrid is to provide to the requestor the information requested that NorthernGrid does not identify as information that includes any CEII or Confidential Information.

If the requested information includes CEII or Confidential Information, NorthernGrid is to notify the requestor in writing that information requested by such requestor includes CEII or Confidential Information and that the requestor must comply with restrictions imposed on access to and use of such data (such as a non-disclosure agreement) by the entity that owns such data. NorthernGrid is, to the extent practicable, to inform the requestor of the entities with which it must enter into a non-disclosure agreement. To the extent any other entity's

Confidential Information is contained within the work product of NorthernGrid, any non-disclosure agreements must be obtained with such entity prior to disclosure of Confidential Information by NorthernGrid.

The requestor shall work with each entity, as applicable, to execute non-disclosure agreements. Once NorthernGrid has received confirmation that applicable non-disclosure agreements have been executed, it is to provide the Confidential Information or CEII to the requestor. In no event shall the Transmission Provider or NorthernGrid be required to produce or provide to any Person information in violation of any applicable law, regulation, or other legal requirement.

## **NorthernGrid Planning Cycle**

### **5. Data Gathering/Study Scope Inputs**

#### **5.1 Responsibility**

The Enrolled Parties Planning Committee is to gather data to prepare the Study Scope and perform certain evaluations as set forth in this Attachment K.

#### **5.2 Data Gathering**

##### **5.2.1 General from Stakeholders**

Any stakeholder may submit data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Projects submitted by stakeholders as well as Conceptual Solutions derived from stakeholder information may become Sponsored Projects that may be submitted for evaluation and/or cost allocation pursuant to Section 5.2.3.1 or 5.2.3.2, or they may be submitted for evaluation and cost allocation pursuant to Section 5.2.3.3. A stakeholder shall use the Data Submittal Form to submit data and may use Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the Submittal Window. Stakeholders may also submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website within the sixty (60) day time period for submitting additional information under Section 6.2. Untimely submissions will not be considered.

### 5.2.2 **Enrolled Party Information**

Each Enrolled Party is to submit the following information to NorthernGrid within the Submittal Window:

- (i) Its Local Transmission Plan, and the data required by Section 5.2.3.5 for any local project that is to be evaluated by the Enrolled Parties Planning Committee;
- (ii) Any local project the Enrolled Party is identifying and submitting appropriate evidence for, such that the project may be evaluated by the Enrolled Parties Planning Committee for possible classification as a Committed Project;
- (iii) 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;
- (iv) Updates to previously submitted data;
- (v) Enrolled Party Needs, including such needs driven by Public Policy Requirements; and
- (vi) Any other project that such Enrolled Party intends to propose for evaluation in the Planning Cycle, including any Non-Transmission Alternatives or Conceptual Solutions.

### 5.2.3 **Proposing a Project**

#### 5.2.3.1 New Sponsored Projects

An Enrolled Party, a Non-Incumbent Transmission Developer, an ITP Proponent, or a Merchant Transmission Developer (each individually referred to as a Project Sponsor) may propose a new transmission project (each a "Sponsored Project") for evaluation in a Planning Cycle. At a minimum, the data identified in Table A must be submitted for each project being proposed. For any project submitted for possible classification as a Committed Project, the Project Sponsor must demonstrate, to the reasonable satisfaction of the Enrolled Parties Planning Committee, that the project is a Committed Project. Failure to do so will

result in the project being evaluated in the normal course, during the Planning Cycle.

#### 5.2.3.2 Request for Cost Allocation - Sponsored Project

An Enrolled Party, a Non-Incumbent Transmission Developer, and an ITP Proponent that is deemed a Qualified Sponsor or otherwise qualifies as a Qualified Developer in accordance with Section 7 below, may propose a Sponsored Project for evaluation and potential selection in the Regional Transmission Plan for purposes of cost allocation; provided, however, that Non-Transmission Alternatives are not eligible to be selected for purposes of cost allocation.

A Qualified Sponsor/Qualified Developer shall use the Data Submittal Form to submit data and may use Table A below, as guidance for the types of data to be submitted. Qualified Sponsors/Qualified Developers shall submit such data to NorthernGrid within the Submittal Window, or to the extent such submission is related to additional information submitted in accordance with Section 6.2, within fifteen (15) days after the close of the sixty (60) day period for submitting data pursuant to Section 6.2, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

A transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." A Qualified Sponsor/Qualified Developer may withdraw its Request for Cost Allocation at any time by providing written notice to the Chair of the Cost Allocation Task Force. In the event that all Qualified Sponsors/Qualified Developers of a specific Potential Cost Allocation Project withdraw their Request(s) for Cost Allocation, such project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

#### 5.2.3.3 Request for Cost Allocation - Un-sponsored Project

Any Enrolled Party, Non-Incumbent Transmission Developer, or ITP Proponent (only with regard to un-sponsored projects that are ITPs) may propose an un-sponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation. However, each un-sponsored project is dependent upon an otherwise Qualified Sponsor/Qualified Developer to submit a Request for Cost Allocation on behalf of the un-sponsored project. A



transmission project for which a Request for Cost Allocation has been properly submitted is referred to as a "Potential Cost Allocation Project." If no Qualified Sponsor/Qualified Developer submits a Requests for Cost Allocation for an otherwise unsponsored transmission project, such unsponsored project will be removed from the Regional Transmission Plan.

Any Enrolled Party, Non-Incumbent Transmission Developer, or ITP Proponent proposing an unsponsored transmission project for evaluation and potential selection into the Regional Transmission Plan for purposes of cost allocation, shall use the Data Submittal Form to submit relevant data about the project and shall use Table A and Section 5.2.3.6 below, for the types of data to be submitted. Such data shall be submitted to NorthernGrid within the Submittal Window, or to the extent such submission is related to additional information submitted in accordance with Section 6.2, within fifteen (15) days after the close of the sixty (60) day period for submitting data pursuant to Section 6.2, consistent with the instructions available on the NorthernGrid Website. Untimely submissions will not be considered.

If a Request for Cost Allocation is made on behalf of an unsponsored project, such request may later be withdrawn by the Qualified Sponsor/Qualified Developer who requested cost allocation by providing written notice to the chair of the Cost Allocation Task Force. If the Request for Cost Allocation is withdrawn, such unsponsored project shall no longer be eligible, during the then-current Planning Cycle, for consideration to become a Cost Allocation Project in the Regional Transmission Plan.

#### 5.2.3.4 Merchant Transmission Projects

A Merchant Transmission Developer may submit a Merchant Transmission Project for evaluation in the Planning Cycle by submitting the data identified in Table A below, to be submitted by Merchant Developers, and thereby have its project recognized as a "Sponsored Project." However, Merchant Transmission Projects shall not be considered for cost allocation.

#### 5.2.3.5 Minimum Data Submittal Requirements ("Project Data" or "Table A")

**Table A. Project Data Requirements**

	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
A	Proposed project name and name of Project Sponsor; if project is an unsponsored project, please clearly label project as "Unsponsored"	Y	Y
B	Whether or not project is claimed to be a Committed Project	Y	Y
C	Whether Project Sponsor intends to request cost allocation	Y	N
D	Identify the Enrolled Party Needs to be addressed and whether any such Enrolled Party Needs are driven by Public Policy Requirements	Y	Optional
E	Identify location of project, including map of proposed route	Y	Y
F	Any new facilities comprising the project (e.g., new substations and transmission lines)	Y	Y
G	Voltage level (including AC or DC)	Y	Y
H	Structure type (wood, steel, single-circuit, double-circuit, etc.)	Y	Y

**Table A. Project Data Requirements**

	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
I	Conductor type, mileage, configuration, and electrical parameters of components as necessary to model them accurately in power flow simulations (e.g., resistance, reactance, charging, ratings, etc.)	Y	Y
J	Project terminal facilities and any reactive elements (in MVAR)	Y	Y
K	"Estimated Cost" of project, and if available, the associated annual revenue requirement and underlying assumptions (such as annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes)	Y	Optional
L	Development schedule of the project	Y	Y
M	Planned in-service date of the project	Y	Y
N	Whether the project is being proposed as an Interregional	Y	N

<b>Table A. Project Data Requirements</b>			
	<b>Data/Information to be provided</b>	<b>Everyone except Merchant Transmission Developers</b>	<b>Merchant Transmission Developers</b>
	Transmission Project (ITP)		
O	If the project is an Interregional Transmission Project, a list of all Relevant Planning Regions to which the Interregional Transmission Project has been, or is to be, submitted for evaluation	Y	N
P	Whether the project is a Merchant Transmission Project	N	Y
Q	Additional technical studies and analysis, if performed	Y	Y
R	Economic Considerations <sup>1</sup>	Y	Optional

If the Enrolled Parties Planning Committee determines that additional information is necessary or appropriate, it may request the additional information at any time and the Project Sponsor shall promptly provide such other information as may reasonably be requested.

#### 5.2.3.6 Additional Information about Potential Cost Allocation Projects

---

<sup>1</sup> 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.

Within fifteen (15) calendar days of submitting a Request for Cost Allocation for a Potential Cost Allocation Project in accordance with Section 5.2.3.2, the Qualified Sponsor/Qualified Developer of such Potential Cost Allocation Project shall, to the extent not already provided, submit the following additional information about the Potential Cost Allocation Project:

- (i) Qualified Sponsor's/Qualified Developer's anticipated role regarding the Potential Cost Allocation Project (e.g., intends to be the developer, owner, and/or operator of the Potential Cost Allocation Project) and the identity of any other entity that proposes to participate in the development, ownership, or operation of the Potential Cost Allocation Project;
- (ii) Required steps for developing the Potential Cost Allocation Project, such as granting of state, federal, and local approvals and obtaining easements necessary to develop and construct the Potential Cost Allocation Project so as to timely meet the Enrolled Party Need(s), and the current status regarding any such steps;
- (iii) Anticipated transfer capability or path rating increase associated with the Potential Cost Allocation Project;
- (iv) A list of new facility outages that should be analyzed as a result of the Potential Cost Allocation Project; and
- (v) All data underlying the calculation of Estimated Costs; must share sufficient detail to allow the Cost Allocation Task Force to determine the Annualized Cost of the Potential Cost Allocation Project (Note: Estimated Costs may be compared to the WECC Transmission Capital Costs Calculator or some other recognized tool).

The Enrolled Parties Planning Committee or the Cost Allocation Task Force may request additional information at any time and the Qualified Sponsor/Qualified Developer shall promptly provide such other information as may reasonably be requested.

5.2.3.7 Submitting and Updating Sponsored Projects (not including Cost Allocation Projects) included in the prior Regional Transmission Plan

Any Sponsored Project included in the prior Regional Transmission Plan for which the Project Sponsor does not intend to request cost allocation in the current Planning Cycle must be re-submitted as a Sponsored Project within the Submittal Window, along with updates to the information required by Table A, to be considered in the then-current Planning Cycle. To the extent a Project Sponsor fails to submit updated information identified in Table A, then only that information readily available to the Enrolled Parties Planning Committee shall be utilized. Sponsored Projects included in the prior Regional Transmission Plan will no longer be included in the Regional Transmission Plan for the current Planning Cycle if:

- (i) Such project no longer satisfies an Enrolled Party Need; or
- (ii) The Project Sponsor has withdrawn its project.

5.2.3.8 Updating Previous Cost Allocation Projects included in the prior Regional Transmission Plan

The previously Qualified Developer of any Cost Allocation Project selected in the prior Regional Transmission Plan must again qualify in the current Planning Cycle as a Qualified Developer under Section 7.1.2 by submitting, within the Submittal Window, updates to the information required by Table B, until such Cost Allocation Project either (i) is no longer to be included in a Regional Transmission Plan or (ii) has been demonstrated by the Qualified Developer to be a Committed Project. Updates to the information listed in Table A and Section 5.2.3.6 is also requested. However, to the extent a Qualified Developer fails to submit updated information identified in Table A and Section 5.2.3.6, only that information that is readily available to the Enrolled Parties Planning Committee and the Cost Allocation Task Force shall be utilized. Cost Allocation Projects selected in the prior Regional Transmission Plan will not be included in the Regional Transmission Plan as a Cost Allocation Project for the current Planning Cycle if, in the Planning Cycle, it is determined that:

- (i) All who originally submitted a Request for Cost Allocation on behalf of such project no

longer satisfy the criteria in the current Planning Cycle as Qualified Developers under Section 7.1.2;

- (ii) Such project no longer satisfies an Enrolled Party Need;
- (iii) All that properly submitted a Request for Cost Allocation with respect to such Cost Allocation Project have withdrawn their Requests for Cost Allocation;
- (iv) The project is no longer determined to be a more efficient or cost-effective solution to an Enrolled Party Need; or
- (v) Such project has been in the Regional Transmission Plan for three successive Planning Cycles and the Qualified Developer has not demonstrated that such project has achieved the status of being a Committed Project.

#### **5.2.4 Submittal Form and Due Date**

All data/information, including Request for Cost Allocation, submitted pursuant to the requirements described in Sections 5.2.1 through 5.2.3 shall be submitted within the Submittal Window to NorthernGrid using the Data Submittal Form (available on the NorthernGrid Website), consistent with the instructions available on the NorthernGrid Website.

#### **5.2.5 Use of Submitted Information**

By submitting data/information pursuant to this Attachment K, the submitting entity authorizes the use of the information in all NorthernGrid processes without compensation in any form. Any data/information made available or otherwise provided shall be "AS IS" and any reliance on such information is at one's own risk, without warranty and without any liability of NorthernGrid (or any committee or committee members of NorthernGrid), Transmission Provider, or any entity supplying information.

#### **5.3 Review of Submitted Information**

The Enrolled Parties Planning Committee is to review the information submitted in accordance with Section 5.2.3. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to meet the information requirements set forth in Section 5.2.3, the Enrolled Parties Planning Committee is to notify the Project

Sponsor/Qualified Sponsor/Qualified Developer of the reasons for such failure. Each Project Sponsor/Qualified Sponsor/Qualified Developer shall have an opportunity to remedy deficiencies in their submitted data/information. If a Project Sponsor/Qualified Sponsor/Qualified Developer fails to fully remedy such deficiencies by the first April 15<sup>th</sup> of the Planning Cycle, that Project Sponsor's/Qualified Sponsor's/Qualified Developer's proposed transmission project and/or Request for Cost Allocation shall be deemed withdrawn.

#### **5.4 Untimely or Improperly Submitted Requests or Submittals of Information**

Untimely (i.e., information received by NorthernGrid prior to the opening of the Submittal Window or after the Submittal Window has closed, with the exception of (i) information submitted no later than fifteen (15) days after the close of the Submittal Window to remedy a deficiency notice from the Enrolled Parties Planning Committee or (ii) additional data, including projects, for evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs identified in the draft Study Scope that is submitted in accordance with Section 6.2) or improperly submitted requests made pursuant to Section 5.2.3, will not be considered.

### **6. Development of Draft Regional Transmission Plan**

#### **6.1 Study Scope Development**

The Enrolled Parties Planning Committee is to develop a draft Study Scope. The draft Study Scope shall describe:

- a. Projects submitted, and data gathered in accordance with Section 5.2;
- b. Any Committed Projects (If any project included in the prior Regional Transmission Plan is determined by the Enrolled Parties Planning Committee to be a Committed Project, such project shall be included in the Draft Regional Transmission Plan as a Committed Project and shall not be subject to further evaluation in this Planning Cycle);
- c. The detailed study methodology;
- d. Reliability criteria to be considered;
- e. Enrolled Party Needs, including needs driven by Public Policy Requirements;



- f. Assumptions (including loads, resources, desired flows, constraints);
- g. Baseline Projects of Enrolled Parties;
- h. Each Alternative Project to be considered;
- i. Each Non-Transmission Alternative to be considered;
- j. Databases to be utilized; and
- k. Evaluation scenarios.

## 6.2 Review and Comment; Consideration of Comments; Update Study Scope

Upon completion of the development of the draft Study Scope, the Enrolled Parties Planning Committee is to post the draft Study Scope on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the draft Study Scope and solicit comments from stakeholders and the Enrolled Parties and States Committee. NorthernGrid is to post the draft Study Scope and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the draft Study Scope to stakeholders and the Enrolled Parties and States Committee for comment. Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the draft Study Scope. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; *provided that* either Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond; and
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, and finalize the draft Study Scope.

In addition to the opportunity to comment on the draft Study Scope in accordance with this Section, stakeholders shall also have sixty (60) days following the posting of the draft Study Scope to submit additional data, including projects, for

evaluation as part of the preparation of the Draft Regional Transmission Plan to address Enrolled Party Needs identified in the draft Study Scope, including such needs driven by Public Policy Requirements, and Non-Transmission Alternatives and Conceptual Solutions to address such Enrolled Party Needs. Stakeholders shall use the Data Submittal Form to submit data and may use Table A, in Section 5.2.3.5, as guidance for the types of data to be submitted. Stakeholders shall submit such data to NorthernGrid consistent with the instructions available on the NorthernGrid Website, within the sixty (60) day period set forth in this Section. Untimely submissions will not be considered.

After considering comments and any additional information submitted pursuant to this Section, the Enrolled Parties Planning Committee may modify the draft Study Scope and is to finalize the Study Scope. NorthernGrid is to post the final Study Scope on the NorthernGrid Website. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan, including the rationale for selecting and excluding transmission needs driven by Public Policy Requirements.

### **6.3 Analysis; Documentation in Draft Regional Transmission Plan**

The Enrolled Parties Planning Committee is to evaluate combinations of the Baseline Projects of Enrolled Parties and Alternative Projects to identify whether there may be a combination that effectively satisfies all Enrolled Party Needs ("Regional Combination"). If a project does not meet any Enrolled Party Need, it will not be considered by Enrolled Parties for inclusion in the Draft Regional Transmission Plan.

Once the Enrolled Parties Planning Committee becomes aware of a Material Adverse Impact on a Neighboring System caused by a Sponsored Project or Alternative Project identified in the Regional Combination, the Project Sponsor is to coordinate with the Neighboring Systems to assess the facilities necessary to mitigate the Material Adverse Impact on the Neighboring Systems. If the Material Adverse Impact cannot be mitigated (by actions within the Enrolled Region or the Neighboring Systems), or the Project Sponsor does not identify solutions to mitigate the Material Adverse Impact on the Neighboring Systems, the Sponsored Project or Alternative Project identified in the Regional Combination will not be selected into the Draft Regional Transmission Plan. The Project Sponsor will provide the Mitigation Cost for each Material Adverse Impact to the

Enrolled Parties Planning Committee. The Enrolled Parties Planning Committee will determine the Mitigation Cost for each Material Adverse Impact for any Conceptual Solution. The Enrolled Parties Planning Committee will review and adjust the Mitigation Cost for each project and then associate the Mitigation Cost of each Material Adverse Impact to each project causing the Material Adverse Impact. The Enrolled Parties Planning Committee is to document its analysis and results in the Draft Regional Transmission Plan.

#### **6.4 Review and Comment; Consideration of Comments; Update Draft Regional Transmission Plan**

Upon development of the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to review the Draft Regional Transmission Plan and solicit comments from stakeholders and the Enrolled Parties and States Committee. The Enrolled Parties Planning Committee is to post the Draft Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

At the public meeting, the Enrolled Parties Planning Committee is to present the Draft Regional Transmission Plan to stakeholders and the Enrolled Parties and States Committee for comment. Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the Draft Regional Transmission Plan. Comments may include changes to the data provided pursuant to Section 5.2.

The Enrolled Parties Planning Committee is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Enrolled Party Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems

appropriate, to the Study Scope based upon additional information about new or changed circumstances related to loads, resources, transmission projects or Alternative Solutions, or identified changes to data provided and then, based upon the updated Study Scope, update the analysis performed in accordance with Section 6.3 "Analysis; Documentation in the Draft Regional Transmission Plan;" and

- d. Make modifications in response to comments received and/or make modifications resulting from the updated analysis performed in accordance with sub-section (c) above, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Regional Transmission Plan.

## **6.5 Comparability**

In developing the Study Scope and the Draft Regional Transmission Plan, the Enrolled Parties Planning Committee is to consider all timely submitted information, including information and comments received from stakeholders, comparably to address Enrolled Party Needs including reliability requirements, economic considerations, and Public Policy Requirements.

## **7. Qualifying to Request Cost Allocation**

### **7.1 Qualification Process for/to Submit a Project for Cost Allocation**

#### **7.1.1 Qualification to Request Cost Allocation**

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3) or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does not intend to develop the project for which it intends to submit a Request for Cost Allocation, is deemed a Qualified Sponsor. Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that does intend to develop the project for which it intends to submit a Request for Cost Allocation must first qualify in accordance with Section 7.1.2 to become a Qualified Developer.

### 7.1.2 Qualification Process

Any Enrolled Party, Non-Incumbent Transmission Developer (that has satisfied the requirements of Section 4.2.3), or ITP Proponent (that has satisfied the requirements of Section 4.2.4) that intends to develop a project for which it intends to submit a Request for Cost Allocation must submit, within the Submittal Window, the qualification data described in Table B below, through the NorthernGrid Website, using the Developer Qualification Data Form found on the NorthernGrid Website.

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
Project Sponsor's Identification	1. name 2. address 3. primary contact information, including: (i) name and title (ii) phone number (iii) address (iv) email address	Assess whether required data was submitted.
Project Sponsor's Experience	1. years in business 2. description of any relevant experience, including management and technical experience, developing, constructing, owning, and/or operating a project of similar size and scope as the Sponsored Project	Assess whether information indicates experience, including managerial and technical expertise in developing, constructing (or managing construction), owning, and/or operating comparable projects.
Reliance on Third Parties	1. identification of any third parties that the Project Sponsor intends to rely on for management, development, operating, or technical expertise	Assess whether information indicates the third party has experience, including

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
	<p>2. description of the expertise the third party is expected to provide</p> <p>3. information from which such third party's financial ability to perform can be evaluated, which may include information substantially similar to the information listed with regard to the Project Sponsor's financial ability below</p>	<p>managerial and technical expertise in developing, constructing (or managing construction), and/or operating comparable projects.</p>
Project Sponsor's Financials	<p>1. demonstrate that Project Sponsor, or Project Sponsor's parent, has either an investment grade rating or has a minimum tangible net worth of \$1,000,000 or total assets of \$10,000,000</p> <p>2. provide information from which Project Sponsor's creditworthiness can be evaluated, which may include the following (to the extent they exist):</p> <ul style="list-style-type: none"> <li>(i) most recent annual report</li> <li>(ii) most recent quarterly report</li> <li>(iii) last two most recent audited year-end financial statements</li> <li>(iv) rating agency reports</li> <li>(v) any material issues that could affect the credit rating, including any pending or expected litigation or investigations</li> </ul>	<p>Assess whether the information was submitted and satisfied the criteria.</p>

<b>Table B. Developer Qualification Data Requirements</b>		
<b>Category</b>	<b>Information to be Provided</b>	<b>Criteria for Evaluation of Information</b>
	(vi) other information supporting Project Sponsor's financial ability	
Affirmation	a signed affirmation by an authorized officer of Project Sponsor that the information provided under this Section is true, accurate, and complete to the best of such authorized officer's knowledge and belief	Assess whether the information was submitted.

### 7.1.3 Evaluation of Project Sponsor Submissions

The data submitted pursuant to Section 7.1.2 shall be evaluated to determine whether such entity has the minimum qualifications to develop the project submitted. For each Planning Cycle the Cost Allocation Task Force is to apply the criteria identified in Table B in a comparable and non-discriminatory manner. The sufficiency of the qualification data will be determined by the Cost Allocation Task Force. The Cost Allocation Task Force Co-Chairs are to provide the Project Sponsor with written notice of the Cost Allocation Task Force's determinations. The notice will provide either that the entity satisfies the qualification data requirements or will identify specific deficiencies. An entity that has satisfied the qualification data requirements is referred to as a "Qualified Developer."

### 7.1.4 Opportunity to Cure Deficiencies and Failure to Cure

If the Cost Allocation Task Force identifies deficiencies in the qualification data submitted by an entity, such entity has fifteen (15) calendar days from the date of notice of deficiencies to cure the identified deficiencies. If deficiencies are not timely cured, the Cost Allocation Task Force Chair is to provide the entity with written notice that it is not qualified to develop the project for which it intended to request cost allocation pursuant to Sections 5.2.3.2 or 5.2.3.3 in the Planning Cycle. An entity that fails to become a

Qualified Developer may seek to qualify during the Submittal Window in the next Planning Cycle.

## **8. Cost Allocation**

### **8.1 Projects Eligible for Cost Allocation Consideration**

The Cost Allocation Task Force is to identify whether a cost allocation analysis is required for any Potential Cost Allocation Project that was identified within a Regional Combination in Section 6.3 and included in the Draft Regional Transmission Plan. This is to be accomplished by the Cost Allocation Task Force confirming that each such Potential Cost Allocation Project has Estimated Costs exceeding \$20 million. Such a Potential Cost Allocation Project is then referred to as a "Project for Cost Allocation Consideration." Any Potential Cost Allocation Project with Estimated Costs that do not exceed \$20 million will no longer be considered for cost allocation in the Planning Cycle.

### **8.2 Total Project Cost and Annualized Cost of Projects for Cost Allocation Consideration**

The Cost Allocation Task Force is to determine the Total Project Cost of each Project for Cost Allocation Consideration. The Cost Allocation Task Force is also to determine the Annualized Cost of each Project for Cost Allocation Consideration as set forth in this Section 8.2.

#### **8.2.1 Annualized Cost of a Project That Is Not an ITP**

The Annualized Cost is a levelized annual cost over the life of the Project for Cost Allocation Consideration. When determining the Annualized Cost of a project that is not an ITP, the Cost Allocation Task Force shall include the following, as applicable:

- a. Estimated annualized revenue requirement of the Estimated Cost submitted pursuant to row K of Table A in Section 5.2.3.5, as such may be updated pursuant to either Section 5.2.3.8 or Section 6.4; and
- b. Estimated annualized revenue requirement of the Mitigation Cost identified in Section 6.3, to mitigate the Material Adverse Impact on the Neighboring Systems associated with a Project for Cost Allocation Consideration.



The annualized revenue requirement of the Estimated Cost and the annualized revenue requirement of the Mitigation Costs will include assumptions for annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes. The Cost Allocation Task Force may make adjustments to the annual revenue requirements and underlying assumptions submitted pursuant to row K of Table A in Section 5.2.3.5 as it in its professional judgment determines to be necessary. If no revenue requirements or assumptions are submitted, the Cost Allocation Task Force is to determine, in its professional judgment, the annual revenue requirements and underlying assumptions. Such adjustments or determinations are to be explained in the Draft Regional Transmission Plan.

When determining the Annualized Cost of each Project for Cost Allocation Consideration, the Cost Allocation Task Force may make adjustments to the Estimated Cost and Mitigation Cost submitted, using the WECC Transmission Capital Costs Calculator (or some other recognized tool), as the Cost Allocation Task Force in its professional judgment determines to be necessary. Such adjustments are to be explained in the Draft Regional Transmission Plan.

#### **8.2.2 Annualized Cost of an ITP**

With respect to the Annualized Cost of an ITP, the Cost Allocation Task Force shall annualize, in the manner described in Section 8.2.1, the Assigned Regional Costs from Interregional Cost Allocation, as determined in accordance with Section 11.6.

#### **8.3 Identify More Efficient or Cost-Effective Solutions; Documentation in Draft Regional Transmission Plan**

The Cost Allocation Task Force is to evaluate the Projects for Cost Allocation Consideration to determine whether any such projects are a more efficient or cost-effective solution to an Enrolled Party Need.

In determining whether a Project for Cost Allocation Consideration is the more efficient or cost-effective solution to an Enrolled Party Need, the Cost Allocation Task Force is to consider the following factors:

- a. Sponsorship and degree of development;
- b. Feasibility;
- c. Coordination with any affected transmission system;

- d. Economics;
- e. Effectiveness of performance;
- f. Satisfaction of an Enrolled Party's Need, including the extent to which the proposed solution satisfies multiple Enrolled Parties' Needs;
- g. Mitigation of any Material Adverse Impact of such proposed solution on any transmission system; and
- h. Consistency with applicable state, regional, and federal planning requirements and regulations.

No single factor is necessarily to be determinative in evaluating proposed solutions to address Enrolled Party(ies) Needs.

Any Project for Cost Allocation Consideration that is determined to be more efficient or cost-effective will then be incorporated within the Draft Regional Transmission Plan as an "Eligible Cost Allocation Project." The Cost Allocation Task Force is to document its analysis and results in the Draft Regional Transmission Plan, including analysis and results regarding any Project for Cost Allocation Consideration that is determined to not be the more efficient or cost-effective and thus not eligible for cost allocation.

#### **8.4 Benefits of An Eligible Cost Allocation Project**

The Benefits of any Eligible Cost Allocation Project are, Deferred Costs, Avoided Capital Costs, and Increased Useful Available Transfer Capability directly attributable to such Eligible Cost Allocation Project. Each Benefit is described and will be evaluated as set forth below. Each Benefit is converted to a levelized annual amount and assumed to continue over the life of the Eligible Cost Allocation Project.

##### **8.4.1 Deferred Costs**

Deferred Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Deferred Costs of an Enrolled Party for an Eligible Cost Allocation Project are the projected avoided costs of such Enrolled Party's deferred transmission facilities over the deferral period that are directly attributable to such Eligible Cost Allocation Project. Deferred Costs are to be calculated for each Enrolled Party based on the revenue requirement avoided over each year of the deferral period (i.e. annual return (both debt and equity), depreciation, taxes other

than income, operation and maintenance expense, and income taxes), and then annualized over the life of the Eligible Cost Allocation Project.

#### **8.4.2 Avoided Capital Costs**

Avoided Capital Costs of an Enrolled Party are a Benefit of such Enrolled Party. The Avoided Capital Costs of an Enrolled Party for an Eligible Cost Allocation Project are the avoided costs of eliminated transmission facilities for such Enrolled Party that are directly attributable to such Eligible Cost Allocation Project. Avoided Capital Costs are to be calculated for each Enrolled Party based on the revenue requirement avoided over each year of the life of the Eligible Cost Allocation Project (i.e. annual return (both debt and equity), depreciation, taxes other than income, operation and maintenance expense, and income taxes), and then annualized over the life of the Eligible Cost Allocation Project.

#### **8.4.3 Increased Useful Available Transfer Capability ("ATC")**

Increased Useful ATC of an Enrolled Party is a Benefit to such Enrolled Party. The Increased Useful ATC of an Enrolled Party for an Eligible Cost Allocation Project is the increased annual revenue from sales at cost-based rates projected to be accrued by such Enrolled Party over the life of the Eligible Cost Allocation Project due to an increase in transmission capacity on such Enrolled Party's Transmission System, where such increase in transmission capacity is a direct result of such Eligible Cost Allocation Project. The increased annual revenue from sales includes both sales enabled on existing transmission facilities as a result of the Eligible Cost Allocation Project and sales revenue for sales on the Eligible Cost Allocation Project. The Qualified Sponsor(s)/Qualified Developer(s) of such Eligible Cost Allocation Project and other Enrolled Parties projected to receive increased sales revenue as a result of the Eligible Cost Allocation Project each may receive a Benefit.

#### **8.5 Allocation of Total Project Cost to Enrolled Party Beneficiaries**

The Cost Allocation Task Force is to identify the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project, evaluate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project, and, if Benefit-to-Cost Ratio is satisfied, allocate Total Project Cost of each Eligible Cost Allocation Project to

the Enrolled Party Beneficiaries of each Eligible Cost Allocation Project.

#### 8.5.1 Identification of Enrolled Party Beneficiaries

For each Eligible Cost Allocation Project, the Cost Allocation Task Force is to identify the Enrolled Parties that have a Benefit pursuant to Sections 8.4.1, 8.4.2, and/or 8.4.3 directly attributable to such Eligible Cost Allocation Project (each Enrolled Party that has a Benefit is referred to as an "Enrolled Party Beneficiary").

#### 8.5.2 Evaluation of Benefit-to-Cost Ratio; Documentation in Draft Regional Transmission Plan

The Cost Allocation Task Force is to calculate the Benefit-to-Cost Ratio of each Eligible Cost Allocation Project by summing the Benefits (annualized) identified in Sections 8.4.1, 8.4.2, and 8.4.3 for all Enrolled Party Beneficiaries as determined in Section 8.5.1 and dividing that sum by the Annualized Cost of such Eligible Cost Allocation Project as determined in Section 8.2.1 or 8.2.2, as applicable. If the Benefit-to-Cost Ratio calculated for the Eligible Cost Allocation Project is greater than or equal to 1.25, such project is a "Preliminary Cost Allocation Project." In the event the Benefit-to-Cost Ratio for the Eligible for Cost Allocation Project is less than 1.25, such project is no longer eligible for cost allocation. The Cost Allocation Task Force is to incorporate the results into the Draft Regional Transmission Plan and document the reasons for the decisions made.

#### **Example 1: Application of Benefit-to-Cost Ratio (for illustrative purposes only)**

Annualized Cost of Eligible Cost Allocation Project	=	\$100M
Beneficiary A's Annualized Benefits	=	\$60M
Beneficiary B's Annualized Benefits	=	\$50M
Beneficiary C's Annualized Benefits	=	<u>\$90M</u> (Beneficiary C is the Sponsor)
Total benefits	=	\$200M

In this example, the Benefit-to-Cost Ratio exceeds 1.25 and, therefore, the Eligible Cost Allocation Project becomes classified as a "Preliminary Cost Allocation Project."

### 8.5.3 Allocation of Total Project Cost to Enrolled Party Beneficiaries

The Cost Allocation Task Force is to calculate the allocation of the Total Project Cost of each Preliminary Cost Allocation Project to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project. Total Project Cost of each Preliminary Cost Allocation Project (less any amount voluntarily accepted by a Person pursuant to Section 8.5.4) shall be allocated to each Enrolled Party Beneficiary of such Preliminary Cost Allocation Project based upon the Benefits (in dollars) applicable to each such Enrolled Party Beneficiary divided by the total Benefits (in dollars) applicable to all Enrolled Party Beneficiaries of such Preliminary Cost Allocation Project with that result multiplied by the Total Project Cost of the Preliminary Cost Allocation Project as expressed in the Formula 1 (the "Cost Allocation Methodology"). The Cost Allocation Task Force shall as soon as practical provide each Enrolled Party Beneficiary with the results from its application of the Cost Allocation Methodology for any Preliminary Cost Allocation Project.

#### **Formula 1: Allocation of Total Project Cost to Enrolled Party Beneficiaries**

$$D = (B/C)A$$

Where, for a Preliminary Cost Allocation Project:

"A" equals the Total Project Cost of the Preliminary Cost Allocation Project as determined in Section 8.2.1 (less any amount accepted by a Person pursuant to Section 8.5.4).

"B" equals the dollar amount of Benefits identified in Sections 8.4.1, 8.4.2, and 8.4.3, for a specific Enrolled Party Beneficiary.

"C" equals the dollar amount of the sum of Benefits calculated in Sections 8.4.1, 8.4.2, and 8.4.3, for all Enrolled Party Beneficiaries.

"D" equals the dollar amount of the Total Project Cost of the Preliminary Cost Allocation Project to be allocated to the specific Enrolled Party Beneficiary for which "B" applies.

This formula is to be applied to each Enrolled Party Beneficiary of the Preliminary Cost Allocation Project.

#### **Example 2: Allocation of Total Project Cost to Enrolled Party Beneficiaries (for illustrative purposes only)**

Example 2 builds upon the facts described in Example 1 above, and allocates the Preliminary Cost Allocation Project's \$100M costs to each Enrolled Party Beneficiary as follows:

Enrolled Party Beneficiary A:  $(\$60M/\$200M)\$100M = \$30M$

Enrolled Party Beneficiary B:  $(\$50M/\$200M)\$100M = \$25M$

Enrolled Party Beneficiary C:  $(\$90M/\$200M)\$100M = \underline{\$45M}$

Total = \$100M

#### 8.5.4 Acceptance of Total Project Cost; Removal from Cost Allocation

Upon receipt of the results of the Cost Allocation Task Force's application of the Cost Allocation Methodology to a Sponsored Preliminary Cost Allocation Project pursuant to Section 8.5.3 and prior to the Cost Allocation Task Force transmitting its results to the Planning Committee for inclusion in the Draft Regional Transmission Plan, the Enrolled Parties shall have thirty (30) calendar days to arrange participant funding for the Preliminary Cost Allocation Project (the "Negotiation Period"). On or before the conclusion of the Negotiation Period, the Project Sponsor shall notify the Cost Allocation Task Force of its election to proceed based upon one of the following three options:

- a. Continue with Cost Allocation - whereby the Cost Allocation Task Force is to proceed with notifying the Planning Committee of the results of its cost allocation.
- b. Hybrid Allocation—whereby the Project Sponsor includes with its notice of election a writing signed by one or more Persons (excluding Beneficiaries) agreeing to accept a specific allocation of the Total Project Cost of a Preliminary Cost Allocation Project ("Voluntary Allocation").
- c. Withdrawal —whereby the Project Sponsor voluntarily withdraws its request for cost allocation of the Preliminary Cost Allocation Project in the Planning Cycle.

In the event the "Continue with Cost Allocation" option is selected, the Cost Allocation Task Force shall provide the Planning Committee with the results of its cost allocation.

In the event the "Hybrid Allocation" option is selected, the Cost Allocation Task Force shall subtract the amount of Voluntary Allocation from the Total Project Cost of the Preliminary Cost Allocation Project. The Cost Allocation Task Force shall then allocate the remainder of the Total Project Cost of the Preliminary Cost Allocation Project to the Beneficiaries in accordance with the methodology set forth in Section 8.5.3 and provide the Planning Committee with the results of its cost allocation that takes into account the Voluntary Allocation.

In the event the "Withdrawal" option is selected, the Cost Allocation Task Force shall notify the Planning Committee that the Project Sponsor has withdrawn its request for cost allocation.

#### 8.5.5 **Results from Cost Allocation Methodology; Documentation in Draft Final Regional Transmission Plan**

Unless a Preliminary Cost Allocation Project is removed from cost allocation consideration, the Cost Allocation Task Force is to select only Qualified Developer submitted Preliminary Cost Allocation Projects submitted for purposes of cost allocation ("Cost Allocation Project") and incorporate the results from its application of the Cost Allocation Methodology for such Cost Allocation Project in the Draft Final Regional Transmission Plan. The Cost Allocation Task Force is to post such results on the NorthernGrid Website and post notice of, and hold, a public meeting in accordance with the Cost Allocation Task Force Charter to review the results. The Cost Allocation Task Force will then incorporate and document any comments received and the analysis, rationale, and results associated with the Qualified Developer's submitted Preliminary Cost Allocation Projects and the conclusion of any negotiation efforts, into the Draft Final Regional Transmission Plan and document the reasons for the decisions made.

#### 8.6 **Exclusions**

Projects undertaken in connection with requests for interconnection or transmission service under this Tariff will

be governed solely by the provisions of the Tariff applicable to such requests for interconnection or transmission service.

## **9. Regional Transmission Plan**

### **9.1 Preparation and Posting of Draft Final Regional Transmission Plan**

The Enrolled Parties Planning Committee is to post a Draft Final Regional Transmission Plan by the end of the last September in the Planning Cycle. The Draft Final Regional Transmission Plan is to include:

- i. A list of each Cost Allocation Project along with the results of the application of the Cost Allocation Methodology for such Cost Allocation Project including identification of each Enrolled Party Beneficiary, the share of the Total Project Cost allocated to each such Enrolled Party Beneficiary, and the Benefits identified for each such Enrolled Party Beneficiary;
- ii. Whether, and, if so, the extent to which costs of any Cost Allocation Project were voluntarily assumed by any other Person;
- iii. A list of any ITP(s) for which joint evaluation has been requested; and
- iv. A list of any projects listed as Cost Allocation Projects in the prior Regional Transmission Plan that, in accordance with Section 5.2.3.8, will not be included in the current Regional Transmission Plan as a Cost Allocation Project.

### **9.2 Review and Comment; Consideration of Comments; Update Draft Final Regional Transmission Plan; Regional Transmission Plan**

Upon development of the Draft Final Regional Transmission Plan, the Enrolled Parties Planning Committee is to post the Draft Final Regional Transmission Plan on the NorthernGrid Website. Thereafter, the Enrolled Parties Planning Committee is to schedule a public meeting to present the Draft Final Regional Transmission Plan and solicit comments from stakeholders and the Enrolled Parties and States Committee. NorthernGrid is to post



the Draft Final Regional Transmission Plan and notice of the public meeting on the NorthernGrid Website at least seven (7) calendar days in advance of such meeting.

Stakeholders and the Enrolled Parties and States Committee have fifteen (15) calendar days following the meeting to submit written comments on the Draft Final Regional Transmission Plan. NorthernGrid is to:

- a. Post any written comments received;
- b. Post any responses to written comments within fifteen (15) calendar days after the comment period closes; provided that the Chair of the Enrolled Parties Planning Committee may extend the time for posting such responses to the extent necessary to allow time to adequately consider and respond;
- c. Make modifications in response to comments received, as the Enrolled Parties Planning Committee deems appropriate, to the Draft Final Regional Transmission Plan; and
- d. Cause the Final Regional Transmission Plan developed through the processes outlined in this Attachment K to be issued.

## **Part D. Interregional Coordination and Cost Allocation Process**

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

#### **10.1 Introduction**

This Section 10 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. NorthernGrid is to conduct the activities and processes set forth in this Section 10 of Attachment K in accordance with the provisions of this Section 10 of Attachment K and the other provisions of this Attachment K.

Nothing in this Section 10 of Attachment K 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 10 of Attachment K to any transmission planning processes, including cost allocations, are references to transmission planning processes pursuant to Order No. 1000.

#### **10.2 Annual Interregional Information Exchange**

Annually, prior to the Annual Interregional Coordination Meeting, NorthernGrid is to make available by posting on the NorthernGrid 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 (Enrolled Party Needs) in NorthernGrid's Enrolled Region and Potential Solutions thereto:

- (i) Study Scope or underlying information that would typically be included in a Study Scope, 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.")

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

NorthernGrid is not required to make available or otherwise provide to any other Planning Region: (i) any information not developed by NorthernGrid 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 NorthernGrid 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 NorthernGrid shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under NorthernGrid's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by NorthernGrid 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 NorthernGrid, Transmission Provider, or any entity supplying information in NorthernGrid'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.

### 10.3 **Annual Interregional Coordination Meeting**

The NorthernGrid Enrolled Region is to participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NorthernGrid 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. NorthernGrid 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:

1. Each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
2. 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
3. Updates of the status of any ITP being evaluated or previously included in NorthernGrid's Regional Transmission Plan.

### 10.4 **ITP Joint Evaluation Process**

#### 10.4.1 **Submission Requirements**

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to Section 10.4.2 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 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.

#### 10.4.2 **Joint Evaluation of an ITP**

For each ITP that meets the requirements of Section 10.4.1, the NorthernGrid Enrolled Region (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 10.4.1 or the immediately following calendar year. With respect to any such ITP, the NorthernGrid Enrolled Region (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 10.4.1, the NorthernGrid Enrolled Region (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 NorthernGrid's evaluation of the ITP;
- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.4.2 in accordance with its regional transmission planning process;
- c. Is to notify the other Relevant Planning Regions if the NorthernGrid Enrolled Region determines that the ITP will not meet any of its regional transmission needs; thereafter the NorthernGrid Enrolled Region has no obligation under this Section 10.4.2 to participate in the joint evaluation of the ITP; and

- d. Is to process the ITP in accordance with its regional transmission planning process.

## **10.5 Interregional Cost Allocation Process**

### **10.5.1 Submission Requirements**

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with Section 10.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from the NorthernGrid Enrolled Region 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.

### **10.5.2 Interregional Cost Allocation Process**

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (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) the NorthernGrid Enrolled Region'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 10.6.2 ) to each Relevant Planning Region using the methodology described in this Section 10.5.2.

For each ITP that meets the requirements of Section 10.5.1, the NorthernGrid Enrolled Region (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 NorthernGrid's analysis;

- b. Is to provide stakeholders an opportunity to participate in NorthernGrid's activities under this Section 10.5.2 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 the NorthernGrid Enrolled Region, NorthernGrid 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; the NorthernGrid Enrolled Region may use such information to identify its total share of the projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region in order to determine whether the ITP is a more efficient or cost-effective solution to a transmission need in the NorthernGrid Enrolled Region;
- 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 10.5.2 in the same general time frame as its joint evaluation activities pursuant to Section 10.4.2.

#### **10.6 Application of Regional Cost Allocation Methodology to Selected ITP**

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

If the NorthernGrid Enrolled Region (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, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2(e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

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

If the NorthernGrid Enrolled Region (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, NorthernGrid is to evaluate (or reevaluate, as the case may be) pursuant to Sections 10.5.2 (d), 10.5.2 (e), and 10.5.2 (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 of 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 the NorthernGrid Enrolled Region and at least one other Relevant Planning Region, the NorthernGrid Enrolled Region is to apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under Sections 10.5.2 (d) or 10.5.2 (e) above in accordance with its regional cost allocation methodology, as applied to ITPs.

## **11. ITPs, Joint Evaluation, and Interregional Cost Allocation**



### 11.1 Introduction

This Section 11 of Attachment K only applies to ITPs for which the NorthernGrid Enrolled Region is a Relevant Planning Region and does not apply to any ITP for which the NorthernGrid Enrolled Region is not a Relevant Planning Region.

### 11.2 Entities That May Submit an ITP for Joint Evaluation

Any Person that seeks to submit an ITP for joint evaluation pursuant to Sections 10 and 11 of this Attachment K must submit the ITP into the NorthernGrid Enrolled Region's regional transmission planning process in accordance with Section 5.2.3 of this Attachment K, and must submit the ITP into the planning process of all Relevant Planning Regions.

### 11.3 Confirmation from Relevant Planning Regions

NorthernGrid is to seek to confirm with each other Relevant Planning Region that such Enrolled Party or ITP Proponent has submitted such ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s). In the event that NorthernGrid is unable to confirm that the Enrolled Party or ITP Proponent has submitted its ITP for evaluation into the regional transmission planning process of each other Relevant Planning Region in accordance with the regional transmission planning process of such Relevant Planning Region(s), NorthernGrid is to notify the ITP Proponent in writing, and the ITP Proponent is to have thirty (30) calendar days from the date of such notice to provide NorthernGrid evidence, reasonably acceptable to NorthernGrid, that the ITP Proponent has timely submitted its ITP for evaluation to each other Relevant Planning Region(s). If an ITP Proponent fails to provide such evidence, the ITP Proponent's ITP is to be deemed withdrawn.

### 11.4 Submit ITP Information

Prior to commencing the joint evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, an ITP Proponent that is seeking such evaluation of an ITP is to submit to the NorthernGrid Enrolled Region information in accordance with Section 5.2.3 of this Attachment K, which is, to the extent permitted by law, to include a copy of all ITP data being

submitted by the ITP Proponent to any of the other Relevant Planning Regions for such ITP.

#### 11.5 Joint Evaluation Implementation

For purposes of the NorthernGrid Enrolled Region's evaluation of an ITP pursuant to Sections 10 and 11 of this Attachment K, evaluation of such ITP is to be through the NorthernGrid Enrolled Region's transmission planning processes as set forth in this Attachment K.

#### 11.6 Interregional Cost Allocation Process

For each ITP that meets the requirements of Sections 11.1 and 11.2, the NorthernGrid Enrolled Region (if and so long as it is a Relevant Planning Region) is to:

- (i) Pursuant to item (c) of Section 10.5.2 of this Attachment K, determine the amount, if any, of Regional Benefits for Purposes of Interregional Cost Allocation resulting from such ITP;
- (ii) Pursuant to item (ii) of Section 10.5.2 of this Attachment K, notify each of the other Relevant Planning Regions with respect to such ITP of the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP so determined;
- (iii) Pursuant to item (d) of Section 10.5.2, calculate the NorthernGrid Enrolled Region's assigned *pro rata* share of the projected costs of such ITP (such share is also referred to as "Assigned Regional Costs from Interregional Cost Allocation"), which share is to be equal to the product of the projected costs of such ITP multiplied by a fraction, the numerator of which is to be the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and the denominator of which is to be the sum of (a) the amount of Regional Benefits for Purposes of Interregional Cost Allocation of such ITP determined pursuant to item (i) above and (b) the sum of the regional benefits of each other Relevant Planning Region as calculated with respect to such ITP by such other Relevant Planning Region in accordance with its regional

transmission planning process and provided to the NorthernGrid Enrolled Region by such other Relevant Planning Region;

- (iv) If an ITP is identified as an Eligible Cost Allocation Project pursuant to Section 8.3, NorthernGrid's Cost Allocation Task Force is to proceed with the cost allocation analysis described in Section 8.5. Pursuant to item (e) of Section 10.5.2 of this Attachment K, NorthernGrid is to share the above determination with the other Relevant Planning Regions with regard to such ITP; and
- (v) If NorthernGrid receives information pursuant to item (e) of Section 10.5.2 of Attachment K from one or more other Relevant Planning Regions regarding what such Relevant Planning Region's regional cost allocation would be if it were to select the ITP in its Regional Transmission Plan for purposes of Interregional Cost Allocation and what, if any, additional amount of projected project costs of such ITP its methodology would be attributable to the NorthernGrid Enrolled Region, the NorthernGrid Enrolled Region may use such information to identify an additional amount of projected costs of the ITP to be assigned to the NorthernGrid Enrolled Region if such additional amount is properly allocable to an Beneficiary(ies) as an owner(s) or operator(s) of such ITP (any such additional, properly allocable, amount is also referred to as "Additional Regional Costs from Interregional Cost Allocation").

## **Part E. Economic Study Request**

### **12. Economic Study Requests**

#### **12.1 Performance of Economic Studies**

##### **12.1.1 Regional**

NorthernGrid, in coordination with Enrolled Parties and the Enrolled Parties Planning Committee, is to perform in accordance with this Part E of this Attachment K economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.1 of this Attachment K related to conditions within the Enrolled Party Region.

##### **12.1.2 Local**

Transmission Provider, in accordance with this Part E of this Attachment K, is to perform economic studies pursuant to requests submitted by stakeholders in accordance with Section 12.2.2 of this Attachment K related to conditions within the Transmission Provider's Transmission System.

#### **12.2 Stakeholder Requests to Perform an Economic Study**

##### **12.2.1 Regional**

A stakeholder, which includes Enrolled Parties, may request that NorthernGrid initiate a study to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;
- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate or regional basis (a "Regional Economic Study").

##### **12.2.2 Local**

A stakeholder may request that Transmission Provider initiate a study related to conditions within the Transmission Provider's Transmission System to examine scenarios where potential transmission solutions or investments could result in:

- a. a net reduction in total production cost to supply system load;

- b. reduced congestion; or
- c. the integration of new resources and/or loads on an aggregate basis (a "Local Economic Study").

### 12.2.3 **Study Characteristics**

Any economic study performed must focus on evaluating high-level metrics depicting various possible future scenarios of expanding the power system and quantifying the advantages and disadvantages associated with each scenario. Any Economic Study Request that seeks to focus on the performance of individual assets shall not be performed.

### 12.2.4 **Study Report**

A Regional Economic Study is documented in a stand-alone report that is separate from the Regional Transmission Plan. A Local Economic Study is documented in a stand-alone report that is separate from the Local Transmission Plan and the Regional Transmission Plan.

## 12.3 **Submission, Consideration and Prioritization of Economic Study Requests**

Requests for a Regional Economic Study or a Local Economic Study shall be submitted, considered and prioritized as follows:

- a. Between January 1 and March 31 each year, a stakeholder may submit a Regional Economic Study request to NorthernGrid through the NorthernGrid Website, and a stakeholder may submit a Local Economic Study request to the Transmission Provider consistent with Sections 2 and 12 of this Attachment K and the Transmission Provider's transmission planning business practice posted on OASIS.
- b. Any Economic Study Request must describe the information to be evaluated and include information known by the requester that is relevant to the requested study.
- c. The Enrolled Parties Planning Committee, in the context of a request for a Regional Economic Study, is to develop a rough work scope and cost estimate for all requested Regional Economic

Studies and develop a preliminary prioritization or a recommendation to cluster, based on the Enrolled Parties Planning Committee's perceived regional benefits, to assist in the prioritization of Regional Economic Study requests. The Transmission Provider, in the context of a request for a Local Economic Study, is to develop a rough work scope and cost estimate for all requested Local Economic Studies associated with the Transmission Provider, and develop preliminary prioritization based on the Transmission Provider's perceived local benefits, to assist in the prioritization of Local Economic Study requests, which may include clustering, if appropriate.

- d. By no later than June 1 of each year, NorthernGrid is to hold a meeting of the Enrolled Parties Planning Committee for the members of the Enrolled Parties Planning Committee to discuss, identify, and prioritize, up to one (1) Regional Economic Study to be performed in a given year by NorthernGrid, and at no cost to the requestor, taking into consideration its impact on the NorthernGrid budget and other priorities. By no later than June 1 of each year, Transmission Provider receiving a Local Economic Study Request is to identify and prioritize, up to one (1) Local Economic Study to be performed in a given year by the Transmission Provider, at no cost to the requestor, taking into consideration the impact of performing such study on the Transmission Provider's budget and its other priorities. Regional Economic Studies and Local Economic Studies are intended to be completed by calendar year-end.
- e. The Enrolled Parties Planning Committee in the context of a Regional Economic Study or the Transmission Provider in the context of a Local Economic Study may respectively agree to hold additional meetings to further discuss and resolve any issue concerning the substance of the Regional Economic Studies or Local Economic Studies themselves and/or their prioritization.
- f. The Enrolled Parties Planning Committee is to publish a notice on the NorthernGrid Website detailing the prioritization of the Regional

Economic Studies. The Transmission Provider is to publish a notice on its OASIS detailing the prioritization of Local Economic Studies.

The foregoing timelines are subject to adjustment as determined by the Enrolled Parties Planning Committee in the context of Regional Economic Studies or the Transmission Provider in the context of Local Economic Studies.

Any study proponent may request and pay for NorthernGrid to perform a Regional Economic Study beyond the one Regional Economic Study per year identified in Section 12.3(d), and any study proponent may request and pay for the Transmission Provider to perform a Local Economic Study beyond the one Local Economic Study per year identified in Section 12.3(d).

#### **12.4 Support for the Preparation of Economic Studies**

##### **12.4.1 Regional**

For the development of each Regional Economic Study, the Enrolled Parties Planning Committee is to coordinate with the Enrolled Parties to support NorthernGrid's performance of any economic study. To facilitate this support, NorthernGrid is to post on the NorthernGrid Website the models, files, cases, contingencies, assumptions, and other information used to perform an economic study. NorthernGrid may establish requirements that any Enrolled Party or member of the Enrolled Parties Planning Committee must satisfy in order to access certain information used to perform the economic study, due to CEII constraints. NorthernGrid may ask Enrolled Parties or Enrolled Parties Planning Committee members with special expertise to provide technical support or perform studies required to assess one or more potential needs that will be considered in the Regional Economic Study process. NorthernGrid is to convene meetings open to any representative of an entity that is a member of the Enrolled Parties Planning Committee to facilitate input on draft Regional Economic Studies.

##### **12.4.2 Local**

For the development of a Local Economic Study, the Transmission Provider is to post on its OASIS the models, files, cases, contingencies, assumptions, and other information used to perform the Local Economic Study. The Transmission Provider may establish requirements that must be satisfied in order to access certain information used to perform the Local Economic Study, due to CEII constraints.

## 12.5 **Publication of Economic Study Report**

The Enrolled Parties Planning Committee is to post its Regional Economic Study reports on the NorthernGrid Website, subject to CEII constraints. Transmission Provider is to post its Local Economic Study reports on its OASIS, subject to CEII constraints. Economic Studies containing CEII will be posted as password-protected documents.



## **Part F. DISPUTE RESOLUTION**

### **13. Dispute Resolution.**

#### **13.1 Scope**

Transmission Provider and Any Enrolled Party, Non-Incumbent Transmission Developer, ITP Proponent, Merchant Transmission Developer, Eligible Customer, or stakeholder that participates in the local or regional planning processes outlined in this Attachment K shall utilize the dispute resolution process set forth in this Section 13 to resolve procedural and substantive disputes related thereto.

#### **13.2 Process**

The following dispute resolution process shall be followed, in an effort to resolve all disputes related to this Attachment K:

- Step 1 - The disputing entity shall provide prompt written notice of the dispute to the chairs of the Enrolled Parties Planning Committee; or to the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 by submitting a completed Dispute Resolution form, which is available on the NorthernGrid Website, in accordance with the instructions contained on the form.
- Step 2 - An executive representative from the disputing entity shall participate in good faith negotiations with the chairs the Enrolled Parties Planning Committee; or an executive representative from the Transmission Provider, in the case of a dispute regarding the Local Planning Process in Section 2 to resolve the dispute as promptly as practicable. In the event the executive representative and the chairs or Transmission Provider executive representative are unable to resolve the dispute by mutual agreement within thirty (30) calendar days of the written notice of dispute, or such other period as the parties may mutually agree upon, the parties shall proceed to Step 3.
- Step 3 - In furtherance of efforts to resolve the dispute the parties may utilize an agreed-upon third-party, or the Commission's dispute

resolution service, to facilitate mediation to resolve the dispute. If the dispute remains unresolved after Step 3, the disputing entity shall proceed to Step 4.

Step 4 - As a last resort, 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.

### 13.3 **Timeliness**

To facilitate the timely completion of the Local Transmission Plan and Regional Transmission Plan, disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under this Section 13 be raised more than 30 calendar days after a decision is made in the study process or the posting of a document, whichever is earlier. Except to the extent that a binding arbitration decision has been rendered pursuant to Step 4 above, nothing contained in this Section 13 shall restrict the rights of any entity to file a complaint with the Commission under relevant provisions of the Federal Power Act.

**ATTACHMENT K EXHIBITS  
FOLLOW**

## **Exhibit A**

Cost Allocation Task Force Charter

**NORTHERNGRID**

**COST ALLOCATION TASK FORCE**

**CHARTER**

Contents

<u>ARTICLE 1. PURPOSE AND LIMITATIONS</u> .....	2
<u>1.1 Purpose</u> .....	2
<u>1.2 Limitations</u> .....	2
<u>1.3 Confidential Information</u> .....	2
<u>ARTICLE 2. PARTICIPATION</u> .....	3
<u>2.1 Taskforce</u> .....	3
<u>2.2 Appointment of TF Participants (TF Participant list)</u> .....	3
<u>2.3 Eligibility to Make Decisions</u> .....	3
<u>2.4 TF Participant Disclaimer</u> .....	3
<u>2.5 No Compensation from NorthernGrid</u> .....	3
<u>ARTICLE 3. MEETINGS</u> .....	4
<u>3.1 Meetings; Notice</u> .....	4
<u>3.2 Procedure</u> .....	4
<u>3.3 Quorum</u> .....	4
<u>3.4 Decision Making</u> .....	4
<u>3.5 Remote Participation</u> .....	4
<u>ARTICLE 4. CHAIR</u> .....	4
<u>4.1 Election of Chair</u> .....	4
<u>4.2 Resignation</u> .....	5
<u>ARTICLE 5. MISCELLANEOUS</u> .....	5
<u>5.1 Amendments</u> .....	5

# **COST ALLOCATION TASK FORCE**

## **CHARTER**

**OF**

**NORTHERNGRID**

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Cost Allocation Task Force ("Taskforce").

### **ARTICLE 1.**

#### **PURPOSE AND LIMITATIONS**

**1.1 Purpose.** The Taskforce is convened by the Enrolled Parties and States Committee. The Taskforce's function is to carry out the responsibilities assigned to the Taskforce in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Taskforce shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements.

**1.2 Limitations.** The Taskforce does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any TF Participant appointed to this Taskforce, as defined in Section 2.1, from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

## **ARTICLE 2. PARTICIPATION**

**2.1 Taskforce.** The Taskforce is composed of individuals (each, a "TF Participant") appointed by Enrolled Parties and States to perform the work assigned to the Taskforce. Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

**2.2 Appointment of TF Participants (TF Participant list).** Each Enrolled Party may appoint one (1) TF Participant to the Taskforce. Each State may appoint one (1) TF Participant to the Taskforce. Each Enrolled Party and each State may appoint a TF Participant or change its TF Participant at any time; provided, however, a TF Participant must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting. Enrolled Parties and States are encouraged to appoint TF Participants with appropriate skillsets. Notices of appointment and contact information for each TF Participant shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). Each Enrolled Party and State should appoint its TF Participant in the first January of each Planning Cycle to enable the Taskforce to begin work promptly when required.

**2.3 Eligibility to Make Decisions.** Only the TF Participants of Enrolled Parties and States appointed to the Taskforce are eligible to make decisions on matters before the Taskforce.

**2.4 TF Participant Disclaimer.** Actions or positions taken or not taken by a TF Participant appointed by a State through this Taskforce do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that TF Participant's State.

**2.5 No Compensation from NorthernGrid.** TF Participants shall not receive compensation or reimbursement of expenses from NorthernGrid; rather, a TF Participant may be



compensated or reimbursed by his or her appointing Enrolled Party or State.

### **ARTICLE 3. MEETINGS**

**3.1 Meetings; Notice.** Meetings held by the Taskforce are 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. Stakeholders may provide comments during the meetings or within seven days of the meeting. The Taskforce shall convene at such times and locations as the Taskforce shall from time-to-time establish. Notice of meetings shall be emailed by the chair to all TF Participants at least seven days before the meeting. Notice of meetings shall also be posted on NorthernGrid's website stating the date, time, and location at least seven days before the meeting.

**3.2 Procedure.** The chair shall establish the agenda for all meetings.

**3.3 Quorum.** To make a decision, a quorum of 75% of the TF Participants appointed to the Taskforce by the Enrolled Parties (see Section 2.2) must be present at the meeting at which a decision is to be made.

**3.4 Decision Making.** Except as set forth in Section 4.1, a Taskforce decision is valid if 75% of the TF Participants present at the meeting approve.

**3.5 Remote Participation.** TF Participants may participate in Taskforce meetings by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the meeting.

### **ARTICLE 4. CHAIR**

**4.1 Election of Chair.** The Taskforce shall be managed by a chair. At the first meeting of the Taskforce convened by

the Enrolled Parties and States Committee in a Planning Cycle or following a resignation, the TF Participants shall elect a chair from the TF Participants appointed by an Enrolled Party. This decision shall be by majority vote of the TF Participants that are present at the meeting in which the decision is made.

**4.2 Resignation.** The chair may resign at any time by giving written notice to the Taskforce. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that TF Participant from the Taskforce.

## **ARTICLE 5. MISCELLANEOUS**

**5.1 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Taskforce should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

**Exhibit B**

**Enrolled Parties Planning Committee  
Charter**

**NORTHERNGRID**

**ENROLLED PARTIES PLANNING COMMITTEE**

**CHARTER**

ARTICLE 1. PURPOSE AND LIMITATIONS .....3  
    **1.1 Purpose** .....3  
    **1.2 Limitations** .....3  
    **1.3 Confidential Information** .....3

ARTICLE 2. PARTICIPATION.....4  
    **2.1 Participants** .....4  
    **2.2 Definition** .....4  
    **2.3 Stakeholder Participation; Eligibility to Vote** .....4

ARTICLE 3. REPRESENTATIVES.....4  
    **3.1 General Powers**.....4  
    **3.2 Appointment of Representatives or Alternates** .....4  
    **3.3 Identification of Committee Members**.....5  
    **3.4 Alternates** .....5  
    **3.5 Authority**.....5  
    **3.6 Representative Disclaimer** .....5  
    **3.7 Non-Attendance**.....5  
    **3.8 No Compensation from NorthernGrid**.....6

ARTICLE 4. REPRESENTATIVE MEETINGS.....6  
    **4.1 Open Meetings and Limitations** .....6  
    **4.2 Regular Meetings; Notice and Minutes** .....6  
    **4.3 Other Sessions** .....6  
    **4.4 Procedure**.....7  
    **4.5 Representative List** .....7  
    **4.6 Quorum**.....7

4.7	<b>Decision Making</b> .....	7
4.8	<b>Remote Participation</b> .....	7
ARTICLE 5. CHAIR .....		7
5.1	<b>Officer, Election, and Term</b> .....	7
5.2	<b>Chairs</b> .....	8
5.3	<b>Removal</b> .....	8
5.4	<b>Resignation</b> .....	8
ARTICLE 6. MISCELLANEOUS .....		8
6.1	<b>Dispute Resolution</b> .....	8
6.2	<b>Amendments</b> .....	8

# ENROLLED PARTIES PLANNING COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties Planning Committee ("Committee").

## ARTICLE 1. PURPOSE AND LIMITATIONS

**1.1 Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below and the co-chairs of the Enrolled Parties and States Committee, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

**1.2 Limitations.** The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.**  
**PARTICIPATION**

**2.1 Participants.** The Committee is composed of representatives of the Enrolled Parties, and the co-chairs of the Enrolled Parties and States Committee.

**2.2 Definition.** Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K.

**2.3 Stakeholder Participation; Eligibility to Vote.** Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties appointed to the Committee, and the co-chairs of the Enrolled Parties and States Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.**  
**REPRESENTATIVES**

**3.1 General Powers.** The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2, and the co-chairs of the Enrolled Parties and States Committee. The co-chairs of the Enrolled Parties and States Committee participate in this Committee as representatives of the Enrolled Parties and States Committee. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

**3.2 Appointment of Representatives or Alternates.** Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each Enrolled Party may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. An Enrolled Party may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making at the meeting.

**3.3 Identification of Committee Members.** Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. Contact information of the co-chairs of the Enrolled Parties and States Committee is to be found on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

**3.4 Alternates.** Except as provided in Section 5.1 as to eligibility for election as a chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

**3.5 Authority.** An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party.

**3.6 Representative Disclaimer.** Actions or positions taken or not taken by a representative of a state through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's state.

**3.7 Non-Attendance.** If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.



**3.8 No Compensation from NorthernGrid.** Representatives and the co-chairs of the Enrolled Parties and States Committee shall not receive compensation or reimbursement of expenses from NorthernGrid.

**ARTICLE 4.  
REPRESENTATIVE MEETINGS**

**4.1 Open Meetings and Limitations.** Public meetings held by the Committee are 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 Regular Meetings; Notice and Minutes.** The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the chair. Notice of all meetings shall be transmitted by email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The chair shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

**4.3 Other Sessions.** The chair may convene non-public sessions as may be necessary or as requested by any representative or the co-chairs of the Enrolled Parties and States Committee. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the chair to all representatives and alternates and the co-chairs of the Enrolled Parties and States Committee not less than seven (7) calendar days before each such meeting. Notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

**4.4 Procedure.** The chair shall establish the agenda for all meetings.

**4.5 Representative List.** The chair shall update and post the representative list including appointed alternates on the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

**4.6 Quorum.** Subject to the provisions of Section 3.7, seventy-five percent (75%) of the representatives and the co-chairs of the Enrolled Parties and States Committee must participate in a meeting for a decision to occur at the meeting.

**4.7 Decision Making.** Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative or either of the co-chairs of the Enrolled Parties and States Committee may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the individuals in attendance (the representatives and the co-chairs of the Enrolled Parties and States Committee) is required to act at a meeting.

**4.8 Remote Participation.** Representatives and the co-chairs of the Enrolled Parties and States Committee may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation by such means constitutes presence at the meeting.

## **ARTICLE 5.**

### **CHAIR**

**5.1 Officer, Election, and Term.** The officer of the Committee shall be the chair. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a chair. Chair term is for two (2) years.

**5.2 Chairs.** The chair shall preside at all meetings of the Committee. The chair shall otherwise perform the other duties usually inherent in such office. The chair may appoint an acting chair when not able to attend a meeting. The appointment of an acting chair does not create a vacancy.

**5.3 Removal.** The Committee, acting as a whole, may remove the chair whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote as defined in Section 4.7, it is decided that removal will serve the best interests of the Committee.

**5.4 Resignation.** The chair may resign from the chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as chair does not itself remove that representative from the Committee.

**5.5 Vacancies.** Vacancies in the chair arising from any cause shall be filled by the Enrolled Party representatives, at the next meeting by a majority vote as provided in Section 5.1. The newly appointed chair will complete the vacancy term.

## **ARTICLE 6. MISCELLANEOUS**

**6.1 Dispute Resolution.** Disputes shall be subject to the dispute resolution process outlined in Attachment K.

**6.2 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Enrolled Parties or such other date as may be set by the Federal Energy Regulatory Commission.

## **Exhibit C**

### **Enrolled Parties and States Committee Charter**

**NORTHERNGRID**

**ENROLLED PARTIES AND STATES COMMITTEE**

**CHARTER**

ARTICLE 1. PURPOSE AND LIMITATIONS ..... 3

    1.1 Purpose ..... 3

    1.2 Limitations..... 3

    1.3 Confidential Information ..... 3

ARTICLE 2. PARTICIPATION..... 4

    2.1 Participant Classes..... 4

    2.2 Definition of Classes ..... 4

    2.3 Stakeholder Participation; Eligibility to Vote ..... 4

ARTICLE 3. REPRESENTATIVES ..... 4

    3.1 General Powers ..... 4

    3.2 Appointment of Representatives or Alternates ..... 4

    3.3 Alternates ..... 5

    3.4 Authority ..... 5

    3.5 Representative Disclaimer ..... 5

    3.6 Non-Attendance ..... 5

    3.7 No Compensation from NorthernGrid ..... 5

ARTICLE 4. REPRESENTATIVE MEETINGS..... 6

    4.1 Open Meetings and Limitations..... 6

    4.2 Regular Meetings; Notice and Minutes ..... 6

    4.3 Other Sessions ..... 6

    4.4 Procedure ..... 6

    4.5 Representative List ..... 6

    4.6 Quorum ..... 7

    4.7 Decision Making ..... 7

    4.8 Remote Participation..... 7

ARTICLE 5. OFFICERS .....	7
5.1 Officers, Election, and Term .....	7
5.2 Co-Chairs .....	8
5.3 Removal.....	8
5.4 Resignation.....	8
5.5 Vacancies.....	8
5.6 Participation in Other Committees.....	8
ARTICLE 6. MISCELLANEOUS.....	8
6.1 Taskforce .....	8
6.2 Dispute Resolution .....	9
6.3 Amendments .....	9

# ENROLLED PARTIES AND STATES COMMITTEE CHARTER

OF

NORTHERNGRID

(An Unincorporated Association)

This document sets forth the charter of the NorthernGrid Enrolled Parties and States Committee ("Committee").

## ARTICLE 1. PURPOSE AND LIMITATIONS

**1.1 Purpose.** The Committee, made up of representatives appointed pursuant to Section 3.2 below, shall carry out the responsibilities assigned to the Committee in the Regional Planning section of the Enrolled Parties' Attachment K of the Open Access Transmission Tariffs ("Attachment K"). Capitalized terms that are not otherwise defined and that are used in this charter have the same meaning as in the Attachment K. The Committee shall act in accordance with the Attachment K, this charter, and applicable legal and regulatory requirements. The Committee operates independently of any other NorthernGrid committee.

**1.2 Limitations.** The Committee does not have the authority to amend, alter or repeal any Attachment K. Nothing in this charter shall prevent any representative appointed to this Committee from acting in accordance with any legal requirement.

**1.3 Confidential Information.** Any confidential information is to be treated in accordance with Attachment K or other applicable confidentiality agreements.

**ARTICLE 2.**  
**PARTICIPATION**

**2.1 Participant Classes.** The Committee is composed of representatives of two classes, Enrolled Parties and States.

**2.2 Definition of Classes.** Enrolled Parties are entities that are identified in the list of Enrolled Parties in Attachment K. States are states in which any Enrolled Party provides retail load service.

**2.3 Stakeholder Participation; Eligibility to Vote.** Any stakeholder may participate in Committee meetings. However, only the representatives (or, consistent with Sections 3.3 and 3.4, the applicable alternate) of Enrolled Parties and States appointed to the Committee are eligible to vote on matters before the Committee.

**ARTICLE 3.**  
**REPRESENTATIVES**

**3.1 General Powers.** The business and affairs of the Committee shall be carried out through representatives appointed to the Committee in accordance with Section 3.2. The Committee's functions are to carry out the purpose as set forth in Section 1.1.

**3.2 Appointment of Representatives or Alternates.** Each Enrolled Party may appoint one (1) representative and one (1) alternate to the Committee. Each State may appoint up to two (2) representatives and one (1) alternate for each representative so appointed by that State. Each Enrolled Party or State may appoint the individuals they choose as representative(s) or alternate(s), but it is contemplated that individuals appointed would have skills or roles relevant to the work of this Committee. As examples, Enrolled Parties might appoint individuals with roles in transmission planning; States might appoint individuals from agencies such as state utility commissions, state customer advocates, or state transmission siting agencies. An Enrolled Party or State may appoint and/or change its own representative(s) or alternate(s) at any time; provided, however, a representative or alternate must be appointed at least one (1) business day in advance of a meeting for that person to be eligible to participate in decision making



at the meeting. Notices of appointment and contact information for each representative and alternate shall be submitted through the NorthernGrid website, [www.northerngrid.net](http://www.northerngrid.net). A list of each representative and alternate and their contact information shall be maintained on the NorthernGrid website. If an entity ceases to be an Enrolled Party, that entity's previously appointed representative and alternate shall no longer be on the Committee.

**3.3 Alternates.** Except as provided in Section 5.1 as to eligibility for election as a co-chair, all references in this charter to a representative include his or her alternate acting when that representative is absent. For clarity, whenever a given representative is absent, the alternate appointed by the applicable entity for that position may act and has all authority, and the alternate is considered as the representative for all purposes of that meeting (including establishing a quorum), or any actions taken or considered at such meeting; provided however, when the person appointed as representative is present, the alternate for that representative has no role or authority.

**3.4 Authority.** An appointed representative has authority to act on this Committee on behalf of his or her appointing Enrolled Party or State.

**3.5 Representative Disclaimer.** Actions or positions taken or not taken by a representative of a State through this Committee do not constitute a prejudgment of any issue in any proceeding at any time before any agency of that representative's State.

**3.6 Non-Attendance.** If neither a given representative, nor his or her alternate, attends three (3) consecutive meetings, that position no longer counts for purposes of establishing a quorum on this Committee. At such time as the representative or a newly appointed representative attends a meeting, that position again counts for purposes of establishing a quorum.

**3.7 No Compensation from NorthernGrid.** Representatives shall not receive compensation or reimbursement of expenses from

NorthernGrid; rather, a representative may be compensated or reimbursed by his or her appointing Enrolled Party or State.

**ARTICLE 4.**  
**REPRESENTATIVE MEETINGS**

**4.1 Open Meetings and Limitations.** Public meetings held by the Committee are 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 Regular Meetings; Notice and Minutes.** The Committee shall hold regular meetings at such times and locations as the Committee shall from time-to-time establish. The schedule of such meetings will be posted on NorthernGrid's website stating dates, times, and locations. Special meetings of the Committee may be called at any time by the co-chairs. Notice of all meetings shall be transmitted by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each meeting. Such notice shall be transmitted by email to the representatives and alternates and posted on NorthernGrid's website, and contain the date, time and location of the special meeting. Meeting materials, if any, shall be posted on the NorthernGrid website prior to meeting. The co-chairs shall cause minutes, including a list of attendees, of each meeting held pursuant to this section to be taken and posted on NorthernGrid's website.

**4.3 Other Sessions.** The co-chairs may convene non-public sessions as may be necessary or as requested by any representative. Notice of any separate non-public meetings shall be transmitted via email by or on behalf of the co-chairs to all representatives and alternates not less than seven (7) calendar days before each such meeting. Such notice shall also be posted on NorthernGrid's website, and contain the date, time and location of the non-public meeting.

**4.4 Procedure.** The co-chairs shall establish the agenda for all meetings.

**4.5 Representative List.** The co-chairs shall update and post the representative list including appointed alternates on

the NorthernGrid's website one (1) business day in advance of each meeting, and the updated list will be used to determine the persons whose presence (in any approved manner) will be counted for establishing a quorum at that upcoming meeting.

**4.6 Quorum.** Subject to the provisions of Section 3.6, seventy-five percent (75%) of the representatives in each class must participate in a meeting for a decision to occur at the meeting.

**4.7 Decision Making.** Except as provided for in Article 5, at any meeting of the Committee at which a quorum is achieved, any business under the Committee's authority may be transacted, and the Committee may exercise all of its powers. The Committee shall strive to make its decisions by consensus. A representative may request that a vote be conducted, however, and, once requested, a vote shall be taken. Except as provided for in Article 5, if a vote is required, the affirmative vote of seventy-five percent (75%) of the representatives in attendance of each class is required to act at a meeting. When only a single class approves of a proposed action, that class may provide a report detailing the issue and positions to the Planning Committee for their consideration.

**4.8 Remote Participation.** Representatives may participate in Committee meetings by means of communications equipment where all persons may participate and be heard. Participation of a representative by such means constitutes presence at the meeting.

## **ARTICLE 5. OFFICERS**

**5.1 Officers, Election, and Term.** The officers of the Committee shall be the co-chairs. On a biannual basis coinciding with the first meeting of the Committee in an even-numbered calendar year, the Enrolled Parties shall elect, by majority vote, from among the Enrolled Party representatives a co-chair. On a biannual basis coinciding with the first meeting of the Committee in an odd-numbered calendar year, the States shall elect, by majority vote, from among the State representatives a co-chair. Co-chair terms are for two (2)

years. The name and contact information of the co-chairs shall be posted on the NorthernGrid website.

**5.2 Co-Chairs.** A co-chair shall preside at all meetings of the Committee. The co-chairs shall otherwise perform the other duties usually inherent in such office, including representation of the decisions made by this Committee in other NorthernGrid committees, as may be necessary and appropriate.

**5.3 Removal.** The Committee, acting as a whole, may remove any officer from the officer position whenever a quorum as defined in Section 4.6 exists and, by an affirmative vote of seventy-five percent (75%) of the representatives present, it is decided that removal will serve the best interests of the Committee.

**5.4 Resignation.** Any officer may resign from the co-chair position at any time by giving written notice to the Committee. Any resignation shall take effect on the date and time specified by that notice. The acceptance of the resignation is not necessary to make it effective. The resignation of a position as co-chair does not itself remove that representative from the Committee.

**5.5 Vacancies.** Vacancies in any office arising from any cause shall be filled by the class of representatives from which the vacant position arose, at the next meeting by a majority vote of the representatives as provided in Section 5.1. The newly appointed officer will complete the vacancy term.

**5.6 Participation in Other Committees.** The co-chairs are representatives to the Member Planning Committee and the Enrolled Parties Planning Committee.

## **ARTICLE 6. MISCELLANEOUS**

**6.1 Taskforce.** The co-chairs shall convene the Cost Allocation Taskforce within ten (10) business days upon a co-chair's receipt of a Project Sponsor's Request for Cost Allocation. Appointment of the participants on the Cost Allocation Taskforce shall occur in the manner defined in the Cost Allocation Taskforce Charter.

**6.2 Dispute Resolution.** Disputes shall be subject to the dispute resolution process outlined in Attachment K.

**6.3 Amendments.** This charter may be amended in whole or in part by the Enrolled Parties. Periodically, the Committee should review this charter and may propose changes to this charter to the Enrolled Parties. All amendments to this charter shall be set forth in writing and effective upon approval by the Committee or such other date as may be set by the Federal Energy Regulatory Commission.

**Exhibit D**  
**Form of Non-**  
**Enrolled Developer Agreement**

## Non-Enrolled Developer Agreement

This Non-Enrolled Developer Agreement ("**Agreement**") is by and between \_\_\_\_\_ ("**Developer**") and each of the Enrolled Parties of NorthernGrid, each of which hereafter shall be referred to individually as "Party" and collectively as "**Parties.**"

### RECITALS

- A. NorthernGrid is an unincorporated association of its members formed for the purpose of coordinating regional transmission planning for the NorthernGrid members;
- B. Developer is (i) a Non-Incumbent Transmission Developer, (ii) a Merchant Transmission Developer, or (iii) an Interregional Transmission Project (ITP) Proponent;
- C. Developer intends to propose a transmission project for evaluation in the NorthernGrid regional plan in accordance with the provision entitled "Proposing a Project" in the regional portion of the Enrolled Parties Attachment K (as defined below);
- D. This Agreement is for the Planning Cycle that begins January 1, \_\_\_\_\_, and ends December 31, \_\_\_\_\_; and
- E. The Parties desire to define their rights and obligations related to participation in the NorthernGrid planning process.

NOW THEREFORE, in consideration of the mutual benefits and other good and valuable consideration, the Parties hereby agree as follows:

- 1. *Term.* This Agreement shall be effective on the later of (i) the first day of the Planning Cycle stated in the recitals above or (ii) the Execution Date indicated below, and shall continue in effect until the end of the Planning Cycle stated in the recitals above ("**Term**").
- 2. *Definitions.*
  - a. "**Commission**" or "**FERC**" means the Federal Energy Regulatory Commission or any successor entity.

- b. **"Enrolled Parties Attachment K"** means the Attachment K to the Open Access Transmission Tariffs of the Enrolled Parties that have an Attachment K approved by FERC.
- c. **"Finance Administrator"** means the entity that is selected to serve in the role of the Finance Administrator pursuant to the NorthernGrid Funding Agreement as may be amended from time to time.
- d. **"Funding Agreement"** or "NorthernGrid Funding Agreement" means the current version of the agreement among the parties funding the activities of NorthernGrid as may be amended from time to time.
- e. **"Member"** is an entity that has executed the NorthernGrid Funding Agreement.
- f. **"Planning Cycle"** means each two-year process beginning on January 1 of even-numbered years and ending on December 31 of odd-numbered years, undertaken by NorthernGrid, to create the Regional Transmission Plan.
- g. **"Project Coordinator"** means the entity to be engaged to perform and/or facilitate transmission planning activities.

Except as may otherwise be expressly provided herein, capitalized terms in this Agreement shall have the meanings provided in the Enrolled Parties Attachment K.

### 3. *Study Fee.*

- a. Upon execution of this Agreement, a Non-Incumbent Developer or Merchant Transmission Developer shall pay \$10,000 to the Finance Administrator for the study fee for participating in the NorthernGrid planning processes. In no event will this study fee be refunded.
- b. An ITP Proponent is not required to pay the study fee.

### 4. *Expectations.* Developer agrees to:

- a. Comply with all applicable confidentiality requirements;
- b. Be bound by the decisions of the Planning Committee and the Cost Allocation Taskforce; and



- c. Actively participate in the transmission planning processes set forth in the Enrolled Parties Attachment K.

To the extent anything in this Agreement is inconsistent with the Enrolled Parties Attachment K, the Enrolled Parties Attachment K shall control.

#### 5. *Miscellaneous.*

- a. *Amendments.* This Agreement shall not be modified, amended, or changed in any respect except by a written document signed by all Parties; *provided*, however, that such modification, amendment, or change shall be subject to acceptance by the Commission, if required, before it becomes effective.
- b. *Applicable Law.* No Party will be considered the drafter of this Agreement for purposes of interpreting this Agreement. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Oregon; *provided* that this Agreement shall, with respect to a Party that is a U.S. government entity, be interpreted, construed, and enforced in accordance with the laws of the United States.
- c. *Assignment.* No Party may transfer or assign this Agreement, in whole or in part, without the other Parties' prior written consent, except that any Party may assign this Agreement to any: (i) affiliate, (ii) successor in interest, or (iii) corporation or other business entity acquiring all or substantially all assets of the assignment Party.
- d. *Binding Effect.* This Agreement is binding upon and inures to the benefit of the successors and assigns of the Parties.
- e. *Dispute Resolution.* The Parties agree to resolve disputes according to the process set forth in the Enrolled Parties Attachment K.
- f. *Execution in Counterparts.* The Parties may sign this Agreement in counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or email shall be effective as delivery of a manually executed counterpart hereof.

- g. *Force Majeure*. No Party shall be liable or responsible to any other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments hereunder), when and to the extent such failure or delay is caused by or results from the following force majeure events ("**Force Majeure Events**"):
- (i) acts of God;
  - (ii) flood, fire, earthquake, or explosion;
  - (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest;
  - (iv) government order or law;
  - (v) actions or blockades in effect on or after the date of this Agreement;
  - (vi) action by any governmental authority;
  - (vii) national or regional emergency;
  - (viii) strikes, labor stoppages or slowdowns, or other industrial disturbances;
  - (ix) shortage of adequate power or transportation facilities; and
  - (x) other similar events beyond the control of the Party impacted by the Force Majeure Event (the "**Impacted Party**").
- The Impacted Party shall give notice within five (5) business days of the Force Majeure Event to the other Parties, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, to the extent practicable. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.
- h. *Headings*. The headings used in this Agreement are for convenience only and shall not be construed as a part of this Agreement or as a limitation on the scope of the particular paragraphs to which they refer.
- i. *Integration*. This Agreement, including any exhibits hereto, constitutes the complete agreement of the Parties and supersedes all prior or contemporaneous representations, statements, negotiations, understandings, or inducements with respect to the subject matter of this Agreement.
- j. *Jury Trial*. **To the fullest extent permitted by law, each Party waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under, or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been**

**waived with any other action in which a jury trial cannot be or has not been waived.**

k. *Limitation of Liability.* In no event shall any Party be liable under this Agreement to any other Party or to any third party for any consequential, incidental, indirect, exemplary, special, or punitive, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not the breaching party was advised of the possibility of such damages. The sole remedy for any breach of this Agreement is to enforce prospective compliance with this Agreement's terms and conditions.

l. *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.

m. *Notice.* Any notice to Developer regarding this Agreement shall be made to:

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City, State ZIP: \_\_\_\_\_

Email: \_\_\_\_\_

n. *Ownership of Products.* All information, data, reports, results, or other products generated pursuant to the planning efforts undertaken by NorthernGrid will be available to all Parties for their undivided use; provided, however, that Parties retain the right to engage in separate agreements addressing specific ownership rights of information, data, reports, results, or other products funded through mechanisms outside the scope of NorthernGrid.

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

p. *Third-Party Beneficiaries.* All signatories of the NorthernGrid Funding Agreement for the current

Planning Cycle are third-party beneficiaries of this Agreement.

q. *Waiver.* A waiver by a Party of any default or breach by another Party 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.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on \_\_\_\_\_ ("**Execution Date**").

**DEVELOPER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Developer is (check one):*

\_\_\_ Non-Incumbent Transmission Developer

\_\_\_ Merchant Transmission Developer

\_\_\_ Interregional Transmission Project (ITP) Proponent

**AVISTA CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**IDAHO POWER COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MATL LLP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NORTHWESTERN CORPORATION**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**NV Energy**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PACIFICORP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PORTLAND GENERAL ELECTRIC COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PUGET SOUND ENERGY, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_