



MATL LLP
1100 Louisiana, Suite 3300
Houston, Texas 77002
Phone: (713) 821-2293
Fax: (713) 821-2229

January 27, 2016

Via eTariff

Hon. Kimberly D. Bose,
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

RE: *MATL LLP*
Docket No. ER16-____-000
Order No. 1000 Compliance Filing (Regional and Interregional)

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act¹, Part 35 of the Federal Energy Regulatory Commission's ("FERC" or the "Commission") regulations,² and the Commission's prior orders concerning the Order No. 1000 compliance filings of MATL LLP ("MATL")³ and the Northern Tier Transmission Group parties,⁴ MATL hereby submits for filing a revised Attachment K to its Open Access Transmission Tariff ("Tariff"). As discussed in more detail below, MATL's revised Attachment K relies, in substantial part, on MATL's upcoming transition (in March 2016) to participation in the Northern Tier Transmission Group ("NTTG" or "Northern Tier") regional and interregional transmission planning processes, and the Order No. 1000 filings of the NTTG parties and the Commission's rulings thereon. MATL requests an effective date of March 27, 2016, for the revised Attachment K submitted herewith.

¹ 16 U.S.C. § 824d (2015) ("FPA").

² 18 C.F.R. Part 35 (2015).

³ See *Avista Corp.*, 148 FERC ¶ 61,212 at P 37 (2014) (acknowledging MATL's plans to transition from the ColumbiaGrid regional transmission planning group to the Northern Tier Transmission Group).

⁴ See, e.g., Letter Orders dated March 24, 2015, Docket Nos. ER13-64-003 *et al.* (accepting Fourth Order No. 1000 regional compliance filings of the NTTG members); *Pub. Serv. Co. of N.M.*, 151 FERC ¶ 61,189 (2015) (accepting Second Order No. 1000 interregional compliance filings of the ColumbiaGrid, NTTG, and other applicants as complying with the interregional transmission coordination and cost allocation requirements of Order No. 1000).

I. Background

MATL's original plan to comply with Order No. 1000 was based upon its participation in the ColumbiaGrid regional transmission planning process, as set out in the then-effective ColumbiaGrid Planning and Expansion Functional Agreement (the "PEFA"). On October 1, 2012, Enbridge, Inc., MATL's corporate parent, executed the PEFA, and subsequently assigned all rights and obligations under the PEFA to MATL. As part of its initial Order No. 1000 compliance filing, MATL submitted a concurrence tariff record for the PEFA, which was Avista Corporation's Rate Schedule No. CG1.

As described in subsequent filings,⁵ MATL had initiated a process of withdrawing from ColumbiaGrid and setting in place a plan for a transition to the Northern Tier. Pursuant to the terms of the Second Restated PEFA that governed MATL's participation in ColumbiaGrid, MATL provided notice of its withdrawal from ColumbiaGrid, subject to a thirty-month withdrawal period, during which time MATL continued to participate in the ColumbiaGrid planning process, pay membership fees, and has been subject to potential cost allocation within the region. MATL provided notice to Puget Sound Energy, Inc., Avista Corporation, and ColumbiaGrid that, effective December 31, 2015, MATL was withdrawing from the Third Amended Order 1000 Agreement.⁶ Although the thirty month PEFA withdrawal period will not conclude until mid-June 2016, MATL has determined that joining Northern Tier as a Funding Member in the first quarter of 2016 will have tangible benefits from a planning perspective. MATL intends to continue participation in the ColumbiaGrid processes while its commitments remain and its withdrawal obligations are resolved.

This Compliance Filing is made pursuant to MATL's previous commitment to the Commission to file a revised OATT that reflects the applicable Northern Tier Attachment K provisions to enable MATL's transition to the Northern Tier.⁷ Accordingly, the proposed revisions to MATL's Attachment K represent, in composite fashion, the filings of the other NTTG parties and the Commission's rulings thereon. As summarized below, MATL's revised Attachment K thus comports with and satisfies the requirements recognized by the Commission in its series of rulings on the NTTG parties' Order No. 1000 compliance filings, with respect to

⁵ See November 7, 2013 filing in Docket No. ER14-346-000, and December 17, 2013 filing in Docket No. ER13-836-002.

⁶ On November 23, 2015, MATL submitted in Docket No. ER13-836-006, the Third Amended Order 1000 Agreement as its Order No. 1000 Functional Agreement as part of MATL's revised Attachment K. That filing, which was submitted to comply with the order of October 22, 2015 in *Avista Corp.* 153 FERC ¶ 61,079 (2015), is pending before the Commission.

⁷ See *Avista Corp.*, 148 FERC ¶ 61,212 at P 37 (2014) (acknowledging MATL's commitment to file a revised OATT to address changes to its transmission planning provisions to reflect its participation in NTTG's transmission planning region at least 60 days prior to its transition to NTTG).

both the regional⁸ and interregional⁹ planning processes. Accordingly, MATL respectfully requests that the Commission accept MATL's revised Attachment K as being in compliance with the local, regional and interregional transmission planning requirements of Order No. 1000, consistent with MATL's upcoming participation in NTTG's regional and interregional planning processes.

During the withdrawal period, MATL has made Order No. 1000 regional and interregional compliance filings based on its participation in ColumbiaGrid. With respect to the regional transmission planning requirements, the Commission issued a series of orders on MATL's and the other ColumbiaGrid parties' compliance filings,¹⁰ and the parties' compliance currently remains pending before the Commission.¹¹ With respect to the interregional transmission planning requirements, MATL made its initial compliance filing on November 7, 2013, in Docket No. ER14-346. On December 18, 2014, the Commission issued an order conditionally accepting the interregional compliance filings of, among others, the ColumbiaGrid and NTTG filing parties subject to further compliance filings.¹² On June 1, 2015, the Commission issued an order finding that these further compliance filings complied with the interregional transmission planning requirements of Order No. 1000.¹³

II. Documents Submitted

MATL respectfully tenders with this filing the following documents:

⁸ Docket Nos. ER13-64 *et al.*

⁹ Docket Nos. ER13-1448 *et al.*

¹⁰ *Avista Corp.*, 143 FERC ¶ 61,255 (2013), Docket Nos. ER13-836 *et al.* (Order on ColumbiaGrid parties' First Regional Compliance Filing, finding regional compliance filings partially comply with requirements of Order No. 1000 and directing further compliance filings); 148 FERC ¶ 61,212 (2014) (Order on ColumbiaGrid parties' Second Regional Compliance Filing, accepting filings subject to modification in future compliance filings); 151 FERC ¶ 61,127 (2015) (Order on ColumbiaGrid parties' Third Regional Compliance Filing, conditionally accepting the ColumbiaGrid parties' regional compliance filings, subject to a further compliance filing); 153 FERC ¶ 61,079 (2015) (Order on ColumbiaGrid parties' Fourth Regional Compliance Filing, conditionally accepting the ColumbiaGrid parties' regional compliance filings, subject to a further compliance filing).

¹¹ *See* November 23, 2015 filing of MATL in Docket No. ER13-836 (MATL's Fifth Regional Compliance Filing, noting that the filing was made to reflect specific language changes to the ColumbiaGrid parties' respective Attachment Ks, as required by the October 22, 2015 Order).

¹² *Pub. Serv. Co. of N.M.*, 149 FERC ¶ 61,247 (2014).

¹³ *Pub. Serv. Co. of N.M.*, 151 FERC ¶ 61,189.

1. This Transmittal Letter;
2. Redline version of MATL's Attachment K (Attachment A);
3. Clean version of MATL's Attachment K (Attachment B);
4. Exhibit A of MATL's Attachment K: Planning Agreement (Attachment C);
5. Exhibit B of MATL's Attachment K: Economic Study Agreement (Attachment D);
6. Exhibit C of MATL's Attachment K: Planning Committee Charter (including Planning Committee Membership Application) (Attachment E);
7. Exhibit D of MATL's Attachment K: Cost Allocation Committee Charter (Attachment F);
8. A Certificate of Concurrence (Attachment G);
9. An eTariff Electronic Filing Package containing revisions to Parts I-V and Appendix A to MATL's Attachment K to the OATT and a Certificate of Concurrence wherein MATL concurs with the NTTG Funding Agreement 2014-2015 accepted for filing by the Commission in Docket No. ER14-250-000 (RTF version with metadata and PDF copy for posting on eLibrary); and
10. A Certificate of Service.

III. Correspondence and Communications

Correspondence and communications with respect to this filing should be sent to the following persons, who shall also be authorized to receive notice in this docket:

Stacy Myers
Senior Legal Counsel
Green Power, Transmission, and
Emerging Technology
Enbridge Energy Company, Inc.
1100 Louisiana St., Suite 3300
Houston, TX 77002
Phone: (713) 821-2293
Stacy.Myers@enbridge.com

Travis Allen
Senior Regulatory Analyst
Green Power, Transmission and
Emerging Technology
Enbridge Energy Company, Inc.
1100 Louisiana St., Suite 3300
Houston, TX 77002
Phone: (713) 821-2027
Travis.Allen@enbridge.com

IV. Description of Filing

A. The NTTG Parties' Order No. 1000 Regional Compliance Filings and FERC's Orders Thereon

Following a series of compliance filings and orders thereon, the Commission has ruled that the NTTG parties' common tariff provisions are in compliance with the regional transmission planning and cost allocation requirements of Order No. 1000. The NTTG parties

made their initial regional compliance filings in October 2012.¹⁴ In those filings, the NTTG parties submitted proposed revisions to their Attachment Ks to comply with the regional transmission planning requirements of Order No. 1000. On May 17, 2013, the Commission issued an order accepting the NTTG parties' regional compliance filings, subject to further compliance filings.¹⁵ Pursuant to that order, the NTTG parties each made a second regional compliance filing on September 16, 2013. On April 17, 2014, the Commission issued an order on the NTTG parties' Second Regional Compliance Filing,¹⁶ in which it found that the revised compliance filing largely complied with the directives in its initial order on the first regional compliance filing, but required further compliance filings with respect to certain issues.

The NTTG parties made a third regional compliance filing on June 13, 2014, in Docket No. ER13-64-001 to address the outstanding issues described above, and a fourth regional compliance filing on December 30, 2014, to address remaining issues identified by the Commission in its December 8, 2014 order on the NTTG parties' third regional compliance filing.¹⁷ On March 24, 2015, the Commission issued a Letter Order in Docket No. ER13-64-003 accepting the NTTG parties' fourth compliance filing as fully in compliance with the directives of the Commission's December 8, 2014 order. In addition, on October 1, 2015, the NTTG parties filed the NTTG funding agreement in Docket No. ER16-9-000, which the Commission subsequently accepted.¹⁸

B. The NTTG Parties' Order No. 1000 Interregional Compliance Filings and FERC's Orders Thereon

The Commission also has approved the NTTG parties' compliance filings as being in compliance with the interregional transmission planning requirements of Order No. 1000. The NTTG parties made their initial interregional compliance filings on May 10, 2013, in Docket No. ER13-1448-000. On December 18, 2014, the Commission issued an order on those compliance filings¹⁹ that largely accepted the parties' proposed Attachment K revisions to implement the interregional transmission planning and cost allocation provisions. However, the Commission noted that the California Independent System Operator Corporation's ("CAISO") Commission-approved regional cost allocation method (on which the NTTG parties relied in their common

¹⁴ See October 10, 2012 compliance filing of PacifiCorp, NorthWestern Corp., Deseret Generation & Transmission Coop., Inc., and Portland Gen. Elec. Co., Docket Nos. ER13-64-000 *et al.*

¹⁵ *PacifiCorp*, 143 FERC ¶ 61,151 (2013).

¹⁶ *PacifiCorp*, 147 FERC ¶ 61,057 (2014).

¹⁷ *PacifiCorp, Deseret Generation & Transmission Coop., Inc.*, 149 FERC ¶ 61,214 (2014).

¹⁸ *Portland Gen. Elec. Co.*, Docket No. ER16-9-000 (Dec. 18, 2015).

¹⁹ *Pub. Serv. Co. of N.M.*, 149 FERC ¶ 61,247.

tariff language) did not include any regional determination of benefits for purposes of cost allocation. It therefore required additional compliance filings by CAISO to clarify how it will determine regional benefits, and by the other NTTG parties to revise their common tariff language to incorporate CAISO's benefit determination method. On February 18, 2015, the NTTG parties made the compliance filings directed in the December 18, 2014 Order, and on June 1, 2015, the Commission issued an order finding that the NTTG parties' filings complied with the interregional transmission planning and cost allocation requirements of Order No. 1000.²⁰

C. Revisions to MATL's Attachment K to Reflect Outcome of NTTG Order No. 1000 Compliance Proceedings

i. NTTG Provisions

In the instant filing, MATL proposes to revise its Attachment K to comport with the requirements recognized by the Commission in its series of rulings on the NTTG parties' Order No. 1000 compliance filings, consistent with MATL's upcoming transition to participation in NTTG. As noted above, the Commission has issued orders in both the regional and interregional NTTG dockets ruling that those parties' Attachment Ks comply with Order No. 1000's transmission planning and cost allocation requirements. The proposed revisions to MATL's Attachment K replace all language relating to MATL's participation in ColumbiaGrid with provisions relating to MATL's upcoming participation in NTTG. The attached version of Attachment K tracks the language of the Commission-approved Attachment Ks of the NTTG parties.²¹ The changes showing MATL's incorporation of the NTTG provisions are shown in the blackline version included as Attachment A hereto. As a part of the revisions to Attachment K, MATL includes four Exhibits to its Attachment K. Previously drafted by the membership of NTTG, these Exhibits are agreements and charters that are part of the NTTG regional and interregional planning processes.²²

ii. NTTG Funding Agreement and Membership

On October 30, 2013, Portland General Electric ("PGE") filed the NTTG Funding Agreement as the "designated filer" with the other members submitting a certificate of concurrence and a tariff record adopting the tariff submitted by PGE. As described in the NTTG funding agreement, a process is outlined for prospective members. As a party joining NTTG, an

²⁰ *Pub. Serv. Co. of N.M.*, 151 FERC ¶ 61,189.

²¹ Part II of MATL's Attachment K, which addresses MATL's local transmission planning processes, has been revised only as necessary to remove references to ColumbiaGrid.

²² PacifiCorp filed these documents (which were adopted by NTTG on August 27, 2013) as Exhibits A-D to its Attachment K. *See* September 16, 2013 Compliance Filing of PacifiCorp, Docket No. ER13-64-001; June 17, 2014 Compliance Filing of PacifiCorp, Docket No. ER13-64-002; and December 30, 2014 Compliance Filing of PacifiCorp, Docket No. ER13-64-003.

entity is required to accomplish two tasks. First, an entity must sign and return Exhibit D of the NTTG Funding Agreement (“Exhibit D”), the Application Requesting Funding Status, to the group. Once Exhibit D is accepted by NTTG, the applicant must sign and return Exhibit E, Addendum Joining Additional Party (“Exhibit E”). At this point, an entity can become a Full Funder, subject to Commission approval of a revised tariff.

On January 20, 2016, MATL submitted a signed Exhibit D. In late January MATL anticipates signing Exhibit E to become a party to the funding agreement, subject to the outcome of the instant filing and approval of its proposed NTTG membership.

iii. 2016-2017 NTTG Planning Process

MATL seeks to become an NTTG member in Quarter 2 of 2016. As described in the tariff revisions, the NTTG Footprint is the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.²³ Upon MATL’s acceptance into the organization, NTTG will begin planning in a footprint that includes the MATL Line. As such, MATL has worked diligently to ensure that its incorporation into the process does not hinder or impede the on-going work of the transmission planning process. MATL hopes to “hit the ground running” upon full acceptance as an NTTG member.

MATL has actively coordinated with NTTG over the last six months to understand the relevant requirements and deadlines for a party seeking to become a member of the organization. By receiving broad stakeholder notices and participating in open meetings, MATL is aware of NTTG’s Quarter 1 of 2016 data gathering windows. Among key deadlines, NTTG seeks to obtain transmission needs and associated facilities (loads and resources), including transmission needs driven by Public Policy Requirements, Public Policy Considerations and alternate solutions by January 31, 2016. By March 30, NTTG requires information submittals for Economic Study Requests. In addition, NTTG requires data related to regional and Interregional Transmission Projects, as well as cost allocation data, by March 31, 2016. As an entity seeking to participate in regional and interregional transmission planning, MATL has actively worked to gather the necessary information for these deadlines, anticipates full participation in Quarter 2 of the year, and plans to submit the appropriate data to meet the interim requirements mentioned. In this way, MATL can participate in a robust manner upon joining with no impact to existing processes.

Accordingly, MATL respectfully requests that the Commission accept MATL’s revised Attachment K to its OATT as in compliance with the local, regional and interregional transmission planning requirements of Order No. 1000.

V. Service

MATL will post a copy of this submittal on its OASIS and will serve a copy of this submittal to all parties on the official service list in the dockets in which the Commission

²³ MATL Attachment at Section 1.36.

Kimberly D. Bose, Secretary
January 27, 2016
Page 8 of 8

approved the NTTG parties' Order No. 1000 regional and interregional transmission compliance filings.

VI. Effective Date and Waiver

MATL requests an effective date for its Attachment K submitted in this Compliance Filing of March 27, 2016. To the extent necessary, MATL requests waiver of any applicable requirements of 18 C.F.R. Part 35 in order to allow its Compliance Filing to become effective in the manner described herein.

VII. Conclusion

For the reasons set forth above, MATL respectfully requests that the Commission accept its Compliance Filing submitted herewith. If you have any questions concerning this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Stacy Myers

Stacy Myers
Senior Legal Counsel
Green Power, Transmission, and
Emerging Technology
Enbridge Energy Company, Inc.

Attorney for MATL LLP

Attachments

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing document to be served upon each persons designated on the official service list compiled in the dockets in which the Commission approved the NTTG parties' Order No. 1000 regional and interregional transmission compliance filings.

Dated at Houston, Texas, this 27th day of January, 2016.

/s/ Stacy Myers
Stacy Myers
Senior Legal Counsel
Green Power, Transmission,
and Emerging Technology
Enbridge Energy Company, Inc.
1100 Louisiana St., Suite 3300
Houston, TX 77002

ATTACHMENT K

**PART I.
INTRODUCTION**

1.01 General

1.1 Preamble. In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, interregional and interconnection-wide basis. Part 2 of this Attachment K addresses the local planning process. Part 3 of this Attachment K addresses the regional planning process. Part 4 of this Attachment K addresses interregional coordination with the planning regions in the United States portion of the Western Interconnection. Part 5 of this Attachment K addresses the interconnection-wide planning process.

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

1. DEFINITIONS

Unless defined below¹, capitalized terms shall refer to terms defined in the Tariff.

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

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

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

1.4 Reserved.

1.5 Reserved.

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

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

1.7 "Biennial Study Plan" means the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

1.8 "Change Case" is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more non-Committed projects in the Initial Regional Plan. The deletion or deferral of a non-Committed Project in the Initial Regional Plan without including an Alternative Project can also be a Change Case.

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

1.10 "Confidentiality Agreement" means Confidentiality Agreement means the agreement posted on Transmission Provider's OASIS at <http://www.oatiaoasis.com/mat1/>. The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.7.2 and 3.4.2.

1.11 "Cost Allocation Committee" is defined in Section 3.1.2.

1.12 "Cost Allocation Committee Charter" means that document attached as Exhibit D to this Attachment K.

1.13 "Cost Allocation Data Form" means the form posted on NTTG's website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

1.14 "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 Third 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 under the Order 1000 Agreement; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form; or (vi) required to be disclosed without a protective order or confidentiality agreement by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

1.15 "Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. Part 388 or any successor thereto and associated orders issued by the Commission.

1.16 "Data Submittal Form" means the form posted on NTTG's website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

1.17 "Demand Resources" means 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.

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

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

1.20 "Economic Study" or "Congestion Study" means an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

1.21 "Economic Congestion Study Request" means a request by a Transmission Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Transmission System Plan, to reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, Regional Economic Study Request, and Interconnection-wide Economic Study Request.

1.22 "Economic Study Request Form" means the form posted on NTTG's website used to submit an Economic Study Request as referenced in Section 3.11.1.

1.23 "Finance Agent Agreement" is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

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

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

1.26 "Interconnection-wide Economic Study Request" means an Economic Study Request where there is a Point of Receipt or Point of Delivery within the NTTG Footprint, as determined by the Planning Committee, and it's a Point of Delivery or Point of Receipt, respectively, is both within the Western Interconnection and outside the NTTG Footprint. In the alternative, if the Economic Study Request is reasonably determined by the Planning Committee to be an Interconnection-wide Economic Study Request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes only WECC member interconnected transmission systems, the study request will be considered an Interconnection-wide Economic Study Request.

1.27 "Initial Regional Plan" is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders Local Transmission Plans.

1.28 Reserved.

1.29 Reserved.

1.30 "Local Economic Study Request" means an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the Planning

Committee (if the request is received by the NTTG Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.

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

1.32 "LTSP Re-Study Request" means a request by an Eligible Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft Local Transmission System 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 Transmission System Plan.

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

1.34 "Monetized Non-Financial Incremental Costs" are defined in Section 3.7.4.1.

1.35 "NTTG" means the Northern Tier Transmission Group or its successor.

1.36 "NTTG Footprint" means the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

1.37 "NTTG Website" means www.nttg.biz.

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

1.39 "Ownership-Like Rights" are defined in Section 3.8.2.2.

1.40 "Planning Committee" is defined in Section 3.1.2.

1.41 "Planning Committee Charter" means that document attached as Exhibit C to this Attachment K.

1.42 "Planning Horizon" means the Local Transmission Plan evaluates a ten (10) year planning horizon, which consists of a summer/winter Near Term Case (years 1-5) ("Near Term Case") and a summer/winter Longer Term Case (years 6-10) ("Longer Term Case").

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

1.44 "Public Policy Considerations" means those public policy considerations that are not established by local, state, or federal laws or regulations.

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

1.46 "Regional Economic Study Request" means an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

1.47 "Regional Planning Cycle" means NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

1.48 "Regional Transmission Plan" means the current, final regional transmission plan, as approved by the Steering Committee.

1.49 Reserved.

1.50 "Sponsor Qualification Data Form" means the form posted on NTTG's website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

1.51 "Sponsored Project" means the project proposed by a Project Sponsor.

1.52 "Steering Committee" is defined in Section 3.1.2.

1.53 "Steering Committee Charter" means that document attached as Exhibit B to this Attachment K.

1.54 "TEPPC" means Transmission Expansion Planning Policy Committee or its successor committee within WECC.

1.55 "WECC" means the Western Electricity Coordinating Council or its successor.

1.56 [Reserved]

PART II.

THE TRANSMISSION PROVIDER LOCAL TRANSMISSION PLANNING PROCESS

2.1 Overview

Every five (5) years, the Transmission Provider will complete its local transmission planning process, as detailed in this Section II of this Attachment K for the purpose of identifying Single System Projects to mitigate future reliability and load-service requirements for its Transmission System (the "Local Transmission Plan"). The Transmission Provider shall document the results of the local transmission planning process in the Final Local Transmission Plan as further detailed herein. The Final Local Transmission Plan shall include any reliability issues identified on the Transmission Provider's Transmission System and a list of Single System Projects proposed to address those issues. Any impacts on neighboring transmission systems and the projects to mitigate those impacts shall be identified and coordinated through the regional planning process set forth in Part III of this Attachment K.

2.1.1

The Transmission Provider's Transmission System consists of a point-to-point, merchant electric transmission line. The Transmission Provider will operate, manage and plan for the use of its asset in a manner that maximizes shareholder value by meeting market demands for transmission capacity while respecting customer agreements, regulatory constraints and reliability standards.

The Transmission Provider anticipates engaging in transmission planning procedures for one of three reasons:

- (a) As a regular update on its project and its future potential, every five (5) years the Transmission Provider will launch and conclude a local transmission planning process, which, apart from providing for stakeholder input on the Transmission Provider's development options, will respect the needs of the WECC path rating and reliability planning processes;
- (b) In response to customer demand or interest, the Transmission Provider will explore development options to meet anticipated future transmission needs; and
- (c) The Transmission Provider will cooperate with and participate in the planning processes of neighboring utilities, Balancing Authorities and the Transmission Provider's regional planning process group ColumbiaGrid both in support of regional transmission development efforts and commercial interests.

2.1.2 Purpose and Objective. The Transmission Provider's transmission planning process includes local and regional components to facilitate comprehensive, open and coordinated planning of the Transmission Provider's Transmission System ~~and the interconnected transmission network of the Regional Interconnected Systems~~. The purpose of the Transmission planning process detailed in Part II of this Attachment K is to set forth the process by which the Transmission Provider will plan for the enhancement and expansion of the Transmission

System to ensure that the Transmission System can meet the needs of both the Transmission Provider and its Transmission Customers on a comparable and nondiscriminatory basis. This is intended to be a coordinated, open and transparent planning process with the Transmission Customers and other Interested Stakeholders, including interconnected systems within its region and Interested Persons in the [ColumbiaGrid](#) regional planning process.

Transmission Provider will also pursuant to this Attachment K, participate in [ColumbiaGridNTTG](#) transmission planning processes, ~~which are~~ structured to support and manage the coordination of the multi-system planning (including related studies) for the transmission systems of Transmission Provider and others. ~~These ColumbiaGrid regional~~ planning processes are detailed ~~(i)~~ in the [Northern Tier Transmission Group Funding Agreement 2016-2017 \("Funding Agreement"\)](#) or its successor ~~ColumbiaGrid Planning and Expansion Functional Agreement (or PEFA), with respect to Transmission Owner or Operator Planning Parties (or TOPPs); and (ii) in the Order 1000 Agreement, with respect to Order 1000 Parties~~ documents. The ~~Funding Agreement PEFA and its successors Order 1000 Agreement~~ are each effective and posted on the [ColumbiaGridNTTG website](#). Transmission Provider is a [Full Funder TOPP](#) under the ~~Funding Agreement PEFA and is an Order 1000 Enrolled Party under the Order 1000 Agreement~~. Participation as ~~a Full Funder Order 1000 Enrolled Party~~ under the ~~Funding Order 1000~~ Agreement facilitates Transmission Provider's compliance with, among other things, the intraregional and interregional requirements of Order 1000. Part III of this Attachment K describes Transmission Provider's participation in [ColumbiaGrid](#) the transmission planning processes [of NTTG](#).

Further, the Transmission Provider participates in coordinated planning throughout the Western Interconnection as a whole through its membership in the Western Electricity Coordinating Council ("WECC") and participation in the WECC Transmission Expansion Planning Policy Committee ("~~TEPPC~~"). ~~TEPPC~~ is to provide for the development and maintenance of an economic transmission study database for the entire Western Interconnection and performs congestion studies at the Western Interconnection region level.

2.1.3 Identification of Connected Systems. The Transmission Provider's Transmission System is interconnected to the Alberta Electric System Operator ("AESO") in Canada and the system owned and operated by NorthWestern Energy ("NorthWestern") in Montana. Operating issues associated with the Transmission Provider's line have been provided for under a Coordinated Operating Agreement ("COA") among Montana Alberta Tie Ltd. and MATL LLP and the Independent System Operators, operating as the Alberta Electrical System Operator ("AESO"), (*MATL LLP*, Rate Schedule FERC No. 1 filed with the FERC on January 28, 2008 in Docket No. ER08-369-000). The COA provides mechanisms for ensuring the line is operated to industry standards by NorthWestern Energy ("NWE") and the AESO. It also provides for a Joint Operating Committee structure which will provide a regular interface between the parties, address maintenance and operational issues affecting the line, and provide an opportunity to initiate the Transmission Planning Process.

2.1.4 Load and Generation Planning Studies. Given that the Transmission Provider is not a Balancing Authority or a Control

Area Operator, the Local Transmission Plan shall not include load or generation planning studies. The Transmission Provider will prioritize transmission planning and interconnection in accordance with FERC and/or NERC procedures.

2.1.5 Definitions. Terms capitalized and not otherwise defined in the Definitions Section Appendix A of this Attachment K shall have the meanings set forth in Section Part -1 of the Tariff or the PEFA Funding Agreement.

~~PART II.~~

~~THE TRANSMISSION PROVIDER LOCAL TRANSMISSION PLANNING PROCESS~~

~~1. Overview~~

~~Every five (5) years, the Transmission Provider will complete its local transmission planning process, as detailed in this Section II of this Attachment K for the purpose of identifying Single System Projects to mitigate future reliability and load service requirements for its Transmission System (the "Local Transmission Plan"). The Transmission Provider shall document the results of the local transmission planning process in the Final Local Transmission Plan as further detailed herein. The Final Local Transmission Plan shall include any reliability issues identified on the Transmission Provider's Transmission System and a list of Single System Projects proposed to address those issues. Any impacts on neighboring transmission systems and the projects to mitigate those impacts shall be identified and coordinated through the ColumbiaGrid regional planning process set forth in Part III of this Attachment K.~~

2.2 **Planning Advisory Groups**

2.2.1 Establishment. A Planning Advisory Group shall be established and open to participation by all Interested Stakeholders, Transmission Provider's customers, generators interconnected to the Transmission Provider's Transmission System, other suppliers, neighboring transmission providers and control areas, and state utility regulatory agencies and offices of public advocates in the State of Montana. Any of the above-listed entities may designate a member to the Planning Advisory Group by providing written notice to the Transmission Provider identifying the name of the entity represented by the member, the member's name, address, telephone number, facsimile number, and electronic mail address. The entity may remove or replace such member at any time by written notice to the Transmission Provider. Each entity that participates in the Planning Advisory Group shall have one member of the group. The Transmission Provider shall act as the facilitator of the Planning Advisory Group.

2.2.2 Role of Planning Advisory Group. The Planning Advisory Group's role is to provide input and feedback to the Transmission Provider during the development of the Local Transmission Plan. The Transmission Provider will document and track all input and respond to all suggestions, queries or comments in an open and transparent manner by circulating consolidated responses to the members of the Planning Advisory Group.

2.2.3 Frequency of Meetings. The Planning Advisory Group, at a minimum, shall hold meetings biennially (i.e. every two years).

Members shall be able to attend such biennial meetings in person or via teleconference. To the extent additional meetings may be warranted, such meetings may be held in person, or via telephone conference, electronic mail, or other written means. A meeting shall be held (i) as specified in the Local Transmission Plan; (ii) when the Transmission Provider deems a meeting is necessary, either upon its own or another entity's request; or (iii) at the request of a majority of the Planning Advisory Group.

2.2.4 Notice of Meetings. The Transmission Provider shall provide notice of the Planning Advisory Group meetings by electronic mail to members of the Planning Advisory Group and shall post notice on the Transmission Provider's OASIS and website. Such notice shall be provided at a minimum four weeks prior to the meeting. A calendar of meetings and other significant events in the transmission planning process shall be posted on the OASIS and website.

2.2.5 Purpose of Meetings. The Planning Advisory Group meetings shall provide an opportunity for the group members to provide input regarding: (i) data gathering and customer input into study development; (ii) review of study results; (iii) review of draft transmission plans; and (iv) coordination of draft plans with those of neighboring transmission providers. Participants in the Planning Advisory Group Meetings may also propose for consideration, among other things, local transmission needs driven by Public Policy Requirements and transmission, generation and demand response resource projects.

2.2.6 Transmission Provider Representative. The Transmission Provider intends to establish an operating company to assist in managing the Transmission System after the in-service date. This team will include one person responsible for all technical interface issues. This person may also be designated as the transmission planner. Transmission planning activities including analysis and coordination of consultation efforts may be outsourced to third-party service providers at the Transmission Provider's discretion.

2.2.7 Mechanism to Invite Affected Entities to Participate in Meetings. If the Transmission Provider identifies a particular entity that may be affected by the development of potential projects, or other significant events identified in the local planning process, the Transmission Provider shall notify the entity and invite them to participate in the related planning meetings.

2.3. General Transmission Planning Procedures

2.3.1 The Local Transmission Plan. The Transmission Provider will undertake a review of the Transmission System every five years.

2.3.2 Scope of the Local Transmission Plan. The Local Transmission Plan shall provide an assessment of the Transmission System needs in a consolidated manner, and the Local Transmission Plan is designed to maintain the reliability of the transmission system in an economic and environmentally acceptable manner. The Local Transmission Plan will be developed to meet the specific service requests of Transmission Customers and

otherwise treat similarly situated customers comparably in transmission system planning.

2.3.3 Contents of the Local Transmission Plan. The Local Transmission Plan shall utilize at least a five year planning horizon, and reflect at least five year capacity and load forecasts, if any. The Local Transmission Plan shall reflect transmission enhancements and expansions, load and energy forecasts, including expected demand response, transmission needs driven by Public Policy Requirements and generation additions and retirements for at least the ensuing five years, if any. The Local Transmission Plan shall identify, based on the results of the planning studies, a list of proposed transmission enhancements and expansions for at least each of the ensuing five years that are determined by Transmission Provider to be appropriate at the time of the issuance of the Local Transmission Plan. The Local Transmission Plan also shall include a list of transmission enhancements and expansions identified in the prior Local Transmission Plan that have not been completed at that time. The Local Transmission Plan shall take into account reliability and rating studies in accordance with WECC path rating procedures.

2.3.4 The Transmission Provider may also identify expansions, modifications or additions to the transmission line resulting from discussions with customers, market participants, interconnection requests or transmission service requests. For these types of expansions, the Transmission Provider will use the following process:

- (a) In responding to a request for expansion of the Transmission Provider line, the Transmission Provider shall form a planning group inviting all Interested Stakeholders and connecting Balancing Authorities to participate. The invitation will be posted on the Transmission Provider's OASIS for 30 days;
- (b) Following a minimum 30 day review process with the planning group, the Transmission Provider shall conduct an economic feasibility study for the proposed expansion, funded by the requesting customer and/or the Transmission Provider, as negotiated. The study results shall be posted on the Transmission Provider's OASIS;
- (c) The Transmission Provider may then decide to hold an Open Season, or conduct an alternative process in conformance with FERC policy, to value and allocate the potential capacity;
- (d) If the results of the Open Season, or other such alternative process, are acceptable to the Transmission Provider and if the initial studies indicate that additional capacity is feasible, the Transmission Provider shall conduct reliability and rating studies in accordance with WECC path rating procedures;
- (e) If all regulatory approvals are obtained, and upon satisfaction of all outstanding conditions in its long term transmission contracts, the Transmission Provider will enter into agreements for the expansion.

2.3.5 Generator Interconnections. The Transmission Provider will process large generation interconnection requests in accordance

with the terms of the Tariff. If generation interconnection is material to the path rating, the Transmission Provider shall seek to modify the path rating to include the generation interconnection in accordance with WECC path rating procedures.

2.3.6 Additions and Removals of Transmission Enhancements and Expansions. The Transmission Provider may add or remove transmission enhancements and expansions from the Local Transmission Plan at any time in a given year, and in doing so shall consult with and consider input from the Planning Advisory Group, within the scope of its respective functions.

2.3.7 Other Principles. The Local Transmission Plan shall be designed and implemented to (i) avoid unnecessary duplication of facilities; (ii) avoid the imposition of unreasonable costs upon the Transmission Provider and customers; (iii) take into account the legal and contractual rights and obligations of the Transmission Provider and the transmission-related legal and contractual rights and obligations of any other entity; (iv) provide for coordination with existing transmission systems and with appropriate interregional and local expansion plans; and (v) comply with NERC Reliability Standards and WECC standards, including WECC's Regional Planning and Project Rating Review Process. The Transmission Provider has a WECC-accepted path rating and any material changes to the line will require path rating studies which would be subject to further review by a committee of WECC members.

2.3.8 Status of Identified Upgrades or Alternatives. The status of upgrades or alternatives identified in the Local Transmission Plan shall be reflected in future plans. The Transmission Provider will post, at least annually, the status of upgrades and alternatives identified in the Local Transmission Plan on the Transmission Provider's website. The Transmission Provider will provide such notification of updated status only to the extent there are upgrades or other alternatives identified by a Local Transmission Plan for which notification of in-service status has not previously been provided. The status of identified upgrades or alternatives will be reflected in future plan development (i.e., whether the upgrade or alternative is in-service, under construction, planned, proposed, or concept).

2.3.9 Coordination of the Local Transmission Plan. The Transmission Provider shall develop its Local Transmission Plan in coordination with all neighboring utilities, Balancing Authorities and regional transmission bodies, including the ~~ColumbiaGrid~~-NTTG regional planning process (See Part III of this Attachment K). The Transmission Provider may also participate as an affected party or as a stakeholder in the planning processes of neighboring utilities, Balancing Authorities and regional transmission bodies, including the ~~ColumbiaGrid~~NTTG, both to support regional transmission development efforts and to protect its legitimate commercial interests.

2.3.10 Comparability. The Transmission Provider shall treat similarly situated customers comparably in transmission system planning through the measures set forth in this Section 3.10 and through the procedures set forth elsewhere in Section 3. The Transmission Provider's projects and similarly situated customer-identified projects shall be treated on a comparable basis and given comparable consideration in the Local

Transmission Planning Process. The Transmission Provider shall permit stakeholders (including but not limited to sponsors of customer-defined transmission solutions, generation solutions, and solutions utilizing demand resources) to participate throughout the Local Transmission Planning Process and to submit to the Transmission Provider alternative or proposed solutions, which the Transmission Provider shall review and evaluate on a comparable basis. The Transmission Provider shall include all valid and relevant data received from stakeholders (including load forecast data, generation data, and demand resource data) in the development of the Local Transmission Plan. Notwithstanding the foregoing, the Transmission Provider shall retain discretion regarding which projects to pursue and is not required to include all customer-identified projects in the Local Transmission Plan. The Transmission Provider shall select projects based on cost, economics, impact on reliability, and the other considerations set forth elsewhere in this Section 3.

2.4. Methodology, Criteria, Process for Developing the Local Transmission Plan.

2.4.1 Initiation of the Local Transmission Plan. The Transmission Provider shall solicit input on the regional needs for the updated or new Local Transmission Plan from members of the Planning Advisory Group. The Planning Advisory Group shall meet to perform its respective functions with the preparation of the Local Transmission Plan. Drafts of the Local Transmission Plan shall be provided to the Planning Advisory Group and input from the Planning Advisory Group shall be received and considered in preparing and revising subsequent drafts.

2.4.2 Studies. As necessary, the Transmission Provider shall conduct studies for the development of the Local Transmission Plan.

2.4.3 Assumptions and Methodology Used in Developing the Local Transmission Plan. Transmission Provider shall establish assumptions used in developing the Local Transmission Plan as described below. The Transmission Provider will use data received from the operation of the transmission line, the Balancing Authorities, WECC and other sources.

2.4.4 Methodology. The Transmission Provider will apply industry standard methodologies, criteria and processes in the development of local transmission plans. In particular, the Transmission Provider will apply the WECC Regional Planning process and Path Rating process for expansions or improvements to the transmission line. The Transmission Provider will use standard WECC base cases, NERC Reliability Standards/WECC reliability criteria and Balancing Authority standards in the study of its Transmission System. Base case development will include data from interconnected systems used to refine cases. The study plan will outline methodologies used in the analysis of the study results. Base cases and study results will be provided to participants for verification purposes. All planning processes and data will be posted on the OASIS. Such information will be made available for 1 year.

2.4.5 Criteria Used. Studies will be performed in accordance with NERC Reliability Standards TPL-001 through TPL-004, the WECC reliability criteria, and any other reliability criteria,

including regional or local applicable criteria in establishing assumptions.

MATL will also evaluate and select from among alternative proposed solutions to local transmission needs (including those driven by Public Policy Requirements) using factors that include the following:

- (i) sponsorship and degree of development of proposed solution;
- (ii) feasibility;
- (iii) coordination with any affected transmission system;
- (iv) economics;
- (v) effectiveness of performance;
- (vi) satisfaction of identified local transmission need(s), including those driven by Public Policy Requirements and including the extent to which the proposed solution satisfies multiple identified local transmission needs;
- (vii) mitigation of any Material Adverse Impacts of Local Need Solution of such proposed solution on any transmission system;
- (viii) consistency with applicable state, regional, and federal planning requirements and regulations;

No single factor shall necessarily be determinative in evaluating proposed solutions in developing the MATL Plan.

2.4.6 Process for Establishing Assumptions. The Transmission Provider uses industry standard assumptions, but the Planning Advisory Group may augment these industry standard assumptions and methodology consistent with local and regional needs as necessary.

2.4.7 Methodology for Determining Import and Export Capability in Regional Studies. The Transmission Provider determines the import and export capability as described in Attachment C to the Tariff regarding the methodology for assessment of available transfer capability.

2.4.8 Development of the Local Transmission Plan. The Transmission Provider shall be responsible for the development of the Local Transmission Plan and for conducting studies on which the Local Transmission Plan is based. The Planning Advisory Group shall provide input and review drafts of the Local Transmission Plan.

2.4.9 Draft Local Transmission Plan and Briefing Paper.

2.4.9.1 Following the Planning Advisory Group meetings, Transmission Provider will post on its OASIS all local transmission needs, including local transmission needs driven by Public Policy Requirements, identified or proposed at the Planning Advisory Group meetings. Interested Stakeholders shall have 30 days from the date

of such posting to provide written comments to Transmission Provider regarding any local transmission need(s) posted on Transmission Provider's OASIS. After considering the comments provided by Interested Stakeholders in accordance with this paragraph, Transmission Provider shall list on its OASIS the local transmission needs selected by the Transmission Provider as local transmission needs to be evaluated in the local planning process. Transmission Provider will explain on its OASIS why it did not select for evaluation in the local planning process any identified local transmission need, including any identified local transmission need that is driven by Public Policy Requirements (as required by Part II, section 5.6, below). Upon completion of the studies and analysis, the Transmission Provider shall prepare a Draft Local Transmission Plan, which may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the needs. The Transmission Provider shall provide the Draft Local Transmission Plan to the Planning Advisory Group for review and comment. If requested by a member, a meeting of the Planning Advisory Group will be held to receive comments on the Draft Local Transmission Plan. Interested Stakeholders may submit comments on the recommended Draft Local Transmission Plan to the Transmission Provider.

2.4.9.2 The Draft Local Transmission Plan shall identify economically justified enhancements, expansions, or system reinforcements that relieve transmission constraints. The evaluation shall be premised on the goals of maintaining reliability, reducing congestion where economically justified and on the enumerated criteria provided in Section 4.5 above.

2.4.9.3 The Transmission Provider shall hold an open meeting (the Review of Draft Local Transmission Plan Meeting) to review the results of the study process and to discuss the draft Local Planning Plan within thirty (30) days following completion of the draft Local Planning Plan. The Transmission Provider shall post the draft Local Planning Plan with the notification of the meeting. During this meeting, and for fifteen (15) calendar days following this meeting, all members of the Planning Advisory Group are encouraged to provide the Transmission Provider with any comments on the recommended plan, including alternatives to the projects proposed in the draft Local Planning Plan. If the Transmission Provider, after review of any offered alternatives, adopts an alternative it shall make any necessary changes to the recommended plan. The Transmission Provider shall post on the Transmission Provider's OASIS System Planning page the final Local Planning Plan within thirty (30) days following the Review of Draft Local Transmission Plan Meeting.

2.4.9.4 At the request of a majority of the Planning Advisory Group, the Transmission Provider will circulate one additional draft of the Local Transmission Plan and briefing paper to the Planning Advisory Group for review and comment ("Briefing Paper"). At the Transmission Provider's discretion, additional drafts of the Draft Local Transmission Plan and Briefing Paper may be

circulated to the Planning Advisory Group for review and comment.

2.4.10 Final Local Transmission Plan. The Transmission Provider, upon consideration of the input and advice from the Planning Advisory Group shall develop a proposed Final Local Transmission Plan. Upon approval of the proposed Final Local Transmission Plan by the Transmission Provider's Board of Directors, it shall become the Final Local Transmission Plan. The Final Local Transmission Plan may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the need.

2.4.11 Publication of Final Local Transmission Plan. The Transmission Provider shall publish the Final Local Transmission Plan and Briefing Paper on the Transmission Provider's OASIS. The Final Local Transmission Plan also will be distributed to the Planning Advisory Group. Also, the Transmission Provider will post completed WECC path rating studies and other planning studies on the OASIS for a period of one year.

2.4.12 Procedures for Interim Modification to the Local Transmission Plan. The Transmission Provider, in consultation with the Planning Advisory Group, may modify the Local Transmission Plan on an interim basis as necessary to reflect additions or removals of transmission upgrades. Such interim modifications to the Local Transmission Plan shall be posted on Transmission Provider's OASIS.

2.4.13 Transmission Provider Technical Contact. The Transmission Provider shall identify on its internet website an individual or individuals to be the technical point of contact regarding questions about the modeling criteria, assumptions, and data underlying the Local Transmission Plan.

2.5. Disclosure of Criteria, Assumptions, and Data.

2.5.1 Availability of Information. The Transmission Provider shall make available to the Planning Advisory Group, subject to applicable confidentiality protections, a description of how its assumptions regarding transmission, generation, and demand resources are developed, including details regarding the types of resource, rating or size responsiveness and other operating information. Such information shall be available to Transmission Customers and other Interested Stakeholders at all stages of the planning process.

2.5.2 Process for Access to Underlying Data. Interested Stakeholders may request access to underlying data or assumptions used for transmission planning, such as power flow base cases and associated files needed for transmission planning through a written request to Transmission Provider. Such information generally will contain confidential information and be subject to the protections for the provision of such information.

2.5.3 Discussion of Assumptions. Members of the Planning Advisory Group shall have the opportunity to question and discuss principal assumptions used in the planning process. The process shall be through meetings of the Planning Advisory Group. Such meetings, if appropriate, may be held via email or other solicitation of written comments.

2.5.4 Requests For Additional Calculations. Upon request by a majority of the Planning Advisory Group, the Transmission Provider will run up to one additional calculation. Additional calculations may be run at the Transmission Provider's discretion.

2.5.5 Notification of Changes or Updates in Data Bases. The Transmission Provider shall notify Interested Stakeholders of changes or updates in the data bases used for transmission planning, including whether the changes were made independently by the Transmission Provider or in response to a stakeholder concern. Such notification shall be made via email to members of the Planning Advisory Group or a posting on OASIS.

2.5.6 Local Transmission Needs Driven by Public Policy Requirements. With respect to identified local transmission needs driven by Public Policy Requirements, if any, Transmission Provider will post on its OASIS (i) an explanation of which if such need(s) will be evaluated in Transmission Provider's local transmission planning process, and (ii) an explanation of why any of such need(s) may not be evaluated in the local transmission planning process.

2.6. Supply of Data.

2.6.1 Information Exchange. The information exchange required by this Attachment K pertains to information that relates to planning, not other studies performed in response to interconnection or transmission service requests. The Transmission Provider and Transmission Customers shall, at a minimum, follow the Commission-approved Modeling, Data and Analysis Reliability Standards specific requirements for generator owners and transmission owners to provide data to planning authorities, resource planners, and regional reliability organizations.

2.6.2 Information to be Provided. The Transmission Provider shall solicit Transmission Customers and other Interested Stakeholders, including, but not limited to electric utility regulatory agencies and consumer advocates in the State of Montana, to provide information required by, or anticipated to be useful to, the Transmission Provider in its preparation of the Local Transmission Plan.

2.6.3 Transmission Provider Obligations. The Transmission Provider will provide current and projected transmission needs to the interconnected Balancing Authorities. The Transmission Provider will exchange interconnection facilities data and associated methodologies with the two Balancing Authorities in order to calculate ratings such that the Balancing Authorities can integrate the transmission line into their respective plans. The Transmission Provider will submit future transmission plans to WECC through the existing annual reporting process. The Transmission Provider will actively participate in connecting Balancing Authority and WECC planning processes. The Transmission Provider shall exchange path data information with WECC and remain current in the WECC Path Rating Catalogue.

2.6.4 Transmission Customers Obligations. Transmission Customers shall provide requested data to the Transmission Provider. A

Transmission Customer may provide additional data it considers would be helpful for the planning process.

2.6.5 Types of Data. Transmission Customers shall provide, at a minimum, the following data, as applicable:

- (a) Generators shall provide data concerning planned additions or upgrades (including status and expected in-service dates), planned retirements, and environmental restrictions.
- (b) Transmission Customers shall provide projections of need for service over the planning horizon, including transmission capacity, duration, and receipt of delivery points.

2.6.6 Process for Providing Data. Transmission Customers shall submit the required data, to the maximum extent practical and subject to the confidentiality procedures, if applicable, by email to the Transmission Provider as identified on the Transmission Provider's internet website.

2.6.7 Schedule for Providing Data. Transmission Customers shall submit the required data to Transmission Provider at least once a year by January 31st for the immediately preceding calendar year. The Transmission Provider may require additional information during the planning process. Transmission Customers may submit additional information during the planning process.

2.6.8 Notice of Material Changes. Transmission Customers are required to provide the Transmission Provider with written notice of material changes in any information previously provided to the Transmission Provider relating to its resources or other aspects of its facilities or operations affecting the Transmission Provider's ability to provide service.

2.7. Confidential Information and Critical Energy Infrastructure Information:

2.7.1 WECC Proprietary Data.

Transmission Provider's transmission planning studies may include base case data that are WECC proprietary data. A stakeholder must hold membership in or execute a non-disclosure agreement with WECC (www.wecc.biz) to obtain WECC proprietary data, such as base case data, from Transmission Provider.

2.7.2 MATL Proprietary Data.

Except as otherwise set forth in Part II, Section 7.1, ~~and Part III, Section 15~~ with respect to MATL proprietary data, a requestor may request MATL Proprietary Data required to be disclosed by Order Nos. 890 or 1000 from Transmission Provider using the procedures set forth below.

- (a) A requestor shall file a signed, written request, in accordance with the MATL Proprietary Data procedures outlined herein, with Transmission Provider at the following address:

MATL LLP
3000 - 425 1st Street SW
Calgary, Alberta T2P 3L8

Attn: Manager, Transmission Operations

- (b) Requests for MATL Proprietary Data will be considered to be received upon actual receipt by Transmission Provider.
- (c) Transmission Provider will make a determination of whether it considers the requested information to be MATL Proprietary Data and whether requested information should be provided. Transmission Provider will promptly notify the requestor of such determination.
- (d) If Transmission Provider determines that the requestor is eligible to and should receive the requested MATL Proprietary Data, Transmission Provider will provide a form of MATL Proprietary Data Non-Disclosure Agreement ("NDA") to the requestor for execution.

Upon Transmission Provider's receipt of any required NDA executed by requestor with respect to such MATL Proprietary Data, Transmission Provider will, subject to any restrictions on providing requested MATL Proprietary Data, promptly provide the requested MATL Proprietary Data upon its determination that an NDA is not needed, or upon receipt of a properly executed NDA.

- (e) Nothing in this Part II shall alleviate Transmission Provider's obligation to provide access to requestor to MATL Proprietary Data pursuant to a specific order by the Commission.

2.7.3 Critical Energy Infrastructure Information ("CEII"). The Local Transmission Plan and local planning studies may include information identified as CEII by the Commission. All such information may only be included in the appendices of the Local Transmission Plan, such that the body can be provided to all interested stakeholders in an open manner.

- (a) **Access for Transmission Customers (w/OASIS access)**. The Transmission Provider shall post the draft and completed Local Transmission Plan in the secure area of the Transmission Provider's OASIS website, which shall be accessible to Transmission Customers that have access to the secure area of Transmission Provider's OASIS.

Transmission Provider's CEII Request Procedure and CEII Non-Disclosure Agreement are posted on Transmission Provider's OASIS in the CEII folder. By accessing any material Transmission Provider has determined is CEII as such term is defined in 18 C.F.R. § 388.113, as may be amended from time to time, that has been posted on the Transmission Provider's OASIS, the Transmission Customer:

- (i) represents and warrants that it has read and understands the Transmission Provider's CEII policy and CEII Non-Disclosure Agreement;
- (ii) represents and warrants that it is an entity or person eligible to receive CEII and has, as contemplated by the Commission, a legitimate interest in and legitimate need for CEII from the Transmission Provider;
- and (iii) represents and warrants that such Transmission Customer will use any CEII received from the Transmission Provider only for the purposes for which the Commission has required its disclosure. Such Transmission Customer also agrees and acknowledges as follows:

- (1) Transmission Customer shall use any CEII received

from the Transmission Provider only for such Transmission Customer's legitimate interest and legitimate need and shall only share such CEII with its employees, subcontractors, and agents who need to know such information for such Transmission Customer's legitimate interest and legitimate need and who have agreed, for the benefit of the Transmission Provider, to be bound (in the same manner as such Transmission Customer) by the terms of this section;

- (2) Transmission Customer shall take reasonable steps to protect any CEII received from the Transmission Provider (but in any event steps that are no less rigorous than such Transmission Customer would use to protect its own confidential information), to ensure that the Transmission Customer who receives such CEII directly or indirectly from such Transmission Customer distributes such CEII further except as permitted pursuant to subsection (A) above of this section; and
- (3) Transmission Customer shall destroy any CEII received from Transmission Provider and in such Transmission Customer's possession if and at such time when such CEII no longer serves the purposes described above, when such Transmission Customer is not an entity eligible to receive CEII, or when such CEII has been superseded or has become obsolete. Upon request by the Transmission Provider, such Transmission Customer shall certify to the Transmission Provider that such destruction has occurred.

2.8. Dispute Resolution Procedures.

2.8.1 If a dispute arises concerning local transmission planning, the Transmission Provider will utilize the dispute resolution mechanism provided for in the Tariff. The use of this dispute resolution process will be limited to general and specific issues arising from this Attachment K and transmission planning.

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

2.8.3 The basis of the dispute and final non-confidential decisions will be made available to stakeholders upon request.

2.8.4 Notwithstanding the above, all affected parties shall retain any rights they may have under Section 206 of the Federal Power Act to file a complaint with the Commission.

2.9. Local Planning Study Procedures.

2.9.1 **Study Cycle.** The Transmission Provider shall initiate local planning studies at least once every five (5) years. A more targeted study shall be conducted if: (i) required to address a

need identified by the Transmission Provider in its on-going evaluation of the transmission line economic and operational adequacy and performance; (ii) required as result of the Transmission Provider's assessment of the transmission line's compliance with NERC Reliability Standards and/or WECC reliability requirements; or (iii) constraints or available transfer capability shortages are identified by the Transmission Provider, possibly as a result of generation additions or retirements, or evaluation of load forecasts. A local planning study also may be initiated for any other circumstances which may warrant such a study.

2.9.2 Notice of Initiation. The Transmission Provider shall provide written notice of the initiation of a local planning study to all members of the Planning Advisory Group. Transmission Provider shall consider the input of the Planning Advisory Group in preparing the study's scope, assumptions and procedures.

2.9.3 Scope of Studies. In general, local planning studies shall include:

- (a) An identification of existing and projected limitation on the transmission line's physical, economic, and/or operational capability or performance, with accompanying simulations to identify the costs of controlling those limitations;
- (b) Evaluation and analysis of potential enhancements and expansions, including alternatives thereto, needed to mitigate such limitations;
- (c) Identification, evaluation and analysis of potential enhancements and expansions for the purpose of supporting competition on the transmission line;
- (d) Engineering studies needed to determine the effectiveness and compliance (with reliability and operating criteria) of recommended enhancements and expansions.

2.10. Economic Planning Studies.

The Transmission Provider shall undertake economic planning studies on behalf of Transmission Customers. Economic planning studies shall apply only to and evaluate potential upgrades or other investments that could reduce congestion or interconnect new resources. Generally, the studies will be conducted in connection with other planning studies. When requested to do so by the proper authority, the Transmission Provider will cooperate with energy agencies in the United States and Canada in regards to international import and export requirements and national interests.

2.10.1 Requests. Transmission Customers may submit written requests for economic planning studies to the Transmission Provider. Such requests shall specify in detail the specific proposed project to be the subject of the requested economic planning study. Requests for such studies to be considered in the development of the current Local Transmission Plan must be received by April 1 of the year of the Local Transmission Plan. Requests received after that date will be considered for the development of subsequent Local Transmission Plans, unless withdrawn by the requestor. The requests shall be posted on OASIS, subject to the confidentiality provisions. Transmission

Provider shall respond within 30 days of receiving the request, to confirm receipt of the request and inform the requestor whether the request is deficient. Transmission Customers that use the transmission line are responsible for their own economic evaluation for the Transmission Customer's use of the Transmission System.

2.10.2 Clustering of Studies. At the discretion of the Transmission Provider, such studies may be clustered or batched or incorporated with the other planning studies.

2.10.3 Data Requirements. Requesting parties with unique economic planning studies shall be required to provide data as required by the Transmission Provider. To the extent the Transmission Provider deems appropriate, the Transmission Provider shall use generic industry data in place of customer-specific data.

2.10.4 Recovery of Economic Planning Study Costs. Transmission Customers requesting economic planning studies shall be responsible for the costs associated with the study. A deposit of \$25,000 shall be provided by the requestor prior to initiation of such a study. The requestor shall be responsible for the actual costs of the study. At the completion of the study, the Transmission Provider shall either refund the amount of deposit in excess of the cost of the study or collect from the requestor the amounts of the study cost in excess of the deposit.

2.11. Cost Allocation of New Facilities.

2.11.1 Reliability and Economic Projects. The costs of reliability and economic projects that are identified in the local transmission planning studies shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.2 New Facilities Identified Through Requests for Service. The costs of new facilities required because of individual requests for service shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.3 Stakeholder Involvement in Cost Allocation Process. The Transmission Provider shall determine, with input from the Planning Advisory Group, what projects are reliability and economic projects.

2.12. Recovery of Planning Costs.

The Transmission Provider's local transmission planning costs, to the extent not specifically recovered pursuant to other provisions in this Attachment K, shall not be recovered from Transmission Customer, except that interconnection costs will be recovered from the applicable interconnection customer.

PART III.

~~THE COLUMBIACRIB~~ REGIONAL TRANSMISSION PLANNING PROCESS

Governance and Participation

3.1 Governance

3.1.1 About NTTG

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

3.1.2 Committees

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

3.2. Participation through Enrollment or Membership

3.2.1 Enrollment

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

3.2.2 Membership

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

- a. Planning Committee as specified in the Planning Committee Charter,
- b. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
- c. Steering Committee as specified in the Steering Committee Charter.

3.2.3 Funder of NTTG

3.2.3.1 Eligibility

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

3.2.3.2 Funding Enrollment Process

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

a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.

b. Entity becomes a party to the currently effective Finance Agent Agreement.

c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders for its transmission facilities located within the Western Interconnection.

d. If an entity intending to become a Full Funder is not a public utility, then the entity shall adopt and post on its website an Open Access Transmission Tariff or other agreement(s) providing for comparable transmission service, each including regional, interregional and interconnection-wide planning provisions for its transmission facilities located within the Western Interconnection that are the same as those expressed in Attachment K of the other Full Funders that are public utilities for their transmission facilities located in the Western Interconnection (each referred to as a "NJ Attachment K").

3.2.3.3 Funder Enrollment Obligations

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

a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment.

b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the

date of enrollment and throughout the period of enrollment.

c. Agrees not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement.

d. A Full Funder that is a public utility agrees:

i. To implement the provisions of its Open Access Transmission Tariff providing for comparable transmission service including Attachment K; and

ii. To modify its Open Access Transmission Tariff, Funding Agreement, and Finance Agent Agreement consistent with FERC orders.

e. A Full Funder that is not a public utility agrees:

i. To implement the provisions of its NJ Attachment K;

ii. To modify its NJ Attachment K, Funding Agreement, and Finance Agent Agreement, consistent with FERC orders, except that a non-public utility Full Funder need not file its NJ Attachment K, Funding Agreement, and Finance Agent Agreement;

iii. Not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement; and

iv. Not to include a provision in its NJ Attachment K that conflicts with a provision in the Open Access Transmission Tariff including Attachment Ks of a Full Funder that is a public utility.

3.2.3.4 Funder Termination of Enrollment

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

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

b. The entity violates an applicable requirement set forth in Section 3.2.3.3.

c. A non-public utility shall revoke and remove from its website the NJ Attachment K.

d. A public utility shall file with the Commission an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

3.2.3.5 Identification of Full Funders

The following entities are enrolled in NTTG as Full Funders:

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

3.2.3.6 Identification of Nominal Funders

Utah Associated Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

3.3 Stakeholder Participation

3.3.1 Participation through Public Meetings

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

3.3.2 Participation through Committees

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

3.3.3 Participation through Commenting

In addition to commenting orally during stakeholder meetings as set forth in Section 3.3.1 or during committee meetings as set forth in Section 3.3.2, any stakeholder may submit written comments to a committee chair at any time through info@nttg.biz.

3.4 Sensitive Information

3.4.1 Critical Energy Infrastructure Information ("CEII")

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

3.4.2 Confidential Information

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

3.5. Transmission Provider Participation

3.5.1 Planning & Process

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

3.5.2 Project Identification

Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.

3.5.3 Project Cost Allocation

Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.7.

3.5.4 Information Provided

Transmission Provider will provide NTTG with:

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

3.5.5 Information Posted

Subject to appropriate Critical Energy Infrastructure Information or other applicable regulatory restrictions, Transmission Provider will post on its OASIS:

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

3.6. Dispute Resolution

3.6.1 Scope

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

3.6.2 Process

Disputes shall be resolved according to the following process:

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

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

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

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

d. Step 4 - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

3.6.3 Timeliness

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

Planning and Cost Allocation Processes

3.7 Preparation of Regional Transmission Plan

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

3.7.1 Pre-qualify for Cost Allocation

3.7.1.1 Who must Pre-Qualify

A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a "Project Sponsor") that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee in accordance with this Section 3.7.1, and remain qualified to be considered a Sponsored Project in subsequent Regional Transmission Plans.

3.7.1.2 How to Pre-Qualify

A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through info@nttg.biz, by October 31st of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG website to submit the data.

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

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

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

deficiencies cured. The Project Sponsor must continue to comply with the pre-qualification requirements set forth in Section 3.7.1 for the project to continue to be considered a Sponsored Project in the next Regional Transmission Plan.

Table 1. Sponsor Qualification Data

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

<p><u>5</u></p>	<p><u>Project Sponsor financial expertise to develop, construct, and own the proposed project.</u></p>	<p><u>Creditworthiness review requires the following information, if available:</u></p> <ul style="list-style-type: none"> <u>1. Most recent annual report.</u> <u>1. Most recent quarterly report.</u> <u>1. Last two most recent audited year-end financial statements.</u> <u>1. Rating agency reports.</u> <u>1. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable).</u> <u>1. Other information supporting Project Sponsor's financial expertise.</u> <p><u>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following test:</u></p> <ul style="list-style-type: none"> <u>A. Has a minimum tangible net worth of \$1,000,000 or a total asset of \$10,000000</u> 	<p><u>Assess whether the qualification data was submitted and satisfied required qualitative criteria.</u></p>
<p><u>6</u></p>	<p><u>Proposed project financing plan</u></p>	<ul style="list-style-type: none"> <u>1. Describe how the project will be financed.</u> <u>1. List investors and percentage ownership of each.</u> <u>1. Proposed sources of debt and equity capital and the percentages of each.</u> 	<p><u>Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4.</u></p>
<p><u>7</u></p>	<p><u>Project Sponsor ability to maintain and operate proposed project</u></p>	<p><u>Clear description of Project Sponsor, its parent organization, or the third-party contractor(s) the Project Sponsor plans to retain to operate and/or maintain the proposed project. To the extent the Project Sponsor plans to rely on any third-party contractor(s) not yet under contract, the Project Sponsor must also indicate when it plans to enter into a</u></p>	<p><u>Assess whether the qualification data was submitted and satisfied the required qualitative criteria.</u></p>

		<u>definitive agreement with its contractor(s). Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor's consultant or outsourced entity.</u>	
<u>8</u>	<u>Primary Project Contact</u>	<u>1. Name. 1. Title. 1. Phone. 1. Email.</u>	<u>Assess whether the required data was submitted.</u>
<u>9</u>	<u>Signature</u>	<u>Signature of authorized representative.</u>	<u>Assess whether the document was signed.</u>

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

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

3.7.2 Quarter 1 - Data Gathering and Project Submittal

3.7.2.1 Data Gathering

Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.3.9 and Section 3.5.4) and stakeholder input, which may include ideas for consideration, applicable to the Planning Horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider's Local Transmission System Plan and prior Regional Transmission Plans. A stakeholder shall use the Data Submittal Form found on the NTTG website to submit its data. Any stakeholders wishing to submit input without submitting a Data Submittal Form can submit such input by email. Stakeholders shall submit such data and/or input by email to NTTG, through info@nttg.biz, no later than January 31st of Quarter 1.

3.7.2.2 Proposing a Project for Consideration

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

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

Table 2. Minimum Information Required

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

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

3.7.2.3 Proposing a Project for Consideration for Cost Allocation

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

a. A statement as to whether the project was selected in a transmission provider's local plan;

b. A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a local transmission provider;

c. If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;

d. If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;

e. To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;

f. To the extent not already provided, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project;

g. To the extent not set forth in the material provided in response to items (b) – (e), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;

h. Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

3.7.2.4 Submission of Economic Study Requests

Stakeholders may submit Economic Congestion Study Requests as set forth in Section 3.11.

3.7.2.5 Updates to Previously Selected Projects

For projects selected in the prior Regional Transmission Plan, the Applicant must submit an updated project development schedule to the Planning Committee. The Applicant must also submit updated information for its third-party contractor(s), to the extent such information or the timeline for entering into a definitive agreement is different than the information previously provided pursuant to Table 1 above. Stakeholders shall use the Data Submittal Form found on the NTTG website. By March 31st of Quarter 1, Applicants shall submit an updated form to NTTG, through info@nttg.biz.

3.7.2.6 Review for Completeness

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

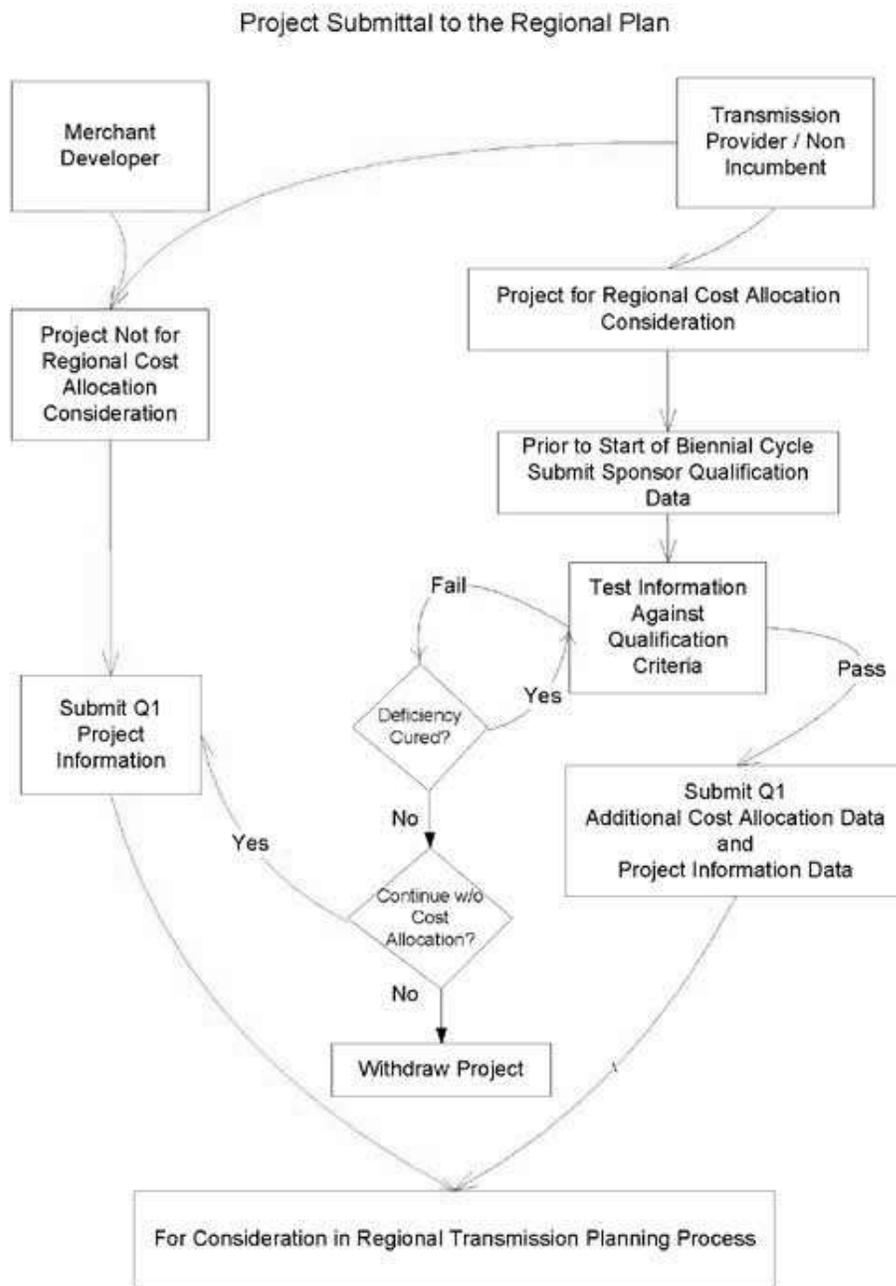


Figure 1. "Project Submittal Process"

3.7.3 Quarter 2 - Development of the Biennial Study Plan

3.7.3.1 Evaluate the Data

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

3.7.3.2 Development of the Biennial Study Plan

The Planning Committee will develop the Biennial Study Plan, which describes

- a. The detailed study methodology;
- b. Reliability criteria;
- c. Transmission needs driven by Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- d. Assumptions;
- e. Databases;
- f. Analysis tools;
- g. Projects (including unsponsored projects) included in the prior Regional Transmission Plan that will be reevaluated according to Section 1.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- h. The projects included in each of the Full Funders Local Transmission Plans;
- i. Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, unsponsored projects identified by the Planning Committee, and unsponsored projects submitted by stakeholders; and

j. Allocation scenarios.

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

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

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

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

(aa) the draft Biennial Study Plan lacks details;

(bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or

(cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.

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

(dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or

(ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.

In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation

Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.

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

3.7.3.3.1. Overview

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

3.7.3.3.2. Process

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

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

Figure 2. "Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations"

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

In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the transmission needs driven by Public Policy Requirements to be used in the Biennial Study Plan, as well as the transmission needs driven by Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2

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

3.7.3.3.3. Identification

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

3.7.3.3.4. Posting

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

3.7.3.4 Identification of Un-sponsored Transmission Projects by Planning Committee

The Planning Committee may, using its knowledge of the transmission systems and its professional judgment, identify an un-sponsored project.

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

3.7.4.1 Analysis and Methodology

The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing non-Committed project(s) in the Initial Regional Plan with one or more of the Alternative Projects. Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the Initial Transmission

Plan's incremental capital-related cost for replaced or deferred project(s) and incremental Monetized Non-Financial Incremental Costs. The set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. The projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2. As used in this paragraph, "Monetized Non-Financial Incremental Costs" means those incremental costs associated with an Alternative Project that are not directly evaluated and measured in dollars of changed revenues, expenses, or capital investment. Such incremental costs, which are non-financial in nature, will be monetized by applying an appropriate index or conversion factor to convert the units in which the incremental costs were directly evaluated and measured into a dollar value. (For example, losses are measured in megawatt hours. That quantity will be converted to dollars by multiplying the quantity by a dollar per megawatt hour index.)

3.7.4.2 Analysis Criteria

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

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

"Annual Capital-Related Costs" will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

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

b. *Energy Losses.* This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.

c. *Reserves.* This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the Initial Regional Plan. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6

through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

3.7.4.3 Analysis of Additional Alternatives

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

3.7.4.4 Impacts on Neighboring Regions

The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated,

as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

3.7.4.5 Draft Regional Transmission Plan

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

3.7.5 Quarter 5 - Stakeholder Review of Draft Regional Transmission Plan

3.7.5.1 Public Review

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

3.7.5.2 Public Comment and Updates

Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan through info@nttg.biz. Stakeholder comments may include identification of a new unsponsored project. New unsponsored projects will be considered to the extent feasible, as determined by the Planning Committee, without delaying the development of the Regional Transmission Plan. New unsponsored projects that are not considered during the current Regional Planning Cycle will be noted in the Regional Transmission Plan and carried forward for consideration in the following Regional Planning Cycle. In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in quarter 1 above need to be submitted. Changes to third-party contractor information or the timeline for entering into a definitive agreement with a third-party contractor is considered a material change and must be updated, to the extent the information is different than the information provided in Quarter 1. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for

both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

3.7.5.3 Submission of Economic Study Reports

Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

3.7.6 Quarter 6 - Updates to the Biennial Study Plan

3.7.6.1 Updated Biennial Study Plan

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

3.7.6.2 Cost Allocation

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

3.7.6.3 Draft Final Regional Transmission Plan

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

3.7.7 Quarter 7 - Draft Final Regional Transmission Plan Review

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

3.7.8 Quarter 8 - Regional Transmission Plan Approval

The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan for consideration in the local and interconnection-wide study processes.

Any unsponsored project in the Final Regional Transmission Plan may be resubmitted using the process described in Sections 3.7.1

and 3.7.2 above, as a Sponsored Project by a pre-qualified Project Sponsor for consideration in the next Regional Planning Cycle for purposes of cost allocation. Pursuant to Section 3.9.1 below, such project shall be subject to reevaluation unless it is a Committed Project.

3.7.9 Quarterly Meetings

The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

3.8. Cost Allocation.

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

3.8.1 Participant Funding.

3.8.1.1 Open Season Solicitation of Interest.

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

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

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

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

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

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

3.8.1.2 Projects without a Solicitation of Interest.

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

3.8.1.3 Other Sponsored Projects.

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

3.8.2 Allocation of Costs

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

3.8.2.1 Project Qualification.

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

- a. Was proposed for such purpose by a pre-qualified sponsoring entity was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);
- b. Was selected in the Draft Regional Transmission Plan; and
- c. Has an estimated cost exceeding \$20 million.

3.8.2.2 Allocation of Project Costs to Beneficiaries.

The Cost Allocation Committee initially identifies Beneficiaries as all those entities that may be affected by the project based upon the application of the analysis criteria set forth in Section 3.7.4.2

and using the allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to Section 3.7.4.1, and remove those entities that do not receive a benefit from the project being evaluated.

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

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

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

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

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

Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the

lesser of \$950M*(\$483/(\$483+\$520)) = \$457.5M OR \$483/1.10 = \$439.1) and C is allocated \$511M (i.e., \$950 - \$439 = \$511).

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

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership rights or Ownership-Like Rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or Ownership-Like Rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary. "Ownership-Like Rights," as used in this paragraph, refers to those arrangements where an entity has rights in certain transmission facilities or a transmission path owned by another entity (or entities), which are based upon a percentage of the facility or path's rated capacity, and which rights remain through the in-service life of the facility or path.

3.8.2.3 Allocation Scenarios

As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries. The allocation scenarios become part of the Biennial Study Plan during its development in Quarter 2, and are not used by the Planning Committee and the Cost Allocation Committee until the development of benefits pursuant to the analysis criteria in Section

3.7.4.2 and the allocation of costs pursuant to those benefits to Beneficiaries pursuant to Section 3.8.2.2 starting in Quarter 6.

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

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

3.8.3 Exclusions.

The cost for projects undertaken in connection with requests for interconnection or transmission service under the Tariff will be governed solely by the applicable cost allocation methods associated with those requests under the Tariff.

3.9. Reevaluation

3.9.1 Reevaluation of the Regional Transmission Plan.

NTTG expects the sponsor of a project selected in the prior Regional Transmission Plan (the "Original Project") to inform the Planning Committee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-

submits its project development schedule during quarter 1. If the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original Project in the context of the current Regional Planning Cycle using an updated in-service date.

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

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

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

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

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

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

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

3.9.2 Reevaluation of Cost Allocation

A cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed as "Committed" pursuant to Part B, Section 9.1.

3.10. Calculations

The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.

3.11. Economic Study Requests

3.11.1 Submission of Economic Study Requests

Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Part II, Section 10;
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12.1; and
- c. Interconnection-wide Economic Study Request to WECC TEPPC as provided for in Part V.

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

3.11.2 Review for Completeness

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

3.11.3 Categorization and Processing of Economic Study Requests

All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request, a Regional Economic Study Request, or an Interconnection-wide Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Part II, Section 10. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12. Interconnection-wide Economic Study Requests will be forwarded to WECC TEPPC and processed as set forth in Part V.

3.12. Regional Economic Study Requests

3.12.1 Submission Windows

Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 30th of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit completed forms to the Planning Committee, through info@nttg.biz.

3.12.2 Studies Performed

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

- a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and
- b. Input from stakeholders at the Planning Committee meeting. The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

3.12.3 Additional Studies

The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such

studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by emailing the Planning Committee chair, through info@nttg.biz. Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.

3.12.4 Clustering Study Requests

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

3.12.5 Unaccommodated Economic Study Requests

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

3.12.6 Study Schedule

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

PART IV. **INTERREGIONAL PLANNING PROCESS**

4. Common Interregional Coordination and Cost Allocation

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. Nothing in section 4 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.

Definitions

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

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

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

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

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

4.1.5. Planning Region: means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG Transmission Group, and WestConnect.

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

Introduction

~~The Transmission Provider participates in ColumbiaGrid regional planning as a Party to the PEFA and an Order 1000 Enrolled Party to the Order 1000 Agreement. ColumbiaGrid is a non-profit membership corporation whose purpose is to promote, in the public interest, coordinated and reliable planning, expansion, and operation of the interconnected transmission systems in the Pacific Northwest, taking into consideration environmental concerns, regional interests, and cost-effectiveness.~~

~~Although the transmission planning processes identified in the PEFA or in the Order 1000 Agreement are described sequentially, it is anticipated that the planning activities under the PEFA or Order 1000 Agreement will, except with respect to specific time periods and specific deadlines set forth in the PEFA or the Order 1000 Agreement, be performed on a flexible, iterative, and non-sequential basis. Accordingly, for example, ColumbiaGrid may submit Draft Order 1000 Need Statements to the Board as needed for review and comment without waiting until such time as the Draft System Assessment Report is submitted for review and comment. Planning activities under the Order 1000 Functional Agreement will commence January 2015.~~

~~The planning process described in this Part III to be followed under the Order 1000 Agreement by ColumbiaGrid and the Order 1000 Parties is more fully described in the Order 1000 Agreement, including specifically its Appendix A.~~

~~1.1 Relationship to the PEFA~~

~~Under section 2.1 of the Order 1000 Agreement:~~

~~The Order 1000 Agreement is based on the transmission planning processes in the PEFA and provides additional terms and processes necessary for ColumbiaGrid to facilitate the performance of certain transmission planning processes on behalf of Governmental Non-Enrolled Parties and, pursuant to Order 1000 on behalf of Order 1000 Enrolled Parties and ITP Proponents. Order 1000 Enrolled Parties and ITP Proponents are, as applicable, to participate, with respect to Order 1000 Potential Needs, Order 1000 Need(s), Interregional Transmission Project(s), Order 1000 Proposed Project(s), Order 1000 Eligible Project(s), and Order 1000 Projects, in ColumbiaGrid transmission planning processes in accordance with the Order 1000 Agreement. In the event of a conflict between any provision of the Order 1000 Agreement and any provision of the PEFA, the provisions of the Order 1000 Agreement are to prevail with respect to the rights and obligations as between and among ColumbiaGrid and Order 1000 Parties. The transmission planning processes under the Order 1000 Agreement are intended to supplement the transmission planning processes under the PEFA.~~

~~The transmission planning processes under the Order 1000 Agreement are, to the extent practicable, to utilize the same transmission planning processes that are used under the PEFA. The performance of system assessments and preparation of Biennial Plans pursuant to the Order 1000 Agreement are intended to be accomplished in conjunction with the performance of the system assessments and preparation of the Biennial Plans under the PEFA. Nothing in the Order 1000 Agreement is to obligate ColumbiaGrid to prepare a Biennial Plan separate from the Biennial Plan prepared under the PEFA and nothing in the Order 1000 Agreement is to obligate ColumbiaGrid to prepare a system assessment separate from the system assessment prepared under the PEFA; provided that that the requirements of the Order 1000 Agreement are satisfied.~~

~~1.2 Provisions of the PEFA Applicable to Order 1000 Parties Not Party to the PEFA~~

~~Under section 2.2 of the Order 1000 Agreement:~~

~~For purposes of the Order 1000 Agreement, each Order 1000 Party that is not a Party to the PEFA is to comply with the provisions of the PEFA (except as otherwise provided in section 2.2 of the Order Agreement), including the following sections of the PEFA, as though such Order 1000 Party is a Planning Party and Transmission Owner or Operator Planning Party:~~

- ~~• Section 1 Definitions~~
- ~~• Section 2 Biennial Transmission Plans and Updates~~
- ~~• Section 3 Plan Methodology~~
- ~~• Section 4 ColumbiaGrid Transmission Planning Process Requirements~~
- ~~• Section 11 Authorization for ColumbiaGrid to Perform Obligations Under This Agreement~~
- ~~• Section 12 Limitations of Liability Among Planning Parties~~
- ~~• Section 13.3 First Party Claims~~
- ~~• Section 13.5 Inaccurate or Incomplete Data or Information~~
- ~~• Section 13.6 Limitation of Damages~~
- ~~• Section 14 Uncontrollable Force~~
- ~~• Section 16 Confidentiality Obligations~~
- ~~• Section 19.3 Construction of Agreement~~
- ~~• Section 19.6 Governing Law~~
- ~~• Section 19.8 Singular and Plural; Use of "Or"~~

- ~~• Section 19.9 Headings for Convenience Only~~
- ~~• Section 19.10 Relationship of the Parties~~
- ~~• Section 19.11 No Third Person Beneficiaries~~
- ~~• Section 19.12 No Dedication of Facilities~~
- ~~• Section 19.13 Nonwaiver~~
- ~~• Appendix A (except as provided below) Transmission Planning Process~~

~~Notwithstanding the foregoing, the following provisions of the PEFA are specifically not applicable under the Order 1000 Agreement to any Order 1000 Party and are not to constitute obligations under the Order 1000 Agreement of ColumbiaGrid or any Order 1000 Party:~~

- ~~• Section 5 Commitment to Move to Common Queue and Explore Other Improvements~~
- ~~• Section 6 Offer and Execution of Facilities Agreements; Other Agreements~~
- ~~• Section 7 Regional and Interregional Transmission Coordination~~
- ~~• Section 8 Payment~~
- ~~• Section 9 Budgets~~
- ~~• Section 13.4 Third Person Claims~~
- ~~• Section 15 Assignments and Conveyances~~
- ~~• Section 17 Effective Date~~
- ~~• Section 18 Withdrawal~~
- ~~• Section 19 Miscellaneous, except as specifically included above~~
- ~~• Appendix B Facilities Agreement~~

~~In addition to the provisions listed above, the provisions of the PEFA that provide for any cost allocation, including, but not limited to, any such provisions in sections 5.4, 6.4, 8.4, and 9.4 of Appendix A of the PEFA, are not applicable under the Order 1000 Agreement to any Order 1000 Party that is not a Party to the PEFA and are not to constitute obligations of ColumbiaGrid or any Order 1000 Party under the Order 1000 Agreement.~~

~~Each Order 1000 Party acknowledges and agrees that, by ColumbiaGrid and the Order 1000 Parties entering into and performing the Order 1000 Agreement, no Order 1000 Party becomes Party to, or third-party beneficiary under, the PEFA.~~

~~**1.3 Draft Biennial Plans and Biennial Plans**~~

~~Under section 2.3 of the Order 1000 Agreement:~~

~~Each Planning Cycle, ColumbiaGrid is to develop and review a Draft Biennial Plan and is to adopt, by majority vote of the Board, a Biennial Plan. Each Draft Biennial Plan is to include the information with respect to any ITP(s), Order 1000 Proposed Project(s), Order 1000 Eligible Project(s), and Order 1000 Project(s) as described in sections 11.1 and 11.4 of Appendix A, as applicable.~~

~~**1.4 Adoption of Plan Updates**~~

~~Under section 2.4 of the Order 1000 Agreement:~~

~~If at any time ColumbiaGrid determines that changes in conditions make a Plan Update appropriate with respect to any Order 1000 Need, ITP, Order 1000 Proposed Project, Order 1000 Eligible Project, or Order 1000 Project, prior to the adoption of the next Biennial Plan in order for there to be sufficient lead time for implementation, Staff is to develop and the Board is to consider for adoption, a Plan Update of the then-current Plan to address such conditions. Any Plan Update is to the extent practicable to be based on the then-most-current assumptions and conditions. After adoption of a Biennial Plan or Plan Update, ColumbiaGrid is to provide all Study Team~~

~~participants with a copy thereof, and post such Biennial Plan or Plan Update on the Website.~~

~~1.5 Plan Methodology~~

~~Under section 2.5 of the Order 1000 Agreement:~~

~~In developing each Plan, ColumbiaGrid is to conduct such activities consistent with the Order 1000 Agreement and is to endeavor to:~~

- ~~(i) after consideration of the data and comments supplied by Order 1000 Parties, customers of Order 1000 Parties, and other Interested Persons and stakeholders, develop a Plan that addresses Order 1000 Needs, including those reflecting the specific service requests of transmission customers and that otherwise treats similarly-situated customers (e.g., network and retail native load) comparably in the ColumbiaGrid regional transmission planning process;~~
- ~~(ii) facilitate analysis of solutions to Order 1000 Needs as if a single utility owned all relevant generating, transmission, and distribution facilities to enhance efficiency and reduce duplication of facilities, environmental impacts, and costs;~~
- ~~(iii) perform a system assessment of RIS facilities, taking into account the input of Order 1000 Parties and Interested Persons with respect to Order 1000 Potential Needs, including Order 1000 Potential Needs driven by a Public Policy Requirement, reliability, or economic considerations;~~
- ~~(iv) through the system assessment, identify Order 1000 Needs for which potential solutions should be identified and evaluated;~~
- ~~(v) task Study Teams to work in an open, transparent, non-discriminatory, and collaborative manner (subject to ColumbiaGrid's obligation to protect Confidential Information and CEII pursuant to the Order 1000 Agreement) to identify and evaluate solutions to address such Order 1000 Needs and evaluate such solutions, including, in the case of solutions to Order 1000 Needs, consistency with the solution evaluation factors described in section 2.3 of Appendix A;~~
- ~~(vi) if properly requested, apply the Order 1000 Cost Allocation Methodology to Order 1000 Projects in accordance with sections 6, 7, or 8 of Appendix A;~~
- ~~(vii) coordinate, as appropriate, with the planning activities of other regional planning entities and neighboring transmission systems, including Order 1000 Planning Regions other than the Order 1000 ColumbiaGrid Planning Region;~~
- ~~(viii) recognize each Order 1000 Party's responsibility for planning transmission facilities on its transmission system and responsibility for the planning necessary for its local projects and service of its local loads from its transmission system; and~~
- ~~(ix) with respect to Order 1000 Non-Transmission Alternatives, defer to the development of such alternatives in other appropriate forums and limit analysis of such alternatives to analysis of whether a proposed Order 1000 Non-Transmission Alternative is adopted by the Person on whose Electric System it would be located.~~

~~With respect to any request for transmission service or interconnection received by any Order 1000 Party, nothing in the Order 1000 Agreement shall~~

~~preclude any Order 1000 Party from responding if and as such Order 1000 Party determines is appropriate under its open access transmission tariff.~~

~~1.6 Scope of the Order 1000 Agreement~~

~~Under section 6.2 of the Order 1000 Agreement:~~

~~Consistent with Order 1000, the Order 1000 Parties intend the Order 1000 Agreement to facilitate fair regional transmission planning processes and do not intend the Order 1000 Agreement to dictate substantive outcomes of those processes. Nothing in the Order 1000 Agreement is to (i) create any obligation of any Person to construct or operate any transmission facilities, (ii) authorize or require any Person to be, or prohibit any Person from being, an owner or operator of any transmission facilities (including any Person that is or is not qualified or identified as a developer, owner, or operator pursuant to the Order 1000 Agreement), or (iii) authorize ColumbiaGrid to own, operate, or otherwise control any transmission facilities in any way.~~

~~Nothing in the Order 1000 Agreement is to 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.~~

~~1.7 Planning Processes Regarding Governmental Non-Enrolled Parties~~

~~Under section 2.6 of the Order 1000 Agreement:~~

~~1.7.1 Under the first paragraph of section 2.6.1 of the Order 1000 Agreement: The System Assessment Report(s) that are prepared pursuant to section 3 of Appendix A of the Order 1000 Agreement are, in addition to identifying the information with respect to the Order 1000 ColumbiaGrid Planning Region, to also identify need(s) for transmission facilities on the transmission system of any Governmental Non-Enrolled Party, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. ColumbiaGrid, in coordination with the Order 1000 Parties and Interested Persons, is to (i) select need(s) for transmission facilities in the ColumbiaGrid Planning Region of any such Governmental Non-Enrolled Party that are projected to occur during the Planning Horizon that should be addressed, (ii) develop conceptual transmission solutions that address any such need(s), and (iii) indicate whether a non-transmission solution might be viable to eliminate or delay the necessity for a transmission-based solution to such needs. In selecting such needs from among potential needs, ColumbiaGrid is to apply the Order 1000 Needs Factors as if such potential needs were Order 1000 Potential Needs.~~

~~1.7.2 Under the first paragraph of section 2.6.2 of the Order 1000 Agreement: Study Team(s) are, in addition to the purpose and function of Study Team(s) described in section 4 of Appendix A of the Order 1000 Agreement, also to be formed and used to evaluate solutions (including Governmental Non-Enrolled Party Non-Transmission Alternatives that would result in the elimination or deferral of a transmission need of a Governmental Non-Enrolled Party) and develop all required elements of a plan(s) of service to address transmission needs identified pursuant to section 2.6.1 of the Order 1000 Agreement. In selecting such transmission solutions from among potential solutions, ColumbiaGrid is to apply the relevant provisions of sections 2, 3, and 4 of Appendix A of the Order 1000 Agreement, including the Order 1000 Planning Criteria set forth in section 2.1 of Appendix A of the Order 1000 Agreement and the factors set forth in~~

~~section 2.3 of Appendix A of the Order 1000 Agreement, as if the Order 1000 Governmental Non-Enrolled Party was an Order 1000 Enrolled Party and as if such solutions were intended to address Order 1000 Needs. In the event that the Study Team does not reach consensus on all of the elements of the plan(s) of service, Staff is to determine all of the elements, upon which the Study Team did not reach consensus, of the plan(s) of service; provided that in making its determination, Staff is to consider any comments by any Order 1000 Party or Interested Person.~~

~~1.8 Status of Order 1000 Parties Under the Order 1000 Agreement~~

~~Under section 14.17 of the Order 1000 Agreement:~~

~~For the avoidance of doubt, any Order 1000 Party may only be an Order 1000 Enrolled Party, an ITP Proponent, or a Governmental Non-Enrolled Party.~~

~~Any Order 1000 Party that is a Planning Party and 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) may elect to be a Governmental Non-Enrolled Party under the Order 1000 Agreement by indicating in its signature block for the Order 1000 Agreement that it is a Governmental Non-Enrolled Party. If an Order 1000 Party indicates in its signature block for the Order 1000 Agreement that it is a Governmental Non-Enrolled Party, such Order 1000 Party, upon its execution and delivery of this Order 1000 Agreement, represents that it meets the definition of Governmental Non-Enrolled Party.~~

~~Any ITP Proponent under the Order 1000 Agreement must indicate in its signature block for the Order 1000 Agreement (i) that it is an ITP Proponent and (ii) the name of the Order 1000 Planning Region in which it is Enrolled. Any Order 1000 Enrolled Party that is an Order 1000 Non-Incumbent Transmission Developer shall advise ColumbiaGrid in writing of (i) any Order 1000 Planning Region other than the Order 1000 ColumbiaGrid Planning Region in which it is Enrolled and (ii) any proposed transmission facilities of such Order 1000 Enrolled Party in the Order 1000 ColumbiaGrid Planning Region.~~

~~If an Order 1000 Party indicates in its signature block for the Order 1000 Agreement that it is an ITP Proponent, such Order 1000 Party, upon its execution and delivery of the Order 1000 Agreement, represents that it meets the definition of ITP Proponent and that it is Enrolled in an Order 1000 Planning Region other than the Order 1000 ColumbiaGrid Planning Region, as indicated in such Order 1000 Party's signature block.~~

~~If an Order 1000 Party does not indicate in its signature block for the Order 1000 Agreement that it is a Governmental Non-Enrolled Party and does not indicate in its signature block for the Order 1000 Agreement that it is an ITP Proponent, such Order 1000 Party, upon its execution and delivery of the Order 1000 Agreement, represents that it meets the definition of Order 1000 Enrolled Party.~~

~~If at any time any representation any Order 1000 Party has made pursuant to section 14.17 of the Order 1000 Agreement is not accurate, such Order 1000 Party is to immediately so notify each of the other Order 1000 Parties and ColumbiaGrid in writing and upon giving such notice is to be deemed to have given notice of withdrawal from the Order 1000 Agreement pursuant to section 13 of the Order 1000 Agreement. Any such notice of~~

~~withdrawal is to be effective on that date that is 90 days after the date such notice has been given.~~

~~Upon the withdrawal (or deemed withdrawal) pursuant to section 13 of the Order 1000 Agreement of any Order 1000 Enrolled Party from the Order 1000 Agreement becoming effective, the withdrawing Order 1000 Enrolled Party is to no longer be Enrolled in the Order 1000 ColumbiaGrid Planning Region, is to no longer be an Order 1000 Enrolled Party and is not to be subject to any Order 1000 Cost Allocation for any Order 1000 Eligible Project selected as an Order 1000 Project by the Board pursuant to section 5.3 of Appendix A of the Order 1000 Agreement after the effective date of such withdrawal. Any Governmental Non-Enrolled Party is not to be allocated, and the Board is not to approve, an Order 1000 Cost Allocation to any Order 1000 Party that is a Governmental Non-Enrolled Party on the date of approval of such Order 1000 Cost Allocation.~~

~~1.9 Subsequent Order 1000 Parties~~

~~Under section 12.2 of the Order 1000 Agreement:~~

~~With respect to any Order 1000 Party that enters into the Order 1000 Agreement after the date the Order 1000 Agreement is initially entered into between and among ColumbiaGrid, Avista Corporation, Puget Sound Energy, Inc., and MATL LLP pursuant to section 12.1 of the Order 1000 Agreement, the Order 1000 Agreement is to be effective as to such Order 1000 Party as of the date it executes the Order 1000 Agreement by executing a counterpart signature page of the Order 1000 Agreement and delivers such counterpart signature page to ColumbiaGrid, which is to maintain such original counterpart signature page and is to prepare and distribute a conformed copy thereof to each of the Order 1000 Parties. No Person may become an Order 1000 Enrolled Party during any calendar year unless such Person has become an Order 1000 Enrolled Party not later than thirty days after the posting of the Final System Assessment Report and the Order 1000 Need Statements for such calendar year.~~

~~No Person is required to be an Order 1000 Party in order to participate pursuant to the Order 1000 Agreement in a Study Team, to request qualification of any proposed developer(s), owner(s), or operator(s) of an Order 1000 Project pursuant to section 2.5 of Appendix A of the Order 1000 Agreement, or to request consideration of the impact of a proposed Order 1000 Merchant Transmission Project pursuant to section 2.7 of Appendix A of the Order 1000 Agreement.~~

~~1.10 Withdrawal by Order 1000 Party~~

~~Under section 13.1 of section 13 of the Order 1000 Agreement:~~

~~Any Order 1000 Party may withdraw from the Order 1000 Agreement by providing written notice of such withdrawal to ColumbiaGrid and each of the other Order 1000 Parties. Such withdrawal is to occur and be effective upon (i) the receipt of such written notice by ColumbiaGrid if the withdrawing Order 1000 Party 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) or (ii) the expiration of 90 days following the receipt of such written notice by ColumbiaGrid if the withdrawing Order 1000 Party is not within the definition of 16 U.S.C. § 824(f).~~

~~Under section 13.2 of section 13 of the Order 1000 Agreement:~~

~~Any Order 1000 Enrolled Party that~~

~~(i) at any time owns or operates existing transmission facilities in the Regional Interconnected Systems that are operating; and~~

~~(ii) after the expiration of 90 days after such time is not a signatory to the PEFA is to be deemed to have withdrawn from the Order 1000 Agreement, which deemed withdrawal is to be effective upon the expiration of such 90-day period. No Order 1000 Party that has withdrawn or has been deemed to have withdrawn pursuant to section 13 of the Order 1000 Agreement is to have any obligation to make any payment pursuant to section 3 of the Order 1000 Agreement for any transmission facility that was selected in the regional transmission plan for purposes of cost allocation by the ColumbiaGrid Board of Directors on or after the date upon which the withdrawal or deemed withdrawal of such Order 1000 Party is effective. Upon the withdrawal or deemed withdrawal of such Order 1000 Party becoming effective, all rights and obligations under the Order 1000 Agreement of such Order 1000 Party are to terminate; provided that all obligations and liabilities of such Order 1000 Party accrued under the Order 1000 Agreement through the date upon which the withdrawal or deemed withdrawal of such Order 1000 Party is effective are to be preserved until satisfied.~~

~~2. Criteria and Factors.~~

~~2.1 Order 1000 Planning Criteria~~

~~Under section 2.1 of Appendix A of the Order 1000 Agreement:~~

~~With respect to Order 1000 Need(s), ColumbiaGrid is to apply the then-current versions of the following as Order 1000 Planning Criteria for its system assessment, System Assessment Reports, and Order 1000 Need Statements:~~

- ~~(i) planning standards applicable to Order 1000 Enrolled Parties and ITP Proponents pursuant to law or regulation;~~
- ~~(ii) NERC reliability standards;~~
- ~~(iii) recognized regional planning or other reliability or transmission adequacy criteria developed by the consensus of the Order 1000 Enrolled Parties for use on their Order 1000 Transmission Systems (ColumbiaGrid may sponsor a process for development of such criteria); provided that an Order 1000 Enrolled Party may have other planning criteria that are more stringent than the ColumbiaGrid standards for use on its own Order 1000 Transmission System; and~~
- ~~(iv) with respect to planning criteria applicable to any particular Order 1000 Enrolled Party, such additional criteria then accepted by such Order 1000 Enrolled Party and communicated to ColumbiaGrid by written notice; provided that any such additional criteria are to apply only to such Order 1000 Enrolled Party.~~

~~2.2 Order 1000 Needs Factors.~~

~~Under section 2.2 of Appendix A of the Order 1000 Agreement:~~

~~The factors used in selecting Order 1000 Needs from among Order 1000 Potential Needs to be included in the system assessment for possible identification in the System Assessment Report ("Order 1000 Needs Factors") are to include the following:~~

- ~~(i) the level and form of support for addressing the Order 1000 Potential Need (such as indications of willingness to purchase capacity and existing transmission service requests that could use capacity consistent with solutions that would address the Order 1000 Potential Need);~~
- ~~(ii) the feasibility of addressing the Order 1000 Potential Need;~~
- ~~(iii) the extent, if any, that addressing the Order 1000 Potential Need would also address other Order 1000 Potential Needs; and~~
- ~~(iv) the factual basis supporting the Order 1000 Potential Need.~~

~~No single factor is necessarily to be determinative in selecting any Order 1000 Need from among the Order 1000 Potential Needs for inclusion in the system assessment.~~

~~2.3 Order 1000 Solution Evaluation Factors~~

~~Under section 2.3 of Appendix A of the Order 1000 Agreement:~~

~~The factors used in evaluating proposed solutions, including Order 1000 Non-Transmission Alternatives, to address Order 1000 Needs are to include the following:~~

- ~~(i) sponsorship and degree of development;~~
- ~~(ii) feasibility;~~
- ~~(iii) coordination with any affected transmission system and any other Order 1000 Affected Persons;~~
- ~~(iv) economics;~~
- ~~(v) effectiveness of performance;~~
- ~~(vi) satisfaction of Order 1000 Need(s), including the extent to which the proposed solution satisfies multiple Order 1000 Needs;~~
- ~~(vii) mitigation of any Order 1000 Material Adverse Impacts of such proposed solution on any transmission system; and~~
- ~~(viii) 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 Order 1000 Needs.~~

~~2.4 Order 1000 Non-Transmission Alternatives~~

~~Under section 2.4 of Appendix A of the Order 1000 Agreement:~~

~~If any Order 1000 Non-Transmission Alternative is adopted by the Person on whose Electric System it would be located, such Order 1000 Non-Transmission Alternative is to be included in the assumptions used in future system assessments, subject to subsequent updates on the status of such Order 1000 Non-Transmission Alternative.~~

~~2.5 Developer, Owner, or Operator Information Required to Enable Evaluation of Qualifications~~

~~Under section 2.5 of Appendix A of the Order 1000 Agreement:~~

~~The following information must be submitted with respect to any proposed developer(s), owner(s), or operator(s) of an Order 1000 Project:~~

- ~~(i) the identity of any proposed developer(s), owner(s), or operator(s);~~
- ~~(ii) the current and expected capabilities, as applicable, of any proposed developer(s), owner(s), or operator(s) to finance, plan, design, develop, and construct transmission facilities on a timely basis and to own, reliably operate, and maintain such project for the life of such project;~~
- ~~(iii) the current and expected capabilities, as applicable, of any proposed developer(s), owner(s), or operator(s) to adhere to construction, maintenance, and operating practices consistent with Good Utility Practices with respect to transmission facilities; and~~
- ~~(iv) the creditworthiness of any Person proposed as developer(s), owner(s), or operator(s), as demonstrated for example by (a) an investment grade credit rating, (b) having a minimum tangible net worth of \$1 million or total assets of \$10 million, or (c) providing a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to ColumbiaGrid.~~

~~No Order 1000 Party is to be designated under the Order 1000 Agreement as the proposed developer, owner, or operator under section 2.5 of Appendix A without such Order 1000 Party's consent. The requirement for any information listed above may be satisfied by reliance on relevant experience of third-~~

~~party contractors; provided however that any third-party contractors to be relied upon must be specifically identified and ColumbiaGrid must be provided sufficient information regarding such third-party contractors to allow ColumbiaGrid to fully review and evaluate the relevant qualifications of such third-party contractors.~~

~~To the extent the information specified by section 2.5 of Appendix A is submitted in writing to ColumbiaGrid with regard to any proposed developer, owner, or operator, ColumbiaGrid is, within 60 days of its receipt of all information specified by section 2.5 of Appendix A with regard to such proposed developer, owner, or operator, to make a determination whether any such proposed developer, owner, or operator is qualified to be a developer, owner, or operator, as applicable, under the Order 1000 Agreement and is to notify in writing such proposed developer, owner, or operator and each Order 1000 Party of its determination. In the event that ColumbiaGrid determines that any proposed developer, owner, or operator is not qualified under section 2.5 of Appendix A, ColumbiaGrid is to notify such proposed developer, owner, or operator of such determination and is to list in such notice the deficiencies of any proposed developer, owner, or operator under section 2.5 of Appendix A. Any proposed developer, owner, or operator that ColumbiaGrid determines is not qualified under section 2.5 of Appendix A may attempt to cure any such deficiencies by providing ColumbiaGrid additional information.~~

~~Any proposed developer, owner, or operator that ColumbiaGrid determines is qualified under section 2.5 of Appendix A may, with such developer's, owner's, or operator's consent, be identified as the developer, owner, or operator, as applicable, of any ITP, Order 1000 Proposed Project, Order 1000 Eligible Project, or Order 1000 Project. ColumbiaGrid may from time to time request additional information regarding any such developer, owner, or operator to verify such developer's, owner's, or operator's qualifications under section 2.5 of Appendix A. Failure to provide such information with respect to any developer, owner, or operator that is reasonably requested by ColumbiaGrid may result in the failure of any developer, owner, or operator to qualify under section 2.5 of Appendix A. ColumbiaGrid may determine that any developer, owner, or operator previously qualified under section 2.5 of Appendix A no longer qualifies under section 2.5 of Appendix A for cause by providing such developer, owner, or operator written notice that it does not qualify under section 2.5 of Appendix A and setting forth the reasons for such determination. Any such disqualified developer, owner, or operator may attempt to cure its deficiencies by providing ColumbiaGrid additional information.~~

~~**2.6 Information Required to Enable a ColumbiaGrid Study Team to Evaluate a Proposed Solution to an Order 1000 Need(s)**~~

~~Under section 2.6 of Appendix A of the Order 1000 Agreement:~~

~~An Order 1000 Enrolled Party or ITP Proponent must submit to ColumbiaGrid the following information with respect to a proposed solution to an Order 1000 Need(s) for which it is a proponent:~~

- ~~(i) purpose of the proposed solution and the Order 1000 Need(s) that the proposed solution would address;~~
- ~~(ii) development schedule for such solution, indicating required steps, such as granting of state, federal, and local approvals necessary to develop and construct the proposed solution so as to timely meet the Order 1000 Need(s);~~
- ~~(iii) new substations and transmission lines that would be created with the proposed solution;~~
- ~~(iv) the identity of proposed developer(s), owner(s), or operator(s), if any developer(s), owner(s), or operator(s) are proposed;~~
- ~~(v) for solutions that are anticipated to be ITPs, identification of the Relevant Planning Region(s) where any new facilities are~~

~~proposed to be interconnected to and identification of the transmission system(s) to which any new facilities would interconnect;~~

- ~~(vi) voltage level(s) of the proposed facilities;~~
- ~~(vii) mileages associated with any new or upgraded transmission lines;~~
- ~~(viii) planned conductor to be used for any proposed new or upgraded transmission lines;~~
- ~~(ix) proposed increase in transmission system transfer capability associated with the proposed solution;~~
- ~~(x) ratings of individual transmission facility components (e.g., lines and transformers);~~
- ~~(xi) electrical parameters of the proposed solution components as necessary to model them accurately in power flow simulations (e.g., resistance, reactance, charging, ratings, etc.);~~
- ~~(xii) the amount of reactive (in MVAR) for any proposed reactive components;~~
- ~~(xiii) if the proposed solution involves new generation, then the machine parameters necessary to model the new generator(s) accurately in power flow and stability simulations (e.g., machine reactances, time constants, control system parameters, etc.);~~
- ~~(xiv) a list of new contingencies that should be analyzed as a result of the proposed solution;~~
- ~~(xv) cost estimates in as much detail as is available; and~~
- ~~(xvi) technical studies and analysis, if performed, to support the proposed solution.~~

~~An Order 1000 Merchant Transmission Project that is proposed by an Order 1000 Party must submit comparable information (exclusive of items (i), (ii), and (xv)) to ColumbiaGrid with respect to transmission facilities it proposes to develop.~~

~~Staff is to give an Order 1000 Enrolled Party(ies) or ITP Proponent(s) that has submitted information listed above written notice describing any deficiencies in such information, and such Order 1000 Enrolled Party(ies) or ITP Proponent(s) is to have 30 days after receipt of such notice to cure such deficiencies. To ensure that a proposed solution is considered by a Study Team, such information, including any cure of deficiencies, must be submitted not later than 30 days after the issuance of the Final System Assessment Report for the Biennial Plan then being developed. To the extent that any required information regarding a proposed solution is submitted after the time for submitting such information specified in the preceding sentence, such proposed solution is to be considered by the Study Team only insofar as, in ColumbiaGrid's sole discretion, such consideration is practicable.~~

~~Any Order 1000 Enrolled Party, ITP Proponent, or Person requesting consideration of impacts pursuant to section 2.7 of this Appendix A may submit any other studies and analysis performed to support the proposed transmission facilities.~~

~~ColumbiaGrid may from time to time request additional information regarding a proposed solution to an Order 1000 Need(s) from a proponent thereof.~~

~~2.7 Consideration of Impacts of Order 1000 Merchant Transmission Projects~~

~~Under section 2.7 of Appendix A of the Order 1000 Agreement:~~

~~If any Person proposes to develop, own, or operate an Order 1000 Merchant Transmission Project, such Person may request in writing that ColumbiaGrid consider the impacts of such proposed Order 1000 Merchant Transmission Project pursuant to this section 2.7. Upon ColumbiaGrid's receipt of such request and the information required in Section 2.6 of Appendix A, ColumbiaGrid will to the~~

~~extent practicable consider the impacts of such Order 1000 Merchant Transmission Project on the facilities in the Order 1000 ColumbiaGrid Planning Region as part of its next system assessment under conditions studied in such system assessment. For purposes of section 4.7 of the body of this Order 1000 Agreement, any Person (other than an Order 1000 Party) requesting consideration of impacts pursuant to section 2.7 of this Appendix A shall be a Third Person.~~

~~3. System Assessment Report and Need Statements.~~

~~Each year, commencing 2015, ColumbiaGrid is to prepare Draft Order 1000 Need Statements and Order 1000 Need Statements and a Draft System Assessment Report and a Final System Assessment Report.~~

~~3.1 Order 1000 Needs Meeting~~

~~Under section 3.1 of Appendix A of the Order 1000 Agreement:~~

~~During January of each year, but not later than March 31st of each year, Staff is to hold an Order 1000 Needs Meeting, to which Interested Persons are to be invited, and notice of such meeting is to be posted on the Website. The purpose of such meeting is to discuss Order 1000 Potential Needs that should be included in the upcoming system assessment.~~

~~Prior to such meeting, Interested Persons may submit written suggestions to ColumbiaGrid of items that should be considered for inclusion as Order 1000 Potential Need(s), including suggested Order 1000 Potential Need(s) that are driven by (i) reliability requirements, (ii) economic considerations, or (iii) Public Policy Requirements.~~

~~3.2 Order 1000 Need(s) for Draft System Assessment Report~~

~~Under section 3.2 of Appendix A of the Order 1000 Agreement:~~

~~3.2.1 ColumbiaGrid, in coordination with the Order 1000 Parties and Interested Persons, is to perform a system assessment and prepare a Draft System Assessment Report~~

~~(i) to identify Order 1000 Need(s) by using screening studies of the Order 1000 ColumbiaGrid Planning Region and using the Order 1000 Planning Criteria and Order 1000 Needs Factors to identify, from the Order 1000 Potential Need(s), Order 1000 Need(s), if any, including Order 1000 Needs that are driven by (a) reliability requirements, (b) economic considerations, or (c) Public Policy Requirements, projected to occur during the Planning Horizon; provided that Draft Order 1000 Need Statements need not be prepared for a Draft System Assessment Report for the second year of a Planning Cycle for any Order 1000 Need already identified in the previous System Assessment Report; and~~

~~(ii) to reevaluate Order 1000 Projects included in prior Plans pursuant to section 3.3 of Appendix A.~~

~~3.2.2 ColumbiaGrid is to perform the system assessment and base such assessment on the then-current and appropriate WECC planning base cases; provided that Order 1000 Enrolled Parties are to provide updates to the input previously provided to ColumbiaGrid pursuant to sections 4.1 and 4.6 of the body of the Order 1000 Agreement; provided further that ColumbiaGrid is insofar as practicable to consider other information supplied by Order 1000 Enrolled Parties, customers of Order 1000 Enrolled Parties, other Interested Persons, and stakeholders. ColumbiaGrid is insofar as practicable to update the then-current WECC planning base case to reflect such updated information so that the system assessment reflects on-going projects and the likely completion dates of such projects to the extent such projects and completion dates are reasonably forecasted to occur prior to the end of the Planning Horizon.~~

~~3.2.3 ColumbiaGrid is to post drafts of the system assessment results on the Website as they become available during the system assessment~~

~~process subject to any appropriate conditions to protect Confidential Information and CEII.~~

~~**3.2.4** ColumbiaGrid, in coordination with the Order 1000 Parties and Interested Persons, is to apply the Order 1000 Needs Factors set forth in section 2.2 of Appendix A to select Order 1000 Need(s) projected to occur during the Planning Horizon, is to develop conceptual transmission solutions that address any Order 1000 Need(s), and is to develop a Draft Order 1000 Need Statement for each such Order 1000 Need. Each such Draft Order 1000 Need Statement is, at a minimum, include the following information:~~

- ~~(i) a narrative description of the Order 1000 Need and the assumptions, applicable Order 1000 Planning Criteria, and methodology used to determine the Order 1000 Need;~~
- ~~(ii) one or more conceptual transmission-based solutions to meet the Order 1000 Need with estimated timelines and estimated costs to implement each such solution; and~~
- ~~(iii) an indication of whether a non-transmission solution might be viable to eliminate or delay the necessity for a transmission-based solution.~~

~~In the event that ColumbiaGrid and the Order 1000 Parties and Interested Persons participating in the system assessment do not reach consensus on the content of any Draft Order 1000 Need Statement, Staff is to determine the content of such Draft Order 1000 Need Statement; provided that in making its determination, Staff is to consider any comments and possible solutions suggested by any Order 1000 Party, Interested Person, or stakeholders participating in the system assessment; provided further that ColumbiaGrid is to note in the Draft Order 1000 Need Statement that Staff determined the content of such statement and is to report the comments of Order 1000 Parties, Interested Persons, and stakeholders.~~

~~**3.2.5** ColumbiaGrid is to post drafts of the Draft Order 1000 Need Statements, as they become available, on the Website subject to any appropriate conditions to protect Confidential Information and CEII. Order 1000 Parties, Interested Persons, and stakeholders may submit written comments to ColumbiaGrid on the Draft Order 1000 Need Statements and ColumbiaGrid is insofar as practicable to consider any such comments in preparing the final Order 1000 Need Statements. ColumbiaGrid is to present the Draft Order 1000 Need Statements to the Board for review and comment and is to incorporate any Board comments in the final Order 1000 Need Statements. ColumbiaGrid is to post, subject to any appropriate conditions to protect Confidential Information and CEII, Order 1000 Need Statements and documentation of the basis upon which Order 1000 Potential Need(s), including Order 1000 Potential Need(s) driven by Public Policy Requirements, were or were not selected as Order 1000 Need(s) on the Website.~~

~~**3.3 Reevaluation of Order 1000 Project(s)**~~

~~Under section 3.3 of Appendix A of the Order 1000 Agreement:~~

~~Staff, in consultation with any identified developer, owner, or operator and any Order 1000 Beneficiary and ITP Proponent of an Order 1000 Project, is in each system assessment to reevaluate the most recent prior Plan, taken as a whole, to determine if changes in circumstances, including delays in the development of an Order 1000 Project included in such prior Plan, require evaluation of alternative transmission solutions, including those that the incumbent Order 1000 Enrolled Party proposes, so that the incumbent Order 1000 Enrolled Party as a transmission provider can meet its reliability needs or service obligations. Based on such reevaluation, Staff is to recommend removal of a project as an Order 1000 Project in the Plan if:~~

- ~~(i) the Order 1000 Project would no longer qualify for selection as an Order 1000 Project;~~
- ~~(ii) a project development schedule for the Order 1000 Project~~

- ~~has not been submitted to ColumbiaGrid as required by item (ii) of section 2.6 of Appendix A demonstrating that the Order 1000 Project will timely meet Order 1000 Need(s);~~
- ~~(iii) the development of the Order 1000 Project is not progressing consistent with the project development schedule such that the Order 1000 Project will not timely meet Order 1000 Need(s);~~
- ~~(iv) if all Order 1000 Parties that requested Order 1000 Cost Allocation for the Order 1000 Project have withdrawn their requests for Order 1000 Cost Allocation in accordance with section 5.2 of Appendix A; or~~
- ~~(v) the developer(s), owner(s), or operator(s) of the Order 1000 Project fail to provide information regarding the Order 1000 Project that is needed for the reevaluation pursuant to section 3.3 of Appendix A.~~

~~_____ The Board is to make the final determination as to the removal of an Order 1000 Project from a Plan as an Order 1000 Project (and upon such removal any Order 1000 Cost Allocation associated with such Order 1000 Project is to be vacated).~~

~~_____ In the event that an Order 1000 Project is removed from a Plan, an Order 1000 Enrolled Party may propose solutions that it would implement within its retail distribution service territory or footprint, if any evaluation of alternatives is needed. If an Order 1000 Enrolled Party proposes transmission facilities as a proposed solution to Order 1000 Need(s), such proposed transmission facilities is to be evaluated as a proposed solution in accordance with the Order 1000 Agreement.~~

~~_____ **3.4 Draft System Assessment Report**~~

~~_____ Under section 3.4 of Appendix A of the Order 1000 Agreement:~~

~~_____ ColumbiaGrid, in coordination with Order 1000 Parties and Interested Persons, is to prepare a Draft System Assessment Report. Such Draft System Assessment Report is to reflect Order 1000 Needs identified in the Order 1000 Need Statement(s) that are projected to occur during the Planning Horizon.~~

~~_____ During the development of the Draft System Assessment Report, each Order 1000 Party is to endeavor to inform Staff of any material change in conditions (anticipated to occur during the Planning Horizon) with respect to such Order 1000 Party of which it is aware affecting any Order 1000 Need(s) under consideration in the Draft System Assessment Report. ColumbiaGrid is insofar as practicable to take into account any such updates in its Draft System Assessment Report.~~

~~_____ ColumbiaGrid is to post for comment on the Website, subject to any appropriate conditions to protect Confidential Information and CEII, the Draft System Assessment Report. Staff is to consider any comments submitted by stakeholders within 15 days of the posting and prior to the submission to the Board is to consider any revisions to the Draft System Assessment Report that should be made as a result of such comments. Staff is to present the Draft System Assessment Report, including the Order 1000 Need Statements, to the Board for review and comment.~~

~~_____ **3.5 Final System Assessment Report**~~

~~_____ Under section 3.5 of Appendix A of the Order 1000 Agreement:~~

~~_____ ColumbiaGrid is to incorporate in the Final System Assessment Report the comments of the Board on the Draft System Assessment Report. ColumbiaGrid is to post on the Website, subject to any appropriate conditions to protect Confidential Information and CEII, the Final System Assessment Report.~~

~~**4. Study Teams**~~

~~_____ ColumbiaGrid is to endeavor to post on the Website, not later than ten business days prior to any meeting of a Study Team, information regarding any potential solutions to address any Order 1000 Need(s) to be discussed at such~~

meeting.

~~4.1 Formation of Study Teams~~

~~Under section 4.1 of Appendix A of the Order 1000 Agreement:~~

~~Unless assigned to an existing Study Team, ColumbiaGrid is to form Study Team(s) to develop a plan(s) of service to address Order 1000 Need(s), including plan(s) of service for Order 1000 Proposed Staff Solutions. When such Study Teams have been formed, ColumbiaGrid is to give notice to those Order 1000 Parties and Interested Persons that ColumbiaGrid anticipates will be materially affected.~~

~~Staff is to hold a public meeting, with general notice to Order 1000 Parties and Relevant State and Provincial Agencies and other Interested Persons and specific notice to those Order 1000 Parties and Interested Persons that ColumbiaGrid anticipates may be materially affected, for the purpose of reviewing each Order 1000 Need Statement and soliciting participation in a Study Team to address each Order 1000 Need. Staff is also to consider convening Study Teams that address more than one Order 1000 Need. Staff is to monitor the progress of each Study Team and is, as appropriate, to bring Study Teams together (including Study Teams formed under the PEFA) in order to resolve differences, gain efficiencies or effectiveness, or develop solutions that meet more than one Order 1000 Need.~~

~~4.2 Participation in Study Teams~~

~~Under section 4.2 of Appendix A of the Order 1000 Agreement:~~

~~4.2.1 ColumbiaGrid is to participate in each Study Team and, as needed, manage and facilitate the Study Team process. ColumbiaGrid is to endeavor to post on the Website, not later than ten business days prior to any meeting of a Study Team, information regarding Order 1000 Need(s) and potential solutions to be discussed at such meeting. ColumbiaGrid is to post on the Website, subject to any appropriate conditions to protect Confidential Information and CEII, drafts of summaries of the progress of the Study Teams, including the development of any proposed solutions to address any Order 1000 Need(s). If the Study Team determines that an Order 1000 Party that is not participating in the Study Team may be materially affected by the proposed solution to an Order 1000 Need(s) being developed by such Study Team, ColumbiaGrid is to so notify such Order 1000 Party, and such Order 1000 Party is to participate in the Study Team.~~

~~4.2.2 Any Order 1000 Party, Order 1000 Affected Person, Relevant State and Provincial Agency, or other Interested Person may participate in a Study Team, except as such participation may be subject to restrictions in tariffs (see, e.g., pro forma open access transmission tariff, sections 17.2 and 18.2) or applicable law. Order 1000 Party(ies) that are potentially materially affected by an Order 1000 Need(s) are to participate in the Study Team relating to such Order 1000 Need(s).~~

~~4.2.3 With respect to the development by the Study Team of a proposed solution to an Order 1000 Need(s),~~

- ~~(i) Order 1000 Enrolled Party(ies) with an Order 1000 Need(s) that is proposed to be met by an Order 1000 Proposed Staff Solution is to assume primary responsibility for leading and performing necessary analytical work for such solution in the Study Team; and~~
- ~~(ii) Order 1000 Enrolled Party(ies) (or ITP Proponent(s)) that is a proponent of a proposed solution other than an Order 1000 Proposed Staff Solution is to assume primary responsibility for leading and performing necessary analytical work for such solution in the Study Team; provided that each Order 1000 Enrolled Party(ies) with an Order 1000 Need(s) that is proposed to be met by such solution is to assume primary responsibility for assessing whether such solution satisfies its Order 1000 Need(s).~~

~~At such time that ColumbiaGrid determines that an Order 1000 Party or other Person that is not involved may be materially affected by the Order 1000 Proposed Project being developed, ColumbiaGrid is to so notify such Order 1000 Party or other Person. Any such Order 1000 Party so notified is to, and any such other Person may, participate in the Study Team.~~

~~4.3 Scope of Study Team Activities~~

~~Under section 4.3 of Appendix A of the Order 1000 Agreement:~~

~~Section 4.3 of Appendix A describes the development by the Study Team of a plan(s) of service to address an Order 1000 Need(s). The proposed transmission facilities of an Order 1000 Transmission System(s) included in a plan of service that address an Order 1000 Need(s) are referred to in the Order 1000 Agreement as "Order 1000 Proposed Projects."~~

~~The general objective of a Study Team is to be, with respect to any Order 1000 Need(s), to collaboratively and timely develop all required elements of a plan(s) of service to address Order 1000 Need(s) as provided in section 4 of Appendix A of. In developing such plan(s) of service, a Study Team is to evaluate any proposed solutions to an Order 1000 Need(s), including Order 1000 Non-Transmission Alternatives and conceptual solutions, that are:~~

- ~~(i) reflected in the relevant System Assessment Report(s); or~~
- ~~(ii) proposed by any Study Team participant to address such Order 1000 Need(s); provided that the information, including data, needed in order for the Study Team to evaluate such proposed solutions has been provided to ColumbiaGrid.~~

~~In performing its evaluation, the Study Team is to assess the ability of any proposed solution to address an Order 1000 Need(s) considering the factors as described in section 2.3 of Appendix A of, including assessment of any Order 1000 Material Adverse Impact of such proposed solution on any transmission system and the mitigation thereof. In addition, the Study Team is to assess whether there is a solution that is a more efficient or cost-effective alternative, applying such factors, to address Order 1000 Need(s). Taking such assessments into account, the Study Team is to attempt to reach agreement on all of the elements of a plan(s) of service to meet the Order 1000 Need(s).~~

~~In the event that the Study Team does not reach consensus on all of the elements of a plan(s) of service, Staff is to determine all of the elements, upon which the Study Team did not reach consensus, of a plan(s) of service to meet Order 1000 Need(s); provided that in making its determination, Staff is to consider any comments by any Order 1000 Party or Interested Person; provided further that ColumbiaGrid is in the final Study Team Report to note which of the elements of the plan(s) of service it determined and is to note the comments of Order 1000 Parties and Interested Persons. In making such determination, Staff shall assess the ability of any proposed solution to address an Order 1000 Need(s) considering the factors as described in section 2.3 of this Appendix A, including assessment of any Order 1000 Material Adverse Impact of such proposed solution on any transmission system and the mitigation thereof.~~

~~4.4 Order 1000 Proposed Staff Solutions and Their Development by Study Teams~~

~~Under section 4.4 of Appendix A of the Order 1000 Agreement:~~

~~Staff, in consultation with the Study Team and Interested Persons, is to review each plan of service that is included in a final Study Team report and assess whether Order 1000 Needs, when taken together, can be met by any more efficient or cost-effective transmission solution. If any such transmission solution is identified as a result of such assessment as a more efficient or cost-effective solution to an Order 1000 Need(s) ("Order 1000~~

~~Proposed Staff Solution"), Staff is to develop information regarding such transmission solution that is comparable to the information that is to be provided pursuant to section 2.6 of Appendix A. However, such data is to not include any assumption regarding the identity of the sponsor, developer, owner, or operator of any facilities of such transmission solution. A plan of service for any Order 1000 Proposed Staff Solution is to be developed by a Study Team (or by Staff in the absence of consensus) as described in section 4.3 of Appendix A, and the transmission facilities included in such plan of service may be an Order 1000 Proposed Project.~~

~~5. Identification of Order 1000 Proposed Projects and Order 1000 Eligible Projects and Selection of Order 1000 Projects~~

~~5.1 Identification of Order 1000 Proposed Projects and Order 1000 Eligible Projects~~

~~Under section 5.1 of Appendix A of the Order 1000 Agreement:~~

~~Not later than 30 days after the issuance of a final Study Team report (including any final Study Team report with respect to a plan of service for an Order 1000 Proposed Staff Solution), an Order 1000 Enrolled Party or ITP Proponent may request that Staff identify any Order 1000 Eligible Project(s) included therein. Any such request is to be submitted in writing to ColumbiaGrid. Upon receipt of any such request, Staff, in consultation with Interested Persons, is to~~

- ~~(i) review the plan of service that is included in such final Study Team report and identify any Order 1000 Proposed Projects included therein that are either (a) intraregional (i.e., located within the Order 1000 ColumbiaGrid Planning Region), or (b) an ITP; and~~
- ~~(ii) identify from among the Order 1000 Proposed Project(s) included in such final Study Team report any Order 1000 Proposed Project(s) that is a more efficient or cost effective solution to an Order 1000 Need(s).~~

~~Any Order 1000 Proposed Project so identified pursuant to item (ii) above is an "Order 1000 Eligible Project." An Order 1000 Eligible Project is eligible for consideration to be selected as an Order 1000 Project. An Order 1000 Eligible Project may qualify for and receive an Order 1000 Cost Allocation only if (1) such Order 1000 Eligible Project is selected as an Order 1000 Project in accordance with section 5.3 of Appendix A; and (2) if the Order 1000 Eligible Project is an ITP, the Order 1000 Enrolled Party or ITP Proponent that is the proponent of such ITP also requests Interregional Cost Allocation for such Order 1000 Eligible Project.~~

~~For each request, Staff is to prepare and post on the Website, subject to any appropriate conditions to protect Confidential Information and CEII, a description of any Order 1000 Eligible Project(s), and, with respect to any Order 1000 Proposed Project that was not selected as an Order 1000 Eligible Project, an explanation of why such Order 1000 Proposed Project was not selected as an Order 1000 Eligible Project.~~

~~5.2 Timely Request for Order 1000 Cost Allocation~~

~~Under section 5.2 of Appendix A of the Order 1000 Agreement:~~

~~Not later than 60 days after ColumbiaGrid has posted a description of any Order 1000 Eligible Project(s) pursuant to section 5.1 of Appendix A on the Website, an Order 1000 Enrolled Party(ies) or ITP Proponent(s) may request Order 1000 Cost Allocation for any such Order 1000 Eligible Project(s) for which such Order 1000 Enrolled Party(ies) or ITP Proponent(s) is a proponent; provided that an ITP Proponent may request an Order 1000 Cost Allocation for an Order 1000 Project only if such project is an ITP. Not later than 60 days after ColumbiaGrid has posted a description of any Order~~

~~1000 Eligible Project(s) pursuant to section 5.1 of this Appendix A on the Website, an Order 1000 Enrolled Party(ies) or ITP Proponent(s) may request Order 1000 Cost Allocation for any such Order 1000 Eligible Project(s) that is an Order 1000 Proposed Staff Solution; provided that an ITP Proponent(s) may request an Order 1000 Cost Allocation for an Order 1000 Project only if such project is an ITP. Any request for an Order 1000 Cost Allocation for an Order 1000 Eligible Project is to be submitted in writing to ColumbiaGrid. ColumbiaGrid is to post all such requests on the Website, and distribute copies of such requests to all Order 1000 Parties and participants in the Study Team that developed the Order 1000 Eligible Project. Any request for Order 1000 Cost Allocation for an Order 1000 Eligible Project submitted after the applicable foregoing deadline is not timely and is not to be considered. A request for Order 1000 Cost Allocation for an Order 1000 Eligible Project that is an ITP must include a request for Interregional Cost Allocation for such ITP in accordance with sections 7.5.1 and 8.4 of Appendix A. An Order 1000 Cost Allocation for an Order 1000 Eligible Project may not be requested pursuant to this section 5.2 if Order 1000 Cost Allocation has been previously requested pursuant to this section 5.2 for such Order 1000 Eligible Project and such request has not been withdrawn.~~

~~An Order 1000 Enrolled Party(ies) or ITP Proponent(s) that requests Order 1000 Cost Allocation for an Order 1000 Eligible Project in accordance with section 5.2 of Appendix A of may withdraw its request for such Order 1000 Cost Allocation at any time (including after such Order 1000 Eligible Project has been selected by ColumbiaGrid as an Order 1000 Project). Such request may be withdrawn by submitting notice of withdrawal of such request to ColumbiaGrid in writing. In the event that more than one Order 1000 Enrolled Party or ITP Proponent has requested Order 1000 Cost Allocation for an Order 1000 Eligible Project, and it is an Order 1000 Project, so long as at least one such party's request has not been withdrawn, and if no agreement on implementation has been reached in accordance with section 5.4 of Appendix A, ColumbiaGrid is to apply the Order 1000 Cost Allocation Methodology to such Order 1000 Project in accordance with section 6 of Appendix A.~~

~~For an Order 1000 Project that receives an Order 1000 Cost Allocation prior to the identification of its owner(s) or operator(s), such Order 1000 Cost Allocation is to be reperformed if and at such time as the owner(s) or operator(s) of the transmission facilities comprising such project are identified and any Order 1000 Enrolled Party(ies) or ITP Proponent(s) requests such reperformance. Upon such reperformance, any prior Order 1000 Cost Allocation with respect to such Order 1000 Project is to be vacated.~~

~~**5.3 Selection as Order 1000 Project**~~

~~Under section 5.3 of Appendix A of the Order 1000 Agreement:~~

~~For each Order 1000 Eligible Project for which Order 1000 Cost Allocation has been timely requested pursuant to section 5.2 of Appendix A, the Board shall, in an open, public process (subject to any appropriate conditions to protect Confidential Information and CEII), to review such Order 1000 Eligible Project and either (i) confirm that such Order 1000 Eligible Project is a more efficient or cost-effective solution to meet an Order 1000 Need(s) and post such confirmation on the Website or (ii) document and post on the Website its reasons for not confirming that such Order 1000 Eligible Project is the more efficient or cost-effective solution to meet an Order 1000 Need(s). In determining whether or not to so confirm an Order 1000 Eligible Project, the Board shall consider the factors as described in section 2.3 of this Appendix A, including assessment of any Order 1000 Material Adverse Impact of such proposed solution on any transmission system and the mitigation thereof. An Order 1000 Eligible Project that the Board confirms is a more efficient or cost-effective solution in accordance with section 5.3 of Appendix A is an Order 1000 Eligible Project that has been~~

~~selected as an "Order 1000 Project". Each such Order 1000 Eligible Project is an "Order 1000 Project" under the Order 1000 Agreement, unless or until such time as (a) all Order 1000 Parties that timely requested Order 1000 Cost Allocation for such Order 1000 Eligible Project have withdrawn such requests in accordance with section 5.2 of Appendix A, (b) the Benefit to Cost Ratio for such project is determined pursuant to section 6.3.2 of Appendix A to be less than 1.25, (c) an agreement on implementation of such project is reached in accordance with section 5.4 of Appendix A or section 6.4 of Appendix A, or (d) such project is removed from a Plan as an Order 1000 Project pursuant to sections 3.3 and 11.4.1 of Appendix A.~~

~~All requests for Order 1000 Cost Allocation for an Order 1000 Eligible Project that is not selected by ColumbiaGrid as an Order 1000 Project are to be deemed withdrawn. All requests for Order 1000 Cost Allocation for an Order 1000 Eligible Project that is selected by ColumbiaGrid as an Order 1000 Project but for which the Benefit to Cost Ratio for such Order 1000 Project is determined pursuant to section 6.3.2 of Appendix A to be less than 1.25 are to be deemed withdrawn. For the avoidance of doubt, in no event is ColumbiaGrid to perform an Order 1000 Cost Allocation for any project, including any Order 1000 Eligible Project, unless and until ColumbiaGrid selects such project as an Order 1000 Project and, to the extent that an Order 1000 Cost Allocation is performed for an Order 1000 Project and the requests for Order 1000 Cost Allocation for such Order 1000 Project are subsequently withdrawn or are deemed withdrawn, such Order 1000 Cost Allocation are to be vacated.~~

~~**5.4 — Negotiation Period for Implementation of an Order 1000 Project**~~

~~Under section 5.4 of Appendix A of the Order 1000 Agreement:~~

~~After ColumbiaGrid has selected an Order 1000 Eligible Project as an Order 1000 Project in accordance with section 5.3 of Appendix A, ColumbiaGrid is to allow six full calendar months ("Negotiation Period") for Order 1000 Enrolled Party(ies) or ITP Proponent(s) that requested the Order 1000 Cost Allocation with respect to such Order 1000 Project and all Order 1000 Affected Persons with respect to such Order 1000 Project to reach agreement on implementation of such Order 1000 Project, including responsibility for the funding of such Order 1000 Project. ColumbiaGrid is to allow additional time ("Extended Negotiation Period") for Order 1000 Enrolled Party(ies) or ITP Proponent(s) that requested such Order 1000 Cost Allocation and all such Order 1000 Affected Persons to reach agreement on implementation of such Order 1000 Project, including responsibility for the funding of such Order 1000 Project, if such Extended Negotiation Period is requested by all such Order 1000 Enrolled Party(ies) or ITP Proponent(s) and by all such Order 1000 Affected Persons.~~

~~**6. — Application of Order 1000 Cost Allocation Methodology**~~

~~Under section 6 of Appendix A of the Order 1000 Agreement:~~

~~ColumbiaGrid shall perform a Preliminary Cost Allocation by applying the Order 1000 Cost Allocation Methodology to an Order 1000 Project in accordance with section 6 of Appendix A, unless (i) the Order 1000 Party(ies) requesting Order 1000 Cost Allocation for an Order 1000 Project has withdrawn its request (or such request is deemed withdrawn) for Order 1000 Cost Allocation, or (ii) agreement has been reached on implementation of such Order 1000 Project pursuant to section 5.4 of Appendix A. If a Negotiation Period or Extended Negotiation Period is requested for an Order 1000 Project in accordance with section 5.4 of Appendix A, ColumbiaGrid is to not apply the Order 1000 Cost Allocation Methodology to such Order 1000 Project until such time as the requested Negotiation Period and, if applicable, Extended Negotiation Period have expired and no agreement on implementation for the Order 1000 Project has been reached.~~

~~For purposes of applying the Order 1000 Cost Allocation Methodology to an Order 1000 Project, ColumbiaGrid shall identify pursuant to section 6.1 of this Appendix A projected costs of such Order 1000 Project and, pursuant to section 6.2 of this Appendix A, identify Order 1000 Benefits and Order 1000 Beneficiaries (and deemed Order 1000 Benefits and Order 1000 Beneficiaries as applicable), and apply the Order 1000 Cost Allocation Methodology to such Order 1000 Project as follows:~~

- ~~(a) Pursuant to section 6.3 of this Appendix A, Staff shall perform a Preliminary Cost Allocation, under which any Order 1000 Beneficiary(ies) is deemed to include any Governmental Non-Enrolled Party(ies) and Order 1000 Benefits are deemed to include benefits calculated pursuant to section 1.31 of the body of this Order 1000 Agreement and section 6.2.2 of this Appendix A for each Governmental Non-Enrolled Party as if it were an Order 1000 Enrolled Party.~~
- ~~(b) If written agreement following item (a) above on Order 1000 Project implementation, including responsibilities for funding such project, is not reached in accordance with section 6.4 of this Appendix A, Staff shall reperform, pursuant to section 6.3 of this Appendix A, a Preliminary Cost Allocation, under which Order 1000 Enrolled Party(ies) are the only Order 1000 Beneficiaries. As necessary, the performance of the Preliminary Cost Allocation, pursuant to this item (b), shall be reperformed if an Order 1000 Enrolled Party withdraws (or is deemed to withdraw) from the Order 1000 Agreement pursuant to section 13 of the Order 1000 Agreement prior to the approval by the Board, pursuant to section 11 of Appendix A, of the Order 1000 Cost Allocation for such Order 1000 Project.~~

~~6.1 Order 1000 Project Costs~~

~~Under section 6.1 of Appendix A of the Order 1000 Agreement:~~

~~ColumbiaGrid shall project the capital costs of each Order 1000 Project (including the capital costs of transmission facilities that are required to mitigate Order 1000 Material Adverse Impacts (if such facilities are within the Order 1000 ColumbiaGrid Planning Region and, subject to the next paragraph, if such facilities are outside the Order 1000 ColumbiaGrid Planning Region) due to such Order 1000 Project) for which it is to apply the Order 1000 Cost Allocation Methodology. Such projection may be based on information provided by the Order 1000 Project developer(s), owner(s), or operator(s); the Study Team; or ColumbiaGrid. In developing such projection, ColumbiaGrid may also seek the input of Third Persons. ColumbiaGrid is to document the basis for its projection and make supporting information available to the extent practicable consistent with any applicable confidentiality and CEII requirements.~~

~~For purposes of Order 1000 Cost Allocation, the projected costs of any Order 1000 Project (other than an ITP) are to include the projected costs required as a result of such project, if any, (i) that relate to transmission facilities outside the Order 1000 ColumbiaGrid Planning Region and (ii) that all Order 1000 Beneficiaries of such Order 1000 Project agree, in writing, to bear.~~

~~For purposes of Interregional Cost Allocation, the projected costs of any ITP for which the Order 1000 ColumbiaGrid Planning Region is a Relevant Planning Region are to include the projected costs required as a result of such ITP, if any, (a) that relate to transmission facilities outside any Relevant Planning Region and (b) that all transmission providers in the Relevant Planning Regions that are beneficiaries of such ITP agree, in writing with all other such beneficiaries, to bear.~~

~~6.2 Order 1000 Benefits and Beneficiaries~~

~~Under section 6.2 of Appendix A of the Order 1000 Agreement:~~

~~ColumbiaGrid is to identify any Order 1000 Beneficiaries and project the Order 1000 Benefits of each such beneficiary projected as a direct result of each Order 1000 Project for which it is to apply the Order 1000 Cost Allocation Methodology.~~

~~**6.2.1 Analytical Tools and Methodologies for Projecting Order 1000 Benefits.** Analysis to project Order 1000 Benefits of an Order 1000 Beneficiary for an Order 1000 Project is to include the following:~~

- ~~(i) Tools for determining Order 1000 Benefits as described in items (i) and (ii) (a) of section 1.31 of the body of the Order 1000 Agreement are to be as follows: Power flow and stability studies are to be used to project the changes in transmission capacity on an Order 1000 Beneficiary's Order 1000 Transmission System due to an Order 1000 Project and the resulting extent, if any, to which any Order 1000 Beneficiary of such project would avoid costs due to elimination or deferral of planned transmission facility additions through changes in facility loading, transient stability, or voltage performance; and~~
- ~~(ii) Tools and methodologies for determining Order 1000 Benefits as described in item (ii) (b) of section 1.31 of the body of the Order 1000 Agreement are to be as follows:~~
 - ~~(a) Power flow and stability studies are to be used to project changes, if any, to transfer capability (through changes in facility loading, transient stability, or voltage performance) on transmission paths or flowgates that (1) include facilities of an Order 1000 Beneficiary and (2) have increased transfer capability as a result of the Order 1000 Project;~~
 - ~~(b) Projected changes, if any, of potential usability of transmission paths or flowgates that (1) include facilities of an Order 1000 Beneficiary and (2) have increased transfer capability as a result of the Order 1000 Project resulting from the changes in transfer capability projected pursuant to item (a) above are to be assessed using production cost studies (existing or new);~~
 - ~~(c) Any transmission queue, precedent transmission service agreements, and other evidence of customers' commitment to take service from such Order 1000 Beneficiary are to be reviewed to project any expected subscriptions for increased transfer capability on such Order 1000 Beneficiary's Order 1000 Transmission System projected to result from such Order 1000 Project;~~
 - ~~(d) Such Order 1000 Beneficiary is, in consultation with Staff, to project its share of increased transfer capability on any transmissions paths or flowgates determined pursuant to item (b) above and calculate such Order 1000 Beneficiary's projected increase in Available Transfer Capability ("ATC") or Available Flowgate Capability ("AFC"), as applicable, projected to result from its share of such increased transfer capability; and~~
 - ~~(e) Taking into account any subscriptions that are projected pursuant to item (c) above and such Order 1000 Beneficiary's projected increase, if any, in ATC or AFC projected pursuant to item (d) above, such Order 1000 Beneficiary is, in consultation with Staff, to~~

~~project the amount of such projected increase in ATC or AFC that would be sold.~~

~~**6.2.2 Calculation of Order 1000 Benefits.** For purposes of calculating Order 1000 Benefits under item (i) of section 1.31 of the body of the Order 1000 Agreement,~~

- ~~(i) the avoided costs of deferred transmission facilities are to be the borrowing costs (i.e., interest costs) projected to be avoided during the Planning Horizon as a result of the deferral of the capital investment of such deferred facilities (rather than the capital costs themselves of such facilities) plus the incremental operations and maintenance costs of such deferred facilities projected to be avoided during the Planning Horizon; and~~
- ~~(ii) the avoided costs of eliminated transmission facilities during the Planning Horizon are to be the portion of the projected avoided depreciation expense of such eliminated facilities that falls within the Planning Horizon plus the projected incremental operation and maintenance costs of such eliminated facilities avoided during the Planning Horizon (such projected avoided depreciation expense is to be determined using straight line depreciation of the projected capital costs of such eliminated facilities over their depreciable lives).~~

~~For purposes of calculating Order 1000 Benefits under item (ii) (a) of section 1.31 of the body of the Order 1000 Agreement, the projected cost that each Order 1000 Beneficiary would, but for the Order 1000 Project, have otherwise incurred is to be:~~

- ~~(a) the portion, falling within the Planning Horizon, of the projected depreciation expense of the transmission facilities that, in the absence of the Order 1000 Project, would have been incurred by such Order 1000 Beneficiary to achieve an increase in capacity on its Order 1000 Transmission System(s) equivalent to that resulting from such Order 1000 Project (such projected depreciation expense is to be determined using straight line depreciation of the projected capital costs of such facilities over their depreciable lives); plus~~
- ~~(b) the projected incremental operation and maintenance costs of such transmission facilities avoided by such Order 1000 Beneficiary during the Planning Horizon as a direct result of the Order 1000 Project.~~

~~Any increase in capacity of existing transmission facilities of an Order 1000 Transmission System of an Order 1000 Beneficiary identified in applying the Order 1000 Cost Allocation Methodology and that results from any Order 1000 Project is to be deemed to be owned by such Order 1000 Beneficiary unless otherwise agreed to in writing by such Order 1000 Beneficiary.~~

~~**6.3 Cost Allocation Methodology**~~

~~Under section 6.3 of Appendix A of the Order 1000 Agreement:~~

~~**6.3.1 Allocation of Projected Costs.**~~

~~For purposes of application of the Order 1000 Cost Allocation Methodology an Order 1000 Project, ColumbiaGrid is to allocate to each Order 1000 Beneficiary of such Order 1000 Project the product of the projected costs of such Order 1000 Project if such Order 1000 Project is not an ITP (or, if such Order 1000 Project is an ITP, the Total Regional Costs from Interregional Cost Allocation of such ITP), multiplied by a fraction, the numerator of which is equal to such beneficiary's Order 1000 Benefits and the denominator of which is equal to the sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Order 1000 Project.~~

~~Such allocation to each Order 1000 Beneficiary may be algebraically represented as follows:~~

Allocation to each Order 1000 Beneficiary for any Order 1000 Project that is not an ITP	=	The product of the projected costs of the Order 1000 Project x (such Order 1000 Beneficiary's Order 1000 Benefits/(the sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Order 1000 Project))
Allocation to each Order 1000 Beneficiary for any Order 1000 Project that is an ITP	=	(The product of the Total Regional Costs from Interregional Cost Allocation of such ITP) x ((such Order 1000 Beneficiary's Order 1000 Benefits)/(the sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Order 1000 Project))

~~**6.3.2 Determination and Application of Benefit to Cost Ratio.**~~

~~For purposes of application of the Order 1000 Cost Allocation Methodology to an Order 1000 Project, ColumbiaGrid is to determine the Benefit to Cost Ratio for such project, which ratio is to be equal to the quotient of the following:~~

- ~~(i) the sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Order 1000 Project determined in accordance with section 6.2.2 of Appendix, divided by~~
- ~~(ii) the projected capital costs of such Order 1000 Project if it is not an ITP or the Total Regional Costs from Interregional Cost Allocation from such ITP if such Order 1000 Project is an ITP.~~

~~Such Benefit to Cost Ratio for such Order 1000 Project may be algebraically represented as follows:~~

Benefit to Cost Ratio for such Order 1000 Project	=	(The sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Order 1000 Project) / (the projected capital costs of such Order 1000 Project if it is not an ITP or the Total Regional Costs from Interregional Cost Allocation from such ITP if such Order 1000 Project is an ITP)
--	--------------	---

~~If the Benefit to Cost Ratio for an Order 1000 Project determined pursuant to section 6.3.2 of Appendix A is not equal to or greater than 1.25, such Order 1000 Project is, upon such determination, to no longer be an Order 1000 Project and any Order 1000 Cost Allocation for such project is to be vacated.~~

~~**6.4 Preliminary Cost Allocation Report and Order 1000 Cost Allocation Report**~~

~~Under section 6.4 of Appendix A of the Order 1000 Agreement:~~

~~Under the first paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: In conjunction with Staff's application of the Order 1000 Cost Allocation Methodology as contemplated in items (a) and (b) of the second paragraph of section 6 of this Appendix A, as applicable, Preliminary Cost Allocation Report the results of Staff's determination of the Benefit to Cost Ratio and, if any, the application of the Order 1000 Cost Allocation Methodology to such Order 1000 Project, including (i) the identified Order~~

~~1000 Benefits and an explanation of such Order 1000 Benefits with respect to such Order 1000 Project, and (ii) the identified Order 1000 Beneficiaries of such Order 1000 Project.~~

~~Under the second paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: Subject to any appropriate conditions to protect Confidential Information and CEII, Staff is to provide its draft Preliminary Cost Allocation Report with respect to such Order 1000 Project to the Order 1000 Parties, any Order 1000 Beneficiaries identified in such draft report, the Study Team that developed such Order 1000 Project, and any Interested Person who requests such report, and is to provide an opportunity for written comment for a period of 30 days following the issuance of such draft report. Staff is to evaluate any written comments and reflect them in an Preliminary Cost Allocation Report as follows:~~

- ~~(a) to the extent Staff agrees with any revisions proposed by any Order 1000 Party, Order 1000 Beneficiary, Study Team participant, or Interested Person, Staff is to reflect such revisions in the Preliminary Cost Allocation Report; and~~
- ~~(b) to the extent Staff disagrees with any revisions proposed by any Order 1000 Party, Order 1000 Beneficiary, Study Team participant, or Interested Person, Staff is to summarize the proposed revisions and document the reason why Staff did not accept the proposed revisions in the Preliminary Cost Allocation Report.~~

~~Under the third paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: After Staff has applied the Order 1000 Cost Allocation Methodology pursuant to item (a) of the second paragraph of section 6 of this Appendix A and prepared the associated Preliminary Cost Allocation Report with respect to an Order 1000 Project, for which there are one or more Governmental Non-Enrolled Party(ies) included in the Preliminary Cost Allocation, ColumbiaGrid shall allow sixty days (and additional time, not to exceed 180 days,) if and to the extent requested by all such Governmental Non-Enrolled Party(ies), all Order 1000 Enrolled Party(ies) or ITP Proponent(s) that requested Order 1000 Cost Allocation for such Order 1000 Project, all Order 1000 Beneficiaries, and all other Order 1000 Affected Persons with respect to such Order 1000 Project, for all such Governmental Non-Enrolled Party(ies), Order Enrolled 1000 Party(ies) or ITP Proponent(s), all Order 1000 Beneficiaries, and all other Order 1000 Affected Persons to reach agreement on Order 1000 Project implementation, including responsibility for the funding of such Order 1000 Project. If no such written agreement is reached pursuant to this paragraph, Staff shall apply the Order 1000 Cost Allocation Methodology pursuant to item (b) of the second paragraph of section 6 of this Appendix A.~~

~~Under the fourth paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: After Staff has, if necessary, applied the Order 1000 Cost Allocation Methodology pursuant to item (b) of the second paragraph of section 6 of this Appendix A and prepared the associated Preliminary Cost Allocation Report with respect to an Order 1000 Project, ColumbiaGrid shall allow time not to exceed 180 days (if and to the extent requested by all Order 1000 Enrolled Party(ies) or ITP Proponent(s) that requested Order 1000 Cost Allocation for such Order 1000 Project, all Order 1000 Beneficiaries, and all other Order 1000 Affected Persons with respect to such Order 1000 Project) for all Order 1000 Enrolled Party(ies) or ITP Proponent(s), all Order 1000 Beneficiaries, and all other Order 1000 Affected Persons to reach written agreement on Order 1000 Project implementation, including responsibility for the funding of such Order 1000 Project.~~

~~Under the fifth paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: If a written agreement on implementation of an Order 1000 Project is reached in accordance with this section 6.4, (i) any Order 1000~~

~~Enrolled Party(ies) and Governmental Non-Enrolled Party(ies) that entered into such agreement shall promptly provide written notice of such agreement to ColumbiaGrid, (ii) the Preliminary Cost Allocation Report for such Order 1000 Project is not to be included in the Draft Plan, and (2) Staff is to indicate in the Draft Plan that an agreement on implementation has been reached for such Order 1000 Project. If such an agreement on implementation of an Order 1000 Project is not reached, in accordance with this section 6.4, the Staff shall include the Preliminary Cost Allocation Report (reflecting the Preliminary Cost Allocation pursuant to item (a) of the second paragraph of section 6 of this Appendix A as it may have been revised pursuant to item (b) of the second paragraph of section 6 of this Appendix A) in the Draft Plan.~~

~~Under the sixth paragraph of section 6.4 of Appendix A of the Order 1000 Agreement: The final Order 1000 Cost Allocation Report is to be the Preliminary Cost Allocation Report as approved by the Board and included in the Plan in accordance with section 11 of Appendix A.~~

~~7. Order 1000 ITPs and Interregional Cost Allocation~~

~~Section 7 of Appendix A sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. Nothing in section 7 of Appendix A 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.~~

~~7.1 This section left intentionally blank~~

~~47.2 Annual Interregional Information Exchange~~

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

(i) study plan or underlying information that would typically be included in a study plan, such as:

(a) identification of base cases;

- (b) planning study assumptions; and
 - (c) study methodologies;
- (ii) initial study reports (or system assessments); and
- (iii) regional transmission plan
- (collectively referred to as "Annual Interregional Information").

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

~~ColumbiaGrid~~NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

~~ColumbiaGrid~~NTTG is not required to make available or otherwise provide to any other Planning Region (i) any information not developed by ~~ColumbiaGrid~~NTTG in the ordinary course of its regional transmission planning process, (ii) any Annual Interregional Information to be provided by any other Planning Region with respect to such other Planning Region, or (iii) any information if ~~ColumbiaGrid~~NTTG reasonably determines that making such information available or otherwise providing such information would constitute a violation of the Commission's Standards of Conduct or any other legal requirement. Annual Interregional Information made available or otherwise provided by ~~ColumbiaGrid~~NTTG shall be subject to applicable confidentiality and CEII restrictions and other applicable laws, under ~~ColumbiaGrid~~'NTTG's regional transmission planning process. Any Annual Interregional Information made available or otherwise provided by ~~NTTG~~~~ColumbiaGrid~~ 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 ~~ColumbiaGrid~~NTTG, ~~Transmission Provider, or any entity supplying information in NNTG's regional transmission planning process or any Order 1000 Party~~, including any liability for (a) any errors or omissions in such Annual Interregional Information, or (b) any delay or failure to provide such Annual Interregional Information.

4.7.3 Annual Interregional Coordination Meeting

~~ColumbiaGrid~~NTTG shall participate in an Annual Interregional Coordination Meeting with the other Planning Regions. ~~ColumbiaGrid~~NTTG shall 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 31st. The Annual Interregional Coordination Meeting is to be open to stakeholders. ~~ColumbiaGrid~~NTTG shall provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

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

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

4.7.4 ITP Joint Evaluation Process

47.4.1 Submission Requirements

A proponent of an ITP may seek to have its ITP jointly evaluated by the Relevant Planning Regions pursuant to section [4.7.4.2](#) ~~of Appendix A~~ 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.

47.4.2 Joint Evaluation of an ITP

For each ITP that meets the requirements of section [47.4.1](#) ~~of Appendix A, ColumbiaGrid NNTTG~~ (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 [47.4.1](#) ~~of Appendix A~~ or the immediately following calendar year. With respect to any such ITP, [ColumbiaGrid NNTTG](#) (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 [47.4.1](#) ~~of Appendix A, ColumbiaGrid NNTTG~~ (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 ~~ColumbiaGrid~~ NTTG's evaluation of the ITP;

(b) is to provide stakeholders an opportunity to participate in ~~ColumbiaGrid~~ NTTG's activities under section ~~47.4.2 of Appendix A~~ in accordance with its regional transmission planning process;

(c) is to notify the other Relevant Planning Regions if ~~ColumbiaGrid~~NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter ~~ColumbiaGrid~~NTTG has no obligation under section 7.4.2 of Appendix A to participate in the joint evaluation of the ITP; and

(d) is to determine under its regional transmission planning process if such ITP is a more efficient or cost effective solution to one or more of ~~ColumbiaGrid~~NTTG's regional transmission needs.

47.5 Interregional Cost Allocation Process

47.5.1 Submission Requirements

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with section ~~47.4.1 of Appendix A~~, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from ~~ColumbiaGrid~~NTTG and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

47.5.2 Interregional Cost Allocation Process

For each ITP that meets the requirements of section ~~47.5.1 of Appendix A~~, ~~ColumbiaGrid~~NTTG (if it is a Relevant Planning Region) is to confer with or notify, as appropriate, any other Relevant Planning Region(s) regarding the following:

- (i) assumptions and inputs to be used by each Relevant Planning Region for purposes of determining benefits in accordance with its regional cost allocation methodology, as applied to ITPs;
- (ii) ~~ColumbiaGrid~~'NTTG's regional benefits stated in dollars resulting from the ITP, if any; and
- (iii) assignment of projected costs of the ITP (subject to potential reassignment of projected costs pursuant to section ~~47.6.2 of Appendix A~~) to each Relevant Planning Region using the methodology described in section ~~47.5.2 of Appendix A~~.

For each ITP that meets the requirements of section ~~47.5.1 of Appendix A of the Order 1000 Agreement~~, ~~ColumbiaGrid~~NTTG (if it is a Relevant Planning Region):

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific

to other Relevant Planning Regions insofar as such differences may affect ColumbiaGridNTTG's analysis;

- (b) is to provide stakeholders an opportunity to participate in ColumbiaGridNTTG's activities under section 47.5.2 of Appendix A 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 ColumbiaGridNTTG, ColumbiaGridNTTG shall 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; ColumbiaGridNTTG may use such information to identify its total share of the projected costs of the ITP to be assigned to ColumbiaGridNTTG in order to determine whether the ITP is a more efficient or cost effective solution to a transmission need in ColumbiaGridNTTG;
- (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 section 47.5.2 of Appendix A in the same general time frame as its joint evaluation activities pursuant to section 47.4.2 of Appendix A.

47.6 Application of Regional Cost Allocation Methodology to Selected ITP

4.6.1 Selection by All Relevant Planning Regions

If ColumbiaGridNTTG (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, ColumbiaGridNTTG shall apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under section 47.5.2(d) or 47.5.2(e) ~~of this Appendix A~~ above in accordance with its regional cost allocation methodology, as applied to ITPs.

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

If ColumbiaGridNTTG (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, ColumbiaGridNTTG shall evaluate (or reevaluate, as the case may be) pursuant to sections 47.5.2(d), 47.5.2(e), and 47.5.2(f) of this Appendix A of above whether, without the participation of the non-selecting Relevant Planning Region(s), the

ITP is selected (or remains selected, as the case may be) in its regional transmission plan for purposes for Interregional Cost Allocation. Such reevaluation(s) are to be repeated as many times as necessary until the number of selecting Relevant Planning Regions does not change with such reevaluation.

If following such evaluation (or reevaluation), the number of selecting Relevant Planning Regions does not change and the ITP remains selected for purposes of Interregional Cost Allocation in the respective regional transmission plans of ~~ColumbiaGrid~~NTTG and at least one other Relevant Planning Region, ~~ColumbiaGrid~~NTTG shall apply its regional cost allocation methodology to the projected costs of the ITP assigned to it under section 47.5.2(d) or 47.5.2(e) ~~of Appendix A~~ above in accordance with its regional cost allocation methodology, as applied to ITPs.

~~8. ITPs, Joint Evaluation, and Interregional Cost Allocation~~

~~Under section 8 of Appendix A of the Order 1000 Agreement:~~

~~Section 8 of Appendix A is only to apply to ITPs for which ColumbiaGrid is a Relevant Planning Region and is not to apply to any ITP for which ColumbiaGrid is not a Relevant Planning Region.~~

~~ColumbiaGrid is to provide notice of the Annual Interregional Coordination Meeting to its Interested Persons List and post notice of the Annual Interregional Coordination Meeting on the Website.~~

~~8.1 Order 1000 Parties That May Submit an ITP for Joint Evaluation~~

~~Under section 8.1 of Appendix A of the Order 1000 Agreement:~~

~~Any Person that seeks to submit an ITP for joint evaluation pursuant to section 7.4 of Appendix A or seeks to request Interregional Cost Allocation pursuant to section 7.5 of Appendix A must either be an ITP Proponent that is a proponent of such ITP or an Order 1000 Enrolled Party that is a proponent of such ITP.~~

~~8.2 Submission for Joint Evaluation~~

~~Under section 8.2 of Appendix A of the Order 1000 Agreement:~~

~~Submission of an ITP into the ColumbiaGrid regional transmission planning process in accordance with section 7.4.1 of Appendix A is to be accomplished as set forth in section 8.2 of Appendix A.~~

~~An ITP Proponent that is a proponent of an ITP or an Order 1000 Enrolled Party that is a proponent of an ITP may seek to have such ITP evaluated in the Order 1000 ColumbiaGrid Planning Region pursuant to section 7.4.2 of Appendix A by submitting a written request for such evaluation to ColumbiaGrid; provided that ColumbiaGrid is to deem such written request properly submitted to ColumbiaGrid only if, and at such time as, ColumbiaGrid receives the written request: (i) such written request specifically references section 7.4 of Appendix A, and (ii) such written request includes a list of all other Relevant Planning Regions to which the ITP is being submitted for joint evaluation.~~

~~ColumbiaGrid is to seek to confirm with each other Relevant Planning Region that such Order 1000 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 ColumbiaGrid is unable to confirm that the Order 1000 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), ColumbiaGrid is to notify the Order 1000 Enrolled Party or ITP Proponent in writing, and the Order 1000 Enrolled Party or ITP Proponent is to have 30 days from the date of such notice to provide ColumbiaGrid evidence, reasonably acceptable to ColumbiaGrid, that the Order 1000 Enrolled Party or ITP Proponent has timely submitted its ITP for evaluation to each other Relevant Planning Region(s) as required by section 8.2 of Appendix A. If an Order 1000 Enrolled Party or ITP Proponent fails to provide such evidence, the Order 1000 Enrolled Party's or ITP Proponent's ITP is to be deemed withdrawn and is not to be eligible for evaluation pursuant to section 7.4.2 of Appendix A.~~

~~Prior to commencing the joint evaluation of an ITP pursuant to section 7.4.2 of Appendix A, an Order 1000 Enrolled Party or ITP Proponent that is seeking such evaluation of an ITP is to submit to ColumbiaGrid information in accordance with section 2.6 of Appendix A, which is, to the extent permitted by law, to include a copy of all ITP data being submitted by the Order 1000 Enrolled Party or ITP Proponent to any of the other Relevant Planning Regions for such ITP.~~

~~8.3 Joint Evaluation Implementation~~

~~Under section 8.3 of Appendix A of the Order 1000 Agreement:~~

~~For purposes of ColumbiaGrid's evaluation of an ITP pursuant to section 7.4.2 of Appendix A,~~

~~(i) development of such ITP is to be through a Study Team in accordance with section 4 of Appendix A; and~~

~~(ii) evaluation of such ITP in the ColumbiaGrid regional transmission planning process for purposes of section 7.4.2 of Appendix A is to be through the development and evaluation of such ITP as an Order 1000 Proposed Project through the ColumbiaGrid regional planning process under the Order 1000 Agreement.~~

~~Upon receipt of a properly submitted request for such evaluation pursuant to sections 7.4.1 and 8.2 of Appendix A, ColumbiaGrid is to convene a Study Team (or refer such ITP to an existing Study Team) for development of such ITP.~~

~~8.4 Interregional Cost Allocation Process~~

~~Under section 8.4 of Appendix A of the Order 1000 Agreement:~~

~~For each ITP that meets the requirements of sections 7.5.1 and 8.2 of Appendix A and for which Interregional Cost Allocation for such ITP has been~~

~~timely requested pursuant to section 5.2 of Appendix A, ColumbiaGrid (if and so long as it is a Relevant Planning Region) is to:~~

~~(i) pursuant to item (c) of section 7.5.2 of Appendix A, 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 7.5.2 of Appendix A, 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 7.5.2 of Appendix A, calculate ColumbiaGrid'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 ColumbiaGrid by such other Relevant Planning Region;~~

~~(iv) perform a preliminary determination of the Order 1000 Cost Allocation to each Order 1000 Beneficiary should such ITP be selected as an Order 1000 Project, using the methodology with respect to an ITP in section 6.3.1 of Appendix A (using the Assigned Regional Costs from Interregional Cost Allocation of such ITP as if it were the Total Regional Costs from Interregional Cost Allocation of such ITP) (pursuant to item (c) of section 7.5.2 of Appendix A, ColumbiaGrid is to share the above determinations with the other Relevant Planning Regions with regard to such ITP); and~~

~~(v) if ColumbiaGrid receives information pursuant to item (c) of section 7.5.2 of Appendix A 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 Order 1000 ColumbiaGrid Planning Region or any Order 1000 Enrolled Party, ColumbiaGrid may use such information to identify an additional amount of projected costs of the ITP to be assigned to ColumbiaGrid if such additional amount is properly allocable to an Order 1000 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") (the Total Regional Costs from Interregional Cost Allocation of an ITP (which will include any Additional Regional Costs from Interregional Cost Allocation) are to be used in order to determine, pursuant to section 8.5 of Appendix A, whether to select the ITP as an Order 1000 Project).~~

~~Determinations and other activities pursuant to items (iii), (iv), and (v) above may be reperformed as a result of application of section 7.6.2 of Appendix A.~~

~~8.5 Determination of Whether to Select the ITP for Purposes of Interregional Cost Allocation~~

~~Under section 8.5 of Appendix A:~~

~~For each ITP that meets the requirements of sections 7.5.1 and 8.2 of Appendix A and for which Interregional Cost Allocation for such ITP has been timely requested by an Order 1000 Enrolled Party or ITP Proponent pursuant to sections 5.2 and 7.5.1 of Appendix A, ColumbiaGrid (if and so long as it is a Relevant Planning Region) is, as required by section 7.5.2(f) of Appendix A, to determine whether to select the ITP as an Order 1000 Project in accordance with section 5.3 of Appendix A, based on its regional transmission planning process and taking into account the Total Regional Costs from Interregional Cost Allocation.~~

~~Determinations pursuant to section 8.5 of Appendix A may be reperformed as a result of application of section 7.6.2 of Appendix A.~~

~~8.6 Application of Regional Cost Allocation Methodology to Selected ITP~~

~~Under section 8.6 of Appendix A of the Order 1000 Agreement:~~

~~For any ITP for which ColumbiaGrid is to apply its regional cost allocation methodology pursuant to section 7.6.1 or 7.6.2 of Appendix A, ColumbiaGrid is to apply its regional cost allocation methodology (Order 1000 Cost Allocation Methodology) by determining the Order 1000 Cost Allocation to each Order 1000 Beneficiary of such ITP, using the methodology with respect to an ITP in section 6.3.1 of Appendix A.~~

~~9. [reserved]~~

~~10. [reserved]~~

~~11. Process for Adoption of Plans with Respect to Order 1000 Projects and ITPs~~

~~11.1 Draft Plan~~

~~Under section 11.1 of Appendix A of the Order 1000 Agreement:~~

~~11.1.1 Contents and Development of Draft Plan. The Staff is to prepare a Draft Plan based upon the ColumbiaGrid transmission planning process that includes the following with respect to this Order 1000 Agreement:~~

~~(i) Order 1000 Need Statement(s) and System Assessment Report(s) submitted by Staff to the Board and the results of any reevaluation of Order 1000 Project(s) pursuant to section 3.3 of Appendix A;~~

~~(ii) a list of Order 1000 Eligible Projects for which Order 1000 Cost Allocation was requested pursuant to section 5.2 of Appendix A and, for any such project that was not selected as an Order 1000 Project, an explanation of why such project was not selected as an Order 1000 Project;~~

~~(iii) a list of each Order 1000 Project (and its final Preliminary Order 1000 Cost Allocation Report) that are proposed for Board approval;~~

~~(iv) a review of the current status of all pending Order 1000 Projects that received an Order 1000 Cost Allocation in a prior Plan or Plan Update;~~

~~(v) a list of any ITP(s) for which joint evaluation has been requested pursuant to section 7 of Appendix A and the status of ColumbiaGrid's performance of its portion of each such evaluation, including a description of ColumbiaGrid's determinations with regard to whether such ITP(s) will meet any Order 1000 Need(s);~~

~~(vi) any transmission solution(s) selected and developed pursuant to section 2.5 of the body of this Order 1000 Agreement and not otherwise included in the Draft Plan; and~~

~~(vii) other information included for informational purposes, for example, (a) any Order 1000 Needs that were included in the System Assessment Report to the extent such Order 1000 Needs are not being met in the Biennial Plan, and (b) any solution to an Order 1000 Need for which planning is still at a conceptual or preliminary stage.~~

~~In preparing the Draft Plan, the Staff is to solicit and consider the comments of Interested Persons, Order 1000 Affected Persons, and Order 1000 Parties. The Staff is to post a preliminary Draft Plan on the Website and allow an opportunity for Interested Persons to comment prior to finalizing the Draft Plan; provided that the Staff is to redact Confidential Information and CEII from the Draft Plan that is made public. Staff may post the comments or a summary of the comments received on the Website. The Staff is to include any redacted Confidential Information and CEII in the Draft Plan submitted to the Board. The Staff is to include the documentation as the Staff finds appropriate for purposes of Board review and action; provided that the documentation should be sufficient for subsequent review in an appropriate forum. The Draft Plan is to clearly identify which Order 1000 Projects (1) are ready for implementation or must be commenced in the upcoming Planning Cycle in order to have sufficient lead time for implementation, (2) have planning underway but do not require commencement in the upcoming Planning Cycle yet are ready for implementation, or (3) have planning at a conceptual or preliminary stage.~~

~~**11.1.2 Timing.** The Staff is to submit the Draft Plan for Board adoption at a time interval no greater than every two years.~~

~~**11.2 Review Process**~~

~~Under section 11.2 of Appendix A of the Order 1000 Agreement:~~

~~The Board is to review the Draft Plan in an open, public process. In doing so, the Board is to make available the Draft Plan, study reports, Order 1000 Replication Data, and electronic data files, subject to appropriate protection of Confidential Information and CEII to all Order 1000 Parties and Interested Persons and provide the public an opportunity to supply information and provide written or oral comments to the Board. The Board may adopt additional procedures to carry out its review process.~~

~~**11.3 Basis for Plan Adoption**~~

~~Under section 11.3 of Appendix A of the Order 1000 Agreement:~~

~~The Board is to base its review and adoption of the Plan on the technical merits of the Draft Plan, the consistency of the Order 1000 Projects listed in the Draft Plan with the Order 1000 Agreement, and considering comments and information provided during the review process.~~

~~11.4 Plan Adoption~~

~~Under section 11.4 of Appendix A of the Order 1000 Agreement:~~

~~With respect to any Order 1000 Proposed Project(s), Order 1000 Eligible Project(s), Order 1000 Project(s), and ITP(s), the Board is to review and take action regarding the Draft Plan as follows:~~

~~The Board is to review and may approve the following with respect to each Order 1000 Project: the Staff determination that it meets its underlying Order 1000 Need(s) and is consistent with the applicable solution evaluation factors, the Staff determination that it should be selected as an Order 1000 Project, and a Preliminary Cost Allocation Report. The Board is to review the documentation relating to any other alternative that was considered by the Study Team and the reason why the Staff did not select any such alternative. Those elements that are not approved by the Board are to be remanded to the Staff which may, in cooperation with the Study Team, revise the Staff determination and resubmit it to the Board; provided that the Board may modify any Staff determination to the extent such modification is supported by the record.~~

~~**11.4.1 Order 1000 Information.** The Board is to include in the Biennial Plan:~~

~~(i) a list of any Order 1000 Project(s);~~

~~(ii) an Order 1000 Cost Allocation Report for each Order 1000 Project for which all request(s) for Order 1000 Cost Allocation have not been withdrawn and for which the Benefit to Cost Ratio has been determined to be 1.25 or greater;~~

~~(iii) a list of any ITP(s) for which joint evaluation has been requested pursuant to sections 7.4 and 8.2 of Appendix A; and~~

~~(iv) any determination pursuant to section 3.3 of Appendix A of whether any Order 1000 Project (and any Order 1000 Cost Allocation associated with such Order 1000 Project) included in the then-current Plan is removed from the Plan.~~

~~**11.4.2 Other Information Included in the Draft Plan.** The Board is to include in the Biennial Plan for informational purposes all of the other content in the Draft Biennial Plan that was provided for informational purposes unless the Board determines it has good cause not to include such content.~~

~~**11.4.3 Remands.** In the event that the Board remands an item to the Staff and a Study Team for further analysis and discussion, the Board is to identify specific questions or concerns to be answered or further researched by the Staff and Order 1000 Affected Persons identified by~~

~~ColumbiaGrid that have actively participated in a related Study Team before the Board approves or confirms the matter that has been remanded.~~

~~**11.4.4 Reconsideration Process.** The Board is to develop and make available a reconsideration process that provides Persons who are materially impacted by such decision and did participate in any underlying Study Team to request within ten days that the Board reconsider a specific decision within the Board's approval. If reconsideration of a Board decision is sought by any such Person, ColumbiaGrid is to promptly convene a meeting, chaired by the ColumbiaGrid President, to which it invites the chief executive officer or equivalent executive of all Order 1000 Affected Persons to determine whether they can reach agreement on the disputed decision. If agreement is not reached, the Board is to pursue the reconsideration process. The reconsideration process is to provide for input from all involved Persons (including Order 1000 Parties) and Staff, and the Board is to make its reconsidered decision known within 90 days from the date of the request. If, upon reconsideration, the Board modifies its decision, the modification is also to be subject to a petition for reconsideration.~~

~~**12. Dispute Resolution**~~

~~See Part X of this Attachment K below.~~

~~**13. Western Interconnection "Regional" and Western Interconnection "Sub-Regional" Economic Studies**~~

~~See Part VII of this Attachment K below.~~

~~**14. Western Interconnection "Sub-Regional" Planning Group Coordination**~~

~~ColumbiaGrid is sometimes referred to as a Western Interconnection "sub-regional" planning group ("SPC") and coordinates with other SPCs for projects and studies that involve ColumbiaGrid and one or more other SPCs. In addition, ColumbiaGrid is to participate in the Western Interconnection planning process through regular joint SPC meetings (at least three times yearly) as described in the Regional Planning (Western Interconnection) section of ColumbiaGrid's Policy Statement Regarding Planning Coordinated, Open and Transparent Planning Processes for Single and Multiple Transmission Systems, which is available at <http://www.columbiagrid.org/AttachK-documents.cfm>. The purpose of these meetings is to review and coordinate study activities, to work on development of WECC base case assumptions and requests, to share planning information, and to coordinate requests to WECC for economic studies.~~

~~**15. Submission of, Access to, and Use of Certain Information**~~

~~Under section 11 of the Order 1000 Agreement:~~

~~**15.1 Load and Resource Information**~~

~~Each Order 1000 Enrolled Party is by January 31st of each year to provide ColumbiaGrid with~~

~~(i) any then-current Local Transmission Plan of such Order 1000 Enrolled Party;~~

~~(ii) data regarding projected loads and resources of such Order 1000 Enrolled Party, including projections of network customer loads and resources and projected point-to-point transmission service information; and~~

~~(iii) data regarding existing and planned demand response resources not reflected in item (ii) above that are anticipated to affect such Order 1000 Enrolled Party's projected loads and resources reflected in item (ii) above.~~

~~Such information regarding projected transmission needs, loads and resources of such Order 1000 Enrolled Party is typically to be provided in the underlying data for WECC submittals provided by such Order 1000 Enrolled Party pursuant to section 4.6 of the Order 1000 Agreement; provided that, such Order 1000 Enrolled Party is to provide any updates to such information regarding projected transmission needs, loads and resources upon ColumbiaGrid's request. Each Order 1000 Enrolled Party providing to ColumbiaGrid pursuant to section 11.1 of the Order 1000 Agreement any information (including any update) that is a projection is to use reasonable efforts to provide a good faith projection thereof.~~

~~———— A transmission customer of an Order 1000 Enrolled Party or Governmental Non-Enrolled Party is to submit to such Order party, in accordance with and on the schedule set forth in its Attachment K, transmission planning information regarding projected transmission needs, loads and resources of such transmission customer. Interested Persons may also submit to ColumbiaGrid data regarding ten year projected loads and resources, including existing and planned demand response resources, on the Order 1000 Transmission System of any Order 1000 Enrolled Party or on the transmission system of any Governmental Non-Enrolled Party. Such submittals to ColumbiaGrid should if practicable be submitted (a) by January 31st of any year to facilitate the availability of information for use in ColumbiaGrid planning in such year, and (b) in the format for WECC submittals pursuant to section 4.6 of the Order 1000 Agreement. The format for the data files for WECC submittal is to be available from ColumbiaGrid upon request.~~

~~Any Governmental Non-Enrolled Party is to provide ColumbiaGrid with the information required by section 11.1 of the Order 1000 Agreement (or by section 4.1 or 4.6 of the Order 1000 Agreement or by section 3.2.2 of Appendix A of the Order 1000 Agreement) as if it were an Order 1000 Enrolled Party.~~

~~———— ColumbiaGrid is to have no obligation under the Order 1000 Agreement to evaluate the validity or accuracy of any information it receives pursuant to section 11.1 of the Order 1000 Agreement but may so evaluate the validity or accuracy of any such information if ColumbiaGrid determines such evaluation to be appropriate and reasonable. Similarly, ColumbiaGrid is to have no obligation to use any information for any purpose under the Order 1000 Agreement that ColumbiaGrid determines to be inappropriate or unreasonable for such use and may, in lieu thereof, substitute information that ColumbiaGrid determines to be appropriate and reasonable for such use.~~

~~15.2 Access to Study Reports and Order 1000 Replication Data from ColumbiaGrid~~

~~———— ColumbiaGrid is to post on the Website a list of the names of planning studies it has performed pursuant to the Order 1000 Agreement that underlie analysis of any Order 1000 Need(s), Order 1000 Proposed Project(s), Order 1000 Eligible Project(s), or Order 1000 Project(s) and maintain such names on such list for a period of not less than five years. ColumbiaGrid~~

~~is, subject to the other provisions of section 11 of the Order 1000 Agreement, to make available the final report for any such study to any Interested Person upon receipt therefrom by ColumbiaGrid of written request for such final report during a period of not less than five years following completion of such final report. Also, ColumbiaGrid is, subject to the other provisions of section 11 of the Order 1000 Agreement, to make available the Order 1000 Replication Data for any planning study upon receipt therefrom by ColumbiaGrid of written request for such Order 1000 Replication Data during a period of not less than five years following completion of such final report.~~

~~Access by any Person (such as an Interested Person) to, and use by any Person (such as an Interested Person) of, any planning study performed by ColumbiaGrid pursuant to the Order 1000 Agreement or any Order 1000 Replication Data is to be subject to any CEII restrictions and any confidentiality or other restrictions on access or use reasonably imposed by ColumbiaGrid, including, for example, requirements of either or both a CEII Non-Disclosure Agreement and Confidential Information Non-Disclosure Agreement. Further, such access by any Person (such as an Interested Person) to, and use by any Person (such as an Interested Person) of, any planning study performed by ColumbiaGrid pursuant to the Order 1000 Agreement or any Order 1000 Replication Data that ColumbiaGrid has received from any other entity may be subject to any restrictions on access to such data imposed by such entity. For example, any access to data such as Order 1000 Replication Data that constitutes WECC base case data by any entity such as an Interested Person is to be subject to any restrictions on access to data imposed by WECC (such as a requirement that such entity must hold membership in or execute a non-disclosure agreement with WECC (<http://www.wecc.biz>)) and the procedures set forth in the provisions of section 11 of the Order 1000 Agreement.~~

~~15.3 Use of Order 1000 Replication Data Received From ColumbiaGrid~~

~~ColumbiaGrid is, subject to the other provisions of section 11 of the Order 1000 Agreement, to provide Order 1000 Replication Data to any Person who agrees in writing to use such data solely for the purpose of evaluating the results of ColumbiaGrid's planning studies performed pursuant to the Order 1000 Agreement.~~

~~15.4 Confidential Information~~

~~Order 1000 Parties seeking designation of Confidential Information are to act in good faith when asserting the confidentiality of material. Each Order 1000 Party is to use reasonable efforts to maintain the confidentiality of all Confidential Information provided to it by another Order 1000 Party or ColumbiaGrid pursuant to the Order 1000 Agreement. ColumbiaGrid is not to post Confidential Information on the public portion of the Website and ColumbiaGrid is to only disclose Confidential Information in accordance with section 11 of the Order 1000 Agreement, including the procedures in section 11.6 of the Order 1000 Agreement.~~

~~In the event a dispute arises related to the designation of Confidential Information under the Order 1000 Agreement, representatives of the disputing Order 1000 Parties (and ColumbiaGrid, if party to the dispute) with authority to settle the dispute are to meet and confer in good faith in an effort to resolve the dispute. If the dispute is not so resolved, the dispute may, if the disputing Order 1000 Parties (and ColumbiaGrid, if party to the dispute) so elect, be resolved by arbitration as follows. Any arbitration initiated under the Order 1000 Agreement is to be conducted~~

~~before a single, neutral arbitrator appointed by the disputing parties. If the disputing parties fail to agree upon a single arbitrator within ten days of the referral of the dispute to arbitration, each such disputing party is to choose one arbitrator who is to sit on a three member arbitration panel. The two arbitrators so chosen are within 20 days to select a third arbitrator to chair the arbitration panel. In either case, the arbitrators are to be knowledgeable in electric industry matters, including electric transmission issues, and, unless otherwise agreed by the parties to the dispute, are not to have any current or past substantial business or financial relationships with any such party to the arbitration (except prior arbitration). The arbitrator(s) is to provide each of the parties to the arbitration an opportunity to be heard and is to generally conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association.~~

~~15.5 Critical Energy Infrastructure Information~~

~~If an Order 1000 Party furnishes information marked, or ColumbiaGrid marks information, as "Critical Energy Infrastructure Information" as of the time of its furnishing, ColumbiaGrid is not to post such information on the public portion of the Website and ColumbiaGrid is only to disclose such CEII in accordance with section 11 of the Order 1000 Agreement, including the procedures in section 11.6 of the Order 1000 Agreement. Further, if information designated as CEII is made part of a filing submitted by ColumbiaGrid with the Commission, ColumbiaGrid is to take reasonable steps to ensure the protection of such information pursuant to 18 C.F.R. § 388.112(b).~~

~~15.6 Requests for Planning Studies and Order 1000 Replication Data; Disclosure of WECC Proprietary Data, Confidential Information, or CEII~~

~~Any Person may request information from ColumbiaGrid, including ColumbiaGrid's planning studies and Order 1000 Replication Data, in accordance with section 11.6 of the Order 1000 Agreement. ColumbiaGrid's planning studies and Order 1000 Replication Data may include base case data (or other data) that are WECC proprietary data and may include information that an Order 1000 Party has designated as Confidential Information or CEII. ColumbiaGrid is to provide its planning studies and Order 1000 Replication Data in accordance with section 11.6 of the Order 1000 Agreement; provided however that ColumbiaGrid is not to disclose any WECC proprietary data, Confidential Information or CEII except as provided in section 11.6 of the Order 1000 Agreement.~~

~~A requestor may request information from ColumbiaGrid using the procedures set forth below.~~

~~(i) A requestor is to submit a signed, written request for information specifying the information being requested (on the planning information request form included on the Website) to ColumbiaGrid either via mail or email (PDF) at the following address, in accordance with the ColumbiaGrid information request procedures posted on the Website:~~

~~ColumbiaGrid
8338 NE Alderwood Road
Portland, OR 97220
Attn: Information Coordinator
email: info@columbiagrid.org~~

~~(ii) Requests for information made to ColumbiaGrid are to be considered to be received upon actual receipt by ColumbiaGrid.~~

~~(iii) ColumbiaGrid is to promptly make a determination of whether any requested information includes WECC proprietary data, Confidential Information, or CEII.~~

~~(iv) After making its determination required in item (iii) above, ColumbiaGrid is to promptly notify the requestor if any of the requested information includes any WECC proprietary data, Confidential Information, or CEII.~~

~~(v) A Person requesting WECC proprietary data must certify to ColumbiaGrid that it holds membership in WECC or it has executed a non-disclosure agreement with WECC such that ColumbiaGrid may disclose such WECC proprietary data to the requestor. ColumbiaGrid is to provide WECC proprietary data to the requestor upon its receipt of verification that the requestor is eligible to receive such data as a member of WECC or a Person who has executed a satisfactory non disclosure agreement with WECC. In the event that a Person requests information that includes WECC proprietary data and such Person cannot or does not certify to ColumbiaGrid, or ColumbiaGrid cannot verify, that such person is eligible to receive WECC proprietary data, ColumbiaGrid is to provide such Person that portion of the requested information that is not WECC proprietary data and is to direct such Person to WECC so that such Person can work with WECC to satisfy the conditions necessary for ColumbiaGrid to disclose WECC proprietary data to such Person or so that such Person may seek any WECC proprietary data directly from WECC.~~

~~(vi) If ColumbiaGrid receives a request for Confidential Information or CEII, ColumbiaGrid is to immediately notify the Order 1000 Party(ies) who has designated such information as Confidential Information or CEII (or, if ColumbiaGrid has designated information as CEII, the Order 1000 Party's(ies') whose Electric System(s) the CEII is associated with) and is to seek the consent of such Order 1000 Party(ies) to release such information. Upon receipt of the notice from ColumbiaGrid required by this item (vi), each Order 1000 Party that designated such information as Confidential Information or CEII (or whose Electrical System is associated with the CEII) may (a) consent to the disclosure of such information without condition, (b) consent to the disclosure of such information subject to reasonable conditions (e.g., the Person requesting such information entering into a confidentiality agreement or non-disclosure agreement or both with ColumbiaGrid that is reasonably acceptable to such Order 1000 Party), or (c) decline to consent to the disclosure by ColumbiaGrid of such Confidential Information or CEII. If an Order 1000 Party that designated such information as Confidential Information or CEII, or an Order 1000 Party whose Electrical System is associated with CEII, consents to ColumbiaGrid's disclosure of such information, ColumbiaGrid is to disclose such information to the requestor if the reasonable conditions to such disclosure requested by the Order 1000 Party, if any, are satisfied. If an Order 1000 Party that designated such information as Confidential Information or CEII, or an Order 1000 Party whose Electrical System is associated with CEII, declines to consent to ColumbiaGrid disclosing such information, ColumbiaGrid is to (a) not release or disclose such information, (b) notify the Person requesting such information that such Order 1000 Party has declined to consent to ColumbiaGrid disclosing such information, and (c) direct the Person requesting such information to request such information directly from such Order 1000 Party. The Order 1000 Party is to process any resulting requests~~

~~it receives for such Confidential Information or CEII in accordance with its procedure for processing such requests for Confidential Information or CEII.~~

~~(vii) To the extent that a Person requests information that is not Confidential Information, but is ColumbiaGrid's confidential or proprietary information, ColumbiaGrid may, in its sole discretion, release or disclose such information subject to such reasonable conditions (e.g., the Person requesting such information entering into a confidentiality agreement or non-disclosure agreement or both reasonably acceptable to ColumbiaGrid) as ColumbiaGrid may deem necessary.~~

~~(viii) Nothing in section 11.6 of the Order 1000 Agreement is to excuse ColumbiaGrid from providing access to Confidential Information, CEII, or information that is ColumbiaGrid's confidential or proprietary information pursuant to any legal requirement to provide such access, including a subpoena or specific order by the Commission. In the event that ColumbiaGrid is required to provide access to Confidential Information or CEII pursuant to this item (viii), ColumbiaGrid is to promptly provide notice of such requirement to the Order 1000 Party that designated such information as Confidential Information or CEII and ColumbiaGrid is to take reasonable steps to protect the confidentiality of such information.~~

~~**15.7 Disclosure of Confidential Information Pursuant to Statute or Administrative or Judicial Order**~~

~~Order 1000 Party(ies) and ColumbiaGrid are to each use reasonable efforts to maintain the confidentiality of all Confidential Information provided to it by another Order 1000 Party or ColumbiaGrid pursuant to the Order 1000 Agreement; provided however that Order 1000 Party(ies) and ColumbiaGrid are to each be entitled to disclose such Confidential Information if it is required to make such disclosure by statute or administrative or judicial order. Order 1000 Party(ies) and ColumbiaGrid are, promptly upon its receipt of a request for such Confidential Information, to each notify ColumbiaGrid and the Order 1000 Party that designated such information as Confidential Information of any such request. An Order 1000 Party or ColumbiaGrid whose Confidential Information is sought to be released may, in its sole discretion and at its sole cost and expense, undertake any challenge to such disclosure.~~

~~**15.8 Disclosure of Information Subject to Standards of Conduct**~~

~~If an Order 1000 Party furnishes information marked as "Standards of Conduct Information" at the time of its furnishing, ColumbiaGrid is not to disclose such information to any Person, including the disclosing Order 1000 Party, unless such disclosure would be consistent with the Commission's regulations in 18 C.F.R. Part 358.~~

~~**16. Order 1000 Enrolled Parties and ITP Proponents**~~

~~Any Person that is not Enrolled in any Order 1000 Planning Region may Enroll in the Order 1000 ColumbiaGrid Planning Region by executing the Order 1000 Agreement and becoming an Order 1000 Party that is an Order 1000 Enrolled Party pursuant to section 14.17 of the Order 1000 Agreement. An entity that is an Order 1000 Enrolled Party shall be Enrolled in the Order 1000 ColumbiaGrid Planning Region unless or until such time as such entity withdraws, or is deemed to have withdrawn, from the Order 1000 Agreement.~~

~~As of the effective date of this Attachment K, the following entities are Enrolled in the Order 1000 ColumbiaGrid Planning Region:~~

~~MATL LLP
Avista Corporation
Puget Sound Energy, Inc.~~

~~An entity that is Enrolled in an Order 1000 Planning Region other than ColumbiaGrid may be an Order 1000 Party and participate in ColumbiaGrid's Order 1000 transmission planning processes under the Order 1000 Agreement as an ITP Proponent.~~

~~17. Order 1000 Party Payment Obligations~~

~~17.1 Base Payment Obligation~~

~~Under section 3.1 of the Order 1000 Agreement:~~

~~Each Person that is an Order 1000 Party is to, except as provided in section 3.2 of the Order 1000 Agreement,~~

~~(i) within sixty days after such Person's execution and delivery of the Order 1000 Agreement, pay to ColumbiaGrid a total amount equal to \$50,000; and~~

~~(ii) commencing upon the expiration of the Planning Cycle in which such Person's payment pursuant to item (i) above was due, thereafter pay to ColumbiaGrid an amount equal to \$2,083.33 per calendar month until such Person has withdrawn or has been deemed to withdraw from the Order 1000 Agreement pursuant to section 13 of the Order 1000 Agreement; each such monthly payment is to be due on the first day of the month for which the payment is to be made.~~

~~For the avoidance of doubt, ColumbiaGrid is to have no obligation under the Order 1000 Agreement to any Order 1000 Party obligated to make payment pursuant to section 3.1 of the Order 1000 Agreement unless and until such payment is received from such Order 1000 Party by ColumbiaGrid, and such payment is not to be refundable.~~

~~ColumbiaGrid or any Order 1000 Party may, by providing written notice to all other signatories to the Order 1000 Agreement, request that ColumbiaGrid and all Order 1000 Parties review the payment obligation under the first paragraph of section 3.1 of the Order 1000 Agreement and review whether such payment obligation is set at a level that is expected to reimburse ColumbiaGrid for the additional administrative expenses that ColumbiaGrid is reasonably anticipated to incur under the Order 1000 Agreement in the next upcoming even-numbered calendar year and the subsequent year; provided that any such request is to be given not less than nine full calendar months prior to the commencement of such even-numbered calendar year; provided further no such request may be given for review of any two-year period commencing prior to January 1, 2016. Within 60 days after ColumbiaGrid's receipt of any such request for review, ColumbiaGrid is to provide written notice to each Order 1000 Party that provides (a) identification of any adjustment in payments pursuant to the first paragraph of section 3.1 of the Order 1000 Agreement that ColumbiaGrid believes should be made, in the two-year period for which such request was made, so that such payments equal the additional administrative expenses that ColumbiaGrid is reasonably anticipated to incur under the Order 1000 Agreement in such two-year period and (b) documentation demonstrating that such adjustment is necessary in order for such payments to equal the additional administrative expenses that ColumbiaGrid is reasonably anticipated to incur under the Order 1000 Agreement in such two-year period. Upon receipt of such notice, ColumbiaGrid and the Order 1000 Parties are to negotiate in good faith to obtain a mutually-agreeable amendment to the Order 1000 Agreement that~~

~~revises the payments to be made pursuant to the first paragraph of section 3.1 of the Order 1000 Agreement, so that such payments in such two-year period equal the additional administrative expenses that ColumbiaGrid is reasonably anticipated to incur under the Order 1000 Agreement in such two-year period. Any such revised monthly payments to be made pursuant to item (ii) of the first paragraph of section 3.1 of the Order 1000 Agreement is to equal 1/24th of the revised payments to be made pursuant to item (i) of the first paragraph of section 3.1 of the Order 1000 Agreement, and the payments to be made pursuant to the second paragraph of section 3.1 of the Order 1000 Agreement are to be revised to be equal to the revised payments to be made pursuant to item (i) of the first paragraph of section 3.1 of the Order 1000 Agreement. For purposes of section 3.1 of the Order 1000 Agreement, "additional administrative expenses that ColumbiaGrid is reasonably anticipated to incur under the Order 1000 Agreement" refers to administrative expenses of ColumbiaGrid that are reasonably expected to occur but that would not be reasonably expected to occur if ColumbiaGrid were not a signatory to the Order 1000 Agreement and specifically does not include any costs for which ColumbiaGrid should be paid pursuant to the second paragraph of section 3.1 of the Order 1000 Agreement and specifically does not include any costs for which ColumbiaGrid should be paid pursuant to section 3.3 of the Order 1000 Agreement.~~

~~**17.2 Exemptions from Base Payment Obligation**~~

~~Under section 3.2 of the Order 1000 Agreement:~~

~~Notwithstanding section 3.1 of the Order 1000 Agreement, any ITP Proponent is to have no payment obligation under section 3.1 of the Order 1000 Agreement if ColumbiaGrid determines that an Order 1000 Enrolled Party could be a proponent of an ITP in the Order 1000 Planning Region in which such ITP Proponent is Enrolled (and which is a Relevant Planning Region for such ITP) without there being any payment obligation imposed on such Order 1000 Party in order for it to be a proponent of such ITP.~~

~~Any Order 1000 Party that was a signatory to the any Superseded Order 1000 Functional Agreement (entered into as of November 16, 2014 by ColumbiaGrid, Avista Corporation, Puget Sound Energy, Inc., and MATL LLP) and made a payment of \$50,000 as specified therein shall have no obligation under the Order 1000 Agreement to make the \$50,000 payment specified in item (i) of section 3.1 of the Order 1000 Agreement.~~

~~An Order 1000 Party that has made a \$50,000 payment pursuant to section 3.1 of the Order 1000 Agreement (or as specified in the any Superseded Order 1000 Functional Agreement) but that withdraws or is deemed to withdraw in the Planning Cycle in which such payment was made is, if it becomes an Order 1000 Party again during the same Planning Cycle, to have no obligation to make such \$50,000 payment again but rather is, after such Planning Cycle, to make any monthly payments due pursuant to section 3.1 of the Order 1000 Agreement.~~

~~**17.3 Incremental Cost Payment Obligation**~~

~~Under section 3.3 of the Order 1000 Agreement:~~

~~Any Order 1000 Enrolled Party that requests an Order 1000 Cost Allocation (or re-performance of an Order 1000 Cost Allocation) pursuant to section 5.2 of Appendix A of the Order 1000 Agreement is to pay to ColumbiaGrid the following incremental ColumbiaGrid costs of performing (or re-performing) such Order 1000 Cost Allocation, as reasonably determined by ColumbiaGrid:~~

~~(i) any time of ColumbiaGrid employees or contractors required to perform such Order 1000 Cost Allocation, charged at the cost per hour of such employees or contractors; and~~

~~(ii) to the extent not included in item (i) above, the incremental cost of any services (or licenses) secured specifically for such Order 1000 Cost Allocation by ColumbiaGrid, as necessary to perform such Order 1000 Cost~~

~~Allocation, that would not have otherwise been secured; provided that if any such services (or licenses) are also used for one or more Order 1000 Cost Allocations during the same Planning Cycle in which ColumbiaGrid initially procured such services (or licenses), ColumbiaGrid is to equitably allocate the costs of such services (or licenses) among the requesters of all such Order 1000 Cost Allocations for which such services (or licenses) are used (and is to provide a credit as appropriate against earlier payments for such services (or licenses) as appropriate to achieve such equitable allocations.~~

~~("Incremental Costs"). Specifically excluded from Incremental Costs of performing any Order 1000 Cost Allocation are (a) any occupancy and incidental costs such as rent, office supplies, or long distance telephone calls; and (b) any costs described in item (ii) above that ColumbiaGrid would otherwise incur in the absence of performance of any Order 1000 Cost Allocation.~~

PART IV.

WECC Interconnection-Wide Planning Process

5.1. Planning Coordination Introduction

Transmission Provider is a member of the WECC and supports the work of WECC TEPPC. NTTG may utilize WECC TEPPC for consolidation and completion of congestion and Economic Congestion Studies, base cases and other interconnection-wide planning. NTTG may coordinate with other neighboring regional planning groups directly, through joint study teams, or through the interconnection-wide process. Eligible Customers and stakeholders may participate directly in the WECC's processes, pursuant to participation requirements defined by WECC TEPPC, or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan or through the NTTG processes as outlined above in Parts 3 and 4.

~~WECC is to coordinate aspects of Western Interconnection planning as follows:~~

- ~~(i) WECC develops the Western Interconnection wide data bases for transmission planning analysis such as power flow and stability studies.~~
- ~~(ii) WECC maintains a data base for reporting the status of significant planned projects throughout the Western Interconnection.~~
- ~~(iii) WECC promotes coordination of significant planned projects through its WECC Regional Planning Project Review procedures. These procedures are to be implemented by the project sponsor within its planning process or by a Western Interconnection "sub-regional" planning group at the request of a project sponsor.~~
- ~~(iv) The WECC Procedure for Project Rating Review provides a process for coordination of path ratings, including consideration of adverse impacts on existing paths.~~

~~The primary planning coordination forums in WECC include the Planning Coordination Committee (PCC) and the Transmission Expansion Planning Policy Committee (TEPPC). These committees are to meet at least three times each year and are responsible for developing materials for the WECC coordination activities listed above. Individual entities can participate in planning at the WECC level by attending meetings of these committees and reviewing and commenting on proposed transmission plans and policies. Individual entities can participate in the majority of WECC activities without being a member of WECC, although there are many privileges that come with membership such as committee voting rights.~~

5.2. Transmission Provider Coordination

Transmission Provider will coordinate with WECC TEPPC for interconnection-wide planning through its participation in NTTG. Transmission Provider will also use NTTG to coordinate with neighboring regional planning groups including the CAISO, WestConnect, NWPP and Columbia Grid. The goal of NTTG's coordination a interconnection-wide basis on behalf of Transmission Provider is to (1) share system plans to ensure that they are simultaneously feasible and otherwise use consistent assumptions and data, and (2) identify system enhancements that could relieve congestion or integrate new resources. A description of the interconnection-wide planning process is located in the Transmission Provider's business practice, located on its OASIS website.

5.3 Study Process

WECC TEPPC's transmission planning protocol and information in available on the WECC website. A link to the WECC TEPPC process is maintained in the transmission planning business practice, available on the Transmission Provider's business practices located in the Business Practices, Waivers and Exemptions folder on the Transmission Provider's OASIS website.

5.4 Stakeholder Participation

Stakeholders have access to the interconnection-wide planning process through NTTG's public planning meetings, other regional planning groups and WECC at their discretion.

5.5 Interconnection-Wide Economic Study Requests

5.5.1 Submission of Economic Study Requests

Stakeholders shall submit their Interconnection-wide Economic Study Request to the WECC TEPPC process and provide the Planning Committee with a copy through info@nttg.biz.

5.5.2 Transmission Provider Support of WECC TEPPC

Transmission Provider will support, directly and through its participation in NTTG, the WECC TEPPC process.

5.5.3 Interconnection-Wide Economic Study Requests

Interconnection-wide Economic Study Requests by the will be processed and studied by WECC TEPPC according to its rules and

procedures. Results of WECC TEPPC studies will be distributed by WECC TEPPC pursuant to its rules and procedures.

5.6 Dispute Resolution

Interconnection-wide dispute resolution will be pursuant to the process developed by WECC. Nothing contained in this Section 6 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

5.7 Cost Allocation

A Western Interconnection cost allocation methodology does not exist, therefore cost allocations for interconnection wide transmission projects, will be addressed on a case-by-case basis by parties participating in the project.

~~Economic Studies~~

~~Western Interconnection wide economic studies are to be conducted by a committee formed by WECC, TEPPC, in an open stakeholder process that holds region-wide stakeholder meetings on a regular basis. The TEPPC planning process is posted on the WECC website. Transmission Provider participates in the TEPPC planning processes, as appropriate, to help coordinate data and assumptions. TEPPC is to perform two primary functions in relation to Economic Studies in the Transmission Provider transmission planning process:~~

- ~~(i) Development and maintenance of the west-wide economic planning study database.~~
- ~~(a) TEPPC uses publicly available data to compile a database that can be used by a number of economic congestion study tools.~~
- ~~(b) TEPPC's database is publicly available for use in running economic congestion studies. For an interested transmission customer or stakeholder to utilize WECC's Pro-Mod planning model, it must comply with WECC confidentiality requirements.~~
- ~~(ii) Performance of economic studies. TEPPC has an annual study cycle in which it is to update databases, develop and approve a study plan that includes a number of high priority economic study requests as determined by the open TEPPC stakeholder process and perform studies and document the results in a report.~~

~~3. Additional Information~~

~~Additional information is provided on the ColumbiaGrid website (<http://www.columbiagrid.org/>). WECC planning coordination processes are further described in ColumbiaGrid's Policy Statement Regarding Planning Coordinated, Open and Transparent Planning Processes for Single and Multiple Transmission Systems, which is available at <http://www.columbiagrid.org/AttachK-documents.cfm> (last accessed December 10, 2013). WECC TEPPC's Transmission Planning Protocol is available on the ColumbiaGrid website at <http://www.columbiagrid.org/client/TEPPC-Planning-Protocol.pdf> (last~~

~~accessed December 10, 2013). See also www.vecc.biz and, specifically, <http://www.vecc.biz/committees/BOD/TEPPC/External/TEPPC-PlanningProtocol.pdf> (last accessed December 10, 2013).~~

~~PART V.~~

~~DISPUTE RESOLUTION~~

~~Disputes among PEFA Parties within the scope of the dispute resolution provisions of the PEFA shall be addressed through such provisions. Disputes among parties to the Order 1000 Agreement within the scope of the dispute resolution provisions of the Order 1000 Agreement shall be addressed through such provisions. However, nothing in this Attachment K restricts the rights of any person to file a Complaint with the Commission under relevant provisions of the Federal Power Act.~~

~~Disputes that are not within the scope of either the PEFA or Order 1000 Agreement dispute resolution procedures, but that arise out of Attachment K between a Transmission Provider and one or more of its Transmission Customers, shall be addressed pursuant to Section 12 (Dispute Resolution Procedures) of the Tariff.~~

~~ColumbiaGrid is intended to provide a forum for resolving substantive and procedural disputes. Specifically, ColumbiaGrid is a separate and operationally independent entity that makes decisions or recommendations regarding multi-system planning issues, and thus provides a neutral forum through which transmission customers, transmission providers, Planning Parties, Order 1000 Parties, and other stakeholders can raise and address issues arising out of ColumbiaGrid planning activities. All interested persons have an additional opportunity to present their perspectives when the Staff's recommendation is presented to the Board. When reviewing the draft Biennial Plan, the Board can remand items back to the Staff for further work and public input.~~

~~Disputes that are not within the scope of the foregoing dispute resolution processes, but that arise out of Attachment K in connection with the ColumbiaGrid planning processes, may be addressed, with the agreement of all parties to the dispute, through non-binding mediation using the FERC Dispute Resolution Service or other non-binding mediation mechanism mutually agreeable to all parties to the dispute.~~

~~APPENDIX A DEFINITIONS~~

~~The following terms shall have the following definitions where used in this Attachment K. Other terms defined in Section 1 of the Tariff shall have the meanings set forth in such section where used in this Attachment K.~~

~~**A.1** "Additional Entity" means at any time each entity that is not a NERC Entity but that has facilities (i) that are then located in Transmission Provider's Balancing Authority Area or are interconnected with Transmission Provider's Transmission System and (ii) that then fall within a Functional Type.~~

~~A.2 "Additional Regional Costs from Interregional Cost Allocation" shall have the meaning set forth in item (v) of section 8.4 of Appendix A.~~

~~A.3 "Agreement Limiting Liability Among Western Interconnected Systems" or "WIS Agreement" means at any time the Agreement Limiting Liability Among Western Interconnected Systems as it may have then been amended.~~

~~A.4 "Annual Interregional Coordination Meeting" shall have the meaning set forth in section 7.3 of Appendix A.~~

~~A.5 "Annual Interregional Information" shall have the meaning set forth in section 7.2 of Appendix A.~~

~~A.6 "Assigned Regional Costs from Interregional Cost Allocation" means, with respect to an ITP, ColumbiaGrid's assigned pro rata share of the projected costs of such ITP calculated pursuant to item (d) of section 7.5.2 of Appendix A and item (iii) of section 8.4 of Appendix A. Assigned Regional Costs from Interregional Cost Allocation may be recalculated as a result of application of sections 5.2 or 7.6.2 of Appendix A.~~

~~A.7 "Benefit to Cost Ratio" means the ratio as may be determined pursuant to section 6.3.2 of Appendix A.~~

~~A.8 "Biennial Plan" means each biennial transmission plan adopted by the Board pursuant to section 2 of the Order 1000 Agreement. A "Draft Biennial Plan" refers to a draft of a Biennial Plan presented by Staff to the Board for adoption pursuant to section 2 of the Order 1000 Agreement but not yet adopted by the Board.~~

~~A.9 "Board of Directors" or "Board" means the Board of Directors of ColumbiaGrid.~~

~~A.10 "Bylaws" means the then-current bylaws of ColumbiaGrid.~~

~~A.11 "Capacity Increase Project" means a voluntary modification of the Regional Interconnected Systems that is~~

- ~~(i) for the purpose of increasing transmission capacity on the Regional Interconnected Systems;~~
- ~~(ii) voluntarily undertaken by one or more Planning Parties; and~~
- ~~(iii) not an Existing Obligation Project or Requested Service Project.~~

~~A.12 "Claims Committee" means a committee established pursuant to section 8.4.2 of the Order 1000 Agreement upon the receipt of a claim or prior to such time.~~

~~A.13 "ColumbiaGrid Planning Region" means the transmission systems that Planning Parties own or operate, or propose to own or operate, in the Regional Interconnected Systems.~~

~~**A.14** "Commission" means the Federal Energy Regulatory Commission or any successor entity.~~

~~**A.15** "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 Third 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 under the Order 1000 Agreement; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form; or (vi) required to be disclosed without a protective order or confidentiality agreement by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.~~

~~**A.16** "Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. § 388.113(e), as may be amended from time to time.~~

~~**A.17** "Data" means NERC data, WECC data, Additional Interested Stakeholder Data, Additional Generating Facility Data, Additional Network Service Data and Additional Transmission Service Data provided or deemed provided (or to be provided or to be deemed provided) to Transmission Provider pursuant to this Attachment K.~~

~~**A.18** "Economic Study" means a study of Transmission Provider's Transmission System, separately or in conjunction with study of other transmission systems, to evaluate (i) congestion, (ii) the integration on an aggregated or Western Interconnection (or Western Interconnection "sub-regional") wide basis of new resources or new loads, or (iii) Local Economic Study.~~

~~**A.19** "Effective Date" shall have the meaning set forth in section 12 of the Order 1000 Agreement.~~

~~**A.20** "Electric System" shall have the meaning given for the words "electric system" in the WIS Agreement and means (i) electric distribution facilities or (ii) generation facilities or (iii) transmission facilities, or any combination of the three, and includes transmission lines, distribution lines, substations, switching stations, generating plants, and all associated equipment for generating, transmitting, distributing, or controlling flow of power. The Electric System of a Person includes the facilities of another entity operated or controlled by such Person. Electric System includes any devices or equipment (a) by which information is originated on an electric system or by the Person operating such system, (b) by which such information is transmitted, and (c) by which such information is received either for information or for operation of a system, whether by the originating system or by another system.~~

~~**A.21** [Reserved].~~

~~**A.22** "Enrolled" refers to a Person's status as enrolled in an Order 1000 Planning Region, such that such Person is subject to such Order 1000 Planning Region's planning processes (including cost allocations) in accordance with the requirements of Order 1000 as implemented by such Order~~

~~1000 Planning Region. A Person is Enrolled in the Order 1000 ColumbiaGrid Planning Region if and at such times as~~

- ~~(i) such Person is an Order 1000 Party in accordance with the provisions of the Order 1000 Agreement and has not withdrawn (and has not been deemed to have withdrawn) from the Order 1000 Agreement pursuant to section 13 of the Order 1000 Agreement; and~~
- ~~(ii) such Person is neither a Governmental Non-Enrolled Party nor an ITP Proponent.~~

~~Any Order 1000 Enrolled Party is expressly Enrolled in the Order 1000 ColumbiaGrid Planning Region and is to be listed as Enrolled in the Order 1000 ColumbiaGrid Planning Region in each Order 1000 Enrolled Party's open access transmission tariff. Any Governmental Non-Enrolled Party and any ITP Proponent is not Enrolled in the Order 1000 ColumbiaGrid Planning Region.~~

~~**A.23** "Existing Obligation Project" or "EOP" means any modification to be made to the Regional Interconnected Systems that is~~

- ~~(i) for the purpose of meeting a Need (as such term is used in the PEFA) on a TOPP's system;~~
- ~~(ii) not a Single System Project; and~~
- ~~(iii) approved by the Board and included as an EOP in a Plan.~~

~~**A.24** "Functional Type" at any time means each Functional Type as then adopted by NERC. As of December 7, 2007, for example, the functional types adopted by NERC were set forth in its Statement of Compliance Registry Criteria (Revision 3.1).~~

~~**A.25** "Governmental Non-Enrolled Party" means any Order 1000 Party that (i) 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), (ii) is a Planning Party, and (iii) has elected pursuant to section 14.17 of the Order 1000 Agreement to be a Governmental Non-Enrolled Party.~~

~~**A.26** "Grandfathered Transmission Service" means any transmission service (or interconnection) provided by Transmission Provider that is subject to the jurisdiction of the Commission but not provided pursuant to the Transmission Provider's Tariff.~~

~~**A.27** "Interested Person" means any Person who has expressed an interest in the business of ColumbiaGrid and has requested notice of its public meetings. Such Interested Persons will be identified on the "Interested Persons List" compiled by ColumbiaGrid in accordance with Section 4.2 of the ColumbiaGrid Bylaws. For purposes of section 7 of Appendix A, Interested Persons are referred to as stakeholders.~~

~~**A.28** "Interregional Cost Allocation" means the assignment of ITP costs between or among Relevant Planning Regions as described in section 7.5.2 of Appendix A.~~

~~**A.29** "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 Order 1000 Planning Regions and that is submitted into the regional transmission planning processes of all such Order 1000 Planning Regions in accordance with section 7.4.1 of Appendix A.~~

~~**A.30** "Interregional Transmission Project Proponent" or "ITP Proponent" means an Order 1000 Party that (i) has pursuant to section 14.17 of the Order 1000 Agreement indicated that it is an ITP Proponent, and (ii) is not Enrolled in the Order 1000 ColumbiaGrid Planning Region, and (iii) if it has a retail distribution service territory or footprint, is Enrolled in the Order 1000 Planning Region (other than the Order 1000 ColumbiaGrid Planning Region) in which it has a retail distribution service territory or footprint.~~

~~For purposes of section 7 of Appendix A, a proponent of an ITP that is either an ITP Proponent or an Order 1000 Enrolled Party is referred to as a proponent of an ITP.~~

~~**A.31** "Local Economic Study" means an Economic Study that (i) evaluates congestion (and possible remedies) only on Transmission Provider's Montana Area transmission facilities of its Transmission System, or (ii) evaluates a potential Enhanced Reliability Upgrade. A Local Economic Study will not encompass or entail a production cost model study.~~

~~**A.32** "Local Transmission Plan" means, with respect to an Order 1000 Party, a plan that identifies planned new transmission facilities and facility replacements or upgrades for such Order 1000 Party's transmission system.~~

~~**A.33** "Material Adverse Impacts of Local Need Solution" means, with respect to any solution to a local transmission need, a reduction of transmission capacity on a transmission system (or other adverse impact on such transmission system that is generally considered in transmission planning in the Western Interconnection) due to such solution that is material, that would result from such solution, and that is unacceptable to the Person that owns or operates such transmission system. For purposes of this Attachment K, Material Adverse Impacts of Local Need Solution are considered mitigated if there would not be any Material Adverse Impacts of Local Need Solution due to such solution.~~

~~**A.34** "NERC" means North America Electric Reliability Corporation or its successor.~~

~~**A.35** [Reserved]~~

~~**A.36** "NERC Entity" means at any time each entity with facilities (i) that are then located in Transmission Provider's Balancing Authority Area or are directly interconnected with Transmission Provider's Transmission System, (ii) that then fall within a Functional Type, and (iii) to which any NERC Standard then applies.~~

~~**A.37** "NERC Standard" means at any time any NERC Reliability Standard then in effect as adopted by NERC and approved by the Commission.~~

~~**A.38** [Reserved]~~

~~A.39~~ "Order 1000" means the Commission's Order No. 1000 (*Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, 136 FERC ¶ 61,051 (2011), order on rehearing and clarification, 139 FERC ¶ 61,132 (2012), affirmed sub nom. *S. C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014), order on rehearing and clarification, 141 FERC ¶ 61,044 (2012)), as it may be amended, supplemented, or superseded from time to time.

~~A.40~~ "Order 1000 Affected Persons" means, with respect to an ITP, Order 1000 Project, Order 1000 Eligible Project or Order 1000 Proposed Project, those Order 1000 Parties and other Persons that would bear Order 1000 Material Adverse Impacts from such project or are otherwise materially affected thereby.

~~A.41~~ "Order 1000 Agreement" means the Order 1000 Functional Agreement, including Appendix A attached thereto.

~~A.42~~ "Order 1000 Beneficiary" means, with respect to an Order 1000 Project, any Order 1000 Enrolled Party that is identified in an Order 1000 Cost Allocation Report as an Order 1000 Beneficiary that would receive Order 1000 Benefits as a direct result of such Order 1000 Project. Solely for purposes of any Preliminary Cost Allocation performed pursuant to item (a) of the second paragraph of section 6 of Appendix A, any Governmental Non-Enrolled Party shall be deemed to be an Order 1000 Beneficiary, in accordance with section 1.31.

~~A.43~~ "Order 1000 Benefits" means, with respect to an Order 1000 Project and as more fully described in section 6.2.2 of Appendix A, the Order 1000 Benefits of any Order 1000 Beneficiary, which shall be equal to the sum of:

- ~~(i)~~ the projected costs that such Order 1000 Beneficiary is projected to avoid over the Planning Horizon due to elimination or deferral, as a direct result of such Order 1000 Project, of planned additions of transmission facilities in the Order 1000 ColumbiaGrid Planning Region, plus;
- ~~(ii)~~ if and to the extent not reflected in item (i) above, the value that such Order 1000 Beneficiary is projected to realize on its Order 1000 Transmission System over the Planning Horizon, as a direct result of such Order 1000 Project, where such value is equal to the lesser of:
 - ~~(a)~~ the projected costs (excluding any projected costs included in item (i) above) that such Order 1000 Beneficiary would, but for such Order 1000 Project, have otherwise incurred over the Planning Horizon to achieve an increase in capacity on its Order 1000 Transmission System equivalent to that resulting from such Order 1000 Project; or
 - ~~(b)~~ the projected changes in revenues based on cost-based transmission rates over the Planning

~~Horizon to such Order 1000 Beneficiary directly resulting from such Order 1000 Project or such Order 1000 Project's elimination or deferral of planned transmission facilities, which projected changes in revenues shall be based on projected changes of usage of such Order 1000 Beneficiary's Order 1000 Transmission System that are projected, using a robust economic analysis (including production cost, power flow, and stability analyses and evaluation of transmission queues, as described in section 6.2.1 of Appendix A) and are repeatable over a wide range of reasonable assumptions, to result over the Planning Horizon from the projected changes in capacity on such Order 1000 Beneficiary's Order 1000 Transmission System resulting from such Order 1000 Project or such Order 1000 Project's elimination or deferral of planned transmission facilities.~~

~~Solely for purposes of any Preliminary Cost Allocation performed pursuant to item (a) of the second paragraph of section 6 of Appendix A, (a) Order 1000 Benefits shall be deemed to include benefits calculated, pursuant to this section 1.31 and section 6.2.2 of Appendix A, for each Governmental Non Enrolled Party as if it were an Order 1000 Enrolled Party, and (b) each such Governmental Non Enrolled Party shall be deemed to be the Order 1000 Beneficiary with respect to the benefits, if any, so calculated for it.~~

~~**A.44** "Order 1000 ColumbiaGrid Planning Region" means the Order 1000 Transmission Systems of Order 1000 Enrolled Parties.~~

~~**A.45** "Order 1000 Cost Allocation" means an allocation, using the Order 1000 Cost Allocation Methodology, pursuant to item (b) of the second paragraph of section 6 of Appendix A, of projected costs of an Order 1000 Project among one or more Order 1000 Beneficiaries with respect to such Order 1000 Project that is approved by the Board pursuant to section 11.4 of Appendix A. An Order 1000 Cost Allocation with respect to an Order 1000 Project is approved by the Board if and on such date as the Board approves such Order 1000 Project and Order 1000 Cost Allocation for inclusion in a Plan pursuant to section 11.4.~~

~~**A.46** "Order 1000 Cost Allocation Methodology" means the cost allocation methodology set out in section 6.3 of Appendix A.~~

~~**A.47** "Order 1000 Cost Allocation Report" means the report with respect to an Order 1000 Cost Allocation prepared by Staff and approved by the Board and included in the Plan in accordance with sections 6.4 and 11.4. of Appendix A.~~

~~**A.48** "Order 1000 Eligible Project" means an Order 1000 Proposed Project that is identified as described in section 5.1 of Appendix A as an Order 1000 Eligible Project.~~

~~**A.49** "Order 1000 Enrolled Party" means any Order 1000 Party (whether incumbent or nonincumbent) that~~

- ~~(i) is an Order 1000 Enrolled Party pursuant to section 14.17 of the Order 1000 Agreement;~~
- ~~(ii) has not withdrawn (and has not been deemed to have withdrawn) from the Order 1000 Agreement pursuant to section 13 of the Order 1000 Agreement;~~

~~For the avoidance of doubt, specifically excluded from being an Order 1000 Enrolled Party are (a) any Person that has elected pursuant to section 14.17 of the Order 1000 Agreement to be a Governmental Non-Enrolled Party, and (c) any Person that is pursuant to section 14.17 of the Order 1000 Agreement an ITP Proponent.~~

~~**A.50** "Order 1000 Material Adverse Impacts" means, with respect to any solution to an Order 1000 Need (or other transmission need for which a solution is identified under the Order 1000 Agreement) a reduction of transmission capacity on a transmission system (or other adverse impact on such transmission system that is generally considered in transmission planning in the Western Interconnection) due to such solution that is material, that would result from such solution, and that is unacceptable to the Person that owns or operates such transmission system. For purposes of the Order 1000 Agreement, Order 1000 Material Adverse Impacts are considered mitigated if there would not be any Order 1000 Material Adverse Impacts due to such solution.~~

~~**A.51** [Reserved]~~

~~**A.52** "Order 1000 Merchant Transmission Project" means existing or planned transmission facilities for which the costs are recovered or intended to be recovered through negotiated rates and are therefore not eligible for Order 1000 Cost Allocation.~~

~~**A.53** "Order 1000 Need" means any need for transmission facilities, as identified in a System Assessment Report pursuant to section 3 of Appendix A, in the Order 1000 ColumbiaGrid Planning Region, including any such need that is driven by reliability requirements, addresses economic considerations, or is driven by Public Policy Requirements. "Order 1000 Potential Need" is an item that is proposed or considered for inclusion in the system assessment for possible identification in the System Assessment Report as an Order 1000 Need. For purposes of section 7 of Appendix A and Part III, section 7, of this Attachment K, an Order 1000 Need in the Order 1000 ColumbiaGrid Planning Region is referred to as a regional transmission need.~~

~~**A.54** "Order 1000 Need Statement" means, with respect to an Order 1000 Need, a statement developed by Staff pursuant to section 3 of Appendix A and included for informational purposes in a Plan. A "Draft Order 1000 Need Statement" means a proposal for an Order 1000 Need Statement as described in section 3 of Appendix A.~~

~~**A.55** "Order 1000 Needs Factors" shall have the meaning set forth in section 2.2 of Appendix.~~

~~**A.56** "Order 1000 Needs Meeting" means the annual meeting provided for in section 3.1 of Appendix A to discuss Order 1000 Potential Needs that should be included in the upcoming system assessment.~~

~~A.57 "Order 1000 Non-Incumbent Transmission Developer" means, with respect to transmission facilities proposed by an Order 1000 Enrolled Party, such Order 1000 Enrolled Party if such proposed transmission facilities are in the Order 1000 ColumbiaGrid Planning Region and are outside any retail distribution service territory or footprint of such Order 1000 Enrolled Party, or such Order 1000 Enrolled Party does not have a retail distribution service territory or footprint.~~

~~A.58 "Order 1000 Non-Transmission Alternative" means an alternative that does not involve the construction of transmission facilities and that ColumbiaGrid has determined would result in the elimination or deferral of an Order 1000 Need of an Order 1000 Enrolled Party by modifying the loads or resources reflected in the system assessments. Examples of such alternatives that may constitute Order 1000 Non-Transmission Alternatives may include demand-side load reduction programs, peak-shaving projects, and distributed generation. The following examples are specifically excluded from Order 1000 Non-Transmission Alternatives: remedial action schemes, shunt capacitors, and reconductoring.~~

~~A.59 "Order 1000 Party" means each signatory, other than ColumbiaGrid, to the Order 1000 Agreement.~~

~~A.60 "Order 1000 Planning Criteria" means the then-current planning standards that ColumbiaGrid shall apply, as provided in section 2.1 of Appendix A, in any system assessment, System Assessment Report, or Order 1000 Need Statement, with respect to Order 1000 Need(s), Interregional Transmission Project(s), Order 1000 Proposed Project(s), Order 1000 Eligible Project(s), and Order 1000 Projects.~~

~~A.61 "Order 1000 Planning Region" means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, Order 1000 ColumbiaGrid Planning Region, Northern Tier Transmission Group, and WestConnect. For purposes of section 7 of Appendix A and Part III, section 7, of this Attachment K, Order 1000 Planning Region is referred to as a Planning Region.~~

~~A.62 [Reserved]~~

~~A.63 "Order 1000 Project" means any Order 1000 Eligible Project, if and for so long as: (i) it has been selected as an Order 1000 Project in accordance with section 5.3 of Appendix A; (ii) all Order 1000 Enrolled Parties and ITP Proponents that timely requested Order 1000 Cost Allocation for such project have not withdrawn such requests in accordance with section 5.2 of Appendix A (whether such withdrawal(s) is before or after inclusion of such project in a Plan); (iii) the Benefit to Cost Ratio for such project has not been determined pursuant to section 6.3.2 of Appendix A to be less than 1.25; (iv) an agreement on implementation of such project is not reached in accordance with section 5.4 of Appendix A or section 6.4 of Appendix A; and (v) such project has not been removed from a Plan as an Order 1000 Project pursuant to section 3.3 of Appendix A.~~

~~For purposes of the cost allocation provisions of the Order 1000 Agreement, transmission facilities of an ITP may be deemed to be an Order 1000 Project notwithstanding the fact that the selection of an ITP as an~~

~~Order 1000 Project under the Order 1000 Agreement occurs after cost allocation calculations have been performed with respect to such ITP.~~

~~**A.64** "Order 1000 Proposed Project" means proposed transmission facilities that~~

- ~~(i) are in the Order 1000 ColumbiaGrid Planning Region;
or~~
- ~~(ii) are an ITP~~

~~that are included in a plan of service developed by a Study Team and that address an Order 1000 Need(s). Order 1000 Proposed Project specifically excludes any Order 1000 Merchant Transmission Project.~~

~~**A.65** "Order 1000 Proposed Staff Solution" shall have the meaning set forth in section 4.4 of Appendix A.~~

~~**A.66** "Order 1000 Replication Data" means basic criteria, assumptions, and data necessary to replicate the results of ColumbiaGrid's planning studies performed pursuant to the Order 1000 Agreement with respect to any Order 1000 Potential Need, Order 1000 Need, Order 1000 Proposed Project, Order 1000 Eligible Project, Order 1000 Project, or ITP.~~

~~**A.67** "Order 1000 Transmission System" means (i) the existing or proposed transmission facilities in the Regional Interconnected Systems of any Order 1000 Enrolled Party that is a Planning Party; and (ii) the proposed transmission facilities in the Regional Interconnected Systems of any Order 1000 Enrolled Party that is an Order 1000 Non-Incumbent Transmission Developer with respect to such proposed transmission facilities; provided that Order 1000 Transmission System specifically excludes any existing or proposed transmission facilities in any Order 1000 Planning Region other than the Order 1000 ColumbiaGrid Planning Region.~~

~~**A.68** "Pacific Northwest" means (i) the sub region within the Western Interconnection comprised of Alberta, British Columbia, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming; and (ii) any portions of the area defined in 16 U.S.C. § 839a(14) that are not otherwise included in (i).~~

~~**A.69** "Party" means, for purposes of Parts II and III of this Attachment K, a signatory to the PEFA.~~

~~**A.70** "PEFA" shall have the meaning set forth in Recital A of the Order 1000 Agreement and means the Planning and Expansion Functional Agreement (filed in Commission Docket No. ER07-523), as amended by the amendment filed in Commission Docket No. ER08-457 and as amended by the amendment filed in Commission Docket No. ER10-585, and as may be amended hereafter from time to time.~~

~~**A.71** "Person" means, for purposes of Part III of this Attachment K, 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), or organization recognized as a legal entity by law in the United States or Canada.~~

~~**A.72** "Plan" means, for purposes of Part III of this Attachment K and this Appendix A (Definitions), at any time the then-current Biennial Plan, as then revised by any Plan Updates. A "Draft Plan" refers, for purposes of Part III of this Attachment K and this Appendix A (Definitions), to a Draft Biennial Plan or a Draft Plan Update. For purposes of section 7 of Appendix A of the Order 1000 Agreement and Part III, section 7, of this Attachment K, a Plan in the Order 1000 ColumbiaGrid Planning Region is referred to as a regional transmission plan.~~

~~**A.73** "Plan Update" means, for purposes of Part III of this Attachment K, an update to the then-current Plan adopted by the Board pursuant to section 2.4 of the Order 1000 Agreement. A "Draft Plan Update" means, for purposes of Part III of this Attachment K, a plan update presented by Staff to the Board for adoption but not yet adopted by the Board.~~

~~**A.74** "Planning Cycle" means a period of approximately 24 months during which a Draft Biennial Plan is to be prepared and presented to the Board for adoption and during which a Biennial Plan is to be subsequently adopted by the Board.~~

~~**A.75** "Planning Horizon," for purposes of Part III of this Attachment K, means, with respect to any Biennial Plan (or Plan Update), the period for which the system assessment for such Biennial Plan (or Plan Update) is made, which period shall be the longer of (i) ten years or (ii) the planning period required by the Commission in its pro forma open access transmission tariff, as it may be amended from time to time.~~

~~**A.76** "Planning Input Data" means NERC Data, Demand Response Resource Data, Generating Facility Data, Network Service Data and Transmission Service Data provided or deemed provided (or to be provided or to be deemed provided) to Transmission Provider pursuant to this Attachment K.~~

~~**A.77** "Planning Party" means, for purposes of Part III of this Attachment K and this Appendix A (Definitions), each Party to the PEFA other than ColumbiaGrid. ColumbiaGrid is to maintain a list of the Planning Parties on the Website.~~

~~**A.78** "Preliminary Cost Allocation" means a cost allocation pursuant to section 6 of Appendix A that has not been approved by the Board pursuant to section 11.4 of Appendix A.~~

~~**A.79** "Preliminary Cost Allocation Report" means, with respect to an Order 1000 Project, the Staff's preliminary cost allocation report prepared in accordance with section 6.4 of Appendix A.~~

~~**A.80** "Point-to-Point Customer" means an entity receiving service pursuant to the terms of the Transmission Provider's Point-to-Point Transmission Service under Part II of the Tariff.~~

~~**A.81** "MATL Plan" means a five-year plan for Transmission Provider's Transmission System developed and updated every five years pursuant to this Attachment K.~~

~~**A.82** "MATL Proprietary Information" means any~~

- ~~(i) non-public or confidential trade secrets, commercial or financial information or other information of Transmission Provider, whether of a technical, business or other nature, or~~
- ~~(ii) information that has been made available to Transmission Provider by any third party or entity that Transmission Provider is obligated to keep non-public or confidential,~~

~~that is used by Transmission Provider in its transmission planning processes pursuant to this Attachment K.~~

~~**A.83** "MATL Replication Data" means basic criteria, assumptions and data necessary to replicate the results of Transmission Provider's planning studies performed pursuant to this Attachment K that underlie the MATL Plan.~~

~~**A.84** "Public Policy Requirements" means enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level.~~

~~**A.85** "Regional Benefits for Purposes of Interregional Cost Allocation" means, with respect to an ITP, an amount equal to the sum of the aggregate Order 1000 Benefits calculated in accordance with the provisions of section 1.31 of the Order 1000 Agreement for any Order 1000 Beneficiary(ies) of such ITP. For purposes of items (ii) and (c) of section 7.5.2 of Appendix A, Regional Benefits for Purposes of Interregional Cost Allocation is referred to as ColumbiaGrid's regional benefits stated in dollars resulting from the ITP.~~

~~**A.86** "Regional Interconnected Systems" or "RIS" means the transmission systems in the Pacific Northwest.~~

~~**A.87** "Relevant Planning Regions" means, with respect to an ITP, the Order 1000 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 7.4.2 of Appendix A, at which time it shall no longer be considered a Relevant Planning Region.~~

~~**A.88** "Relevant State or Provincial Agency" means any State or Provincial agency with authority over energy regulation, transmission, or planning that has expressed an interest in the ColumbiaGrid transmission planning processes and has requested to be included on the Interested Persons List. For example, these may include the Washington Utilities and Transportation Commission, Idaho Public Utilities Commission, Oregon Public Utility Commission, Washington Department of Commerce (specifically the Energy Office within that department), Washington Energy Facility Site Evaluation Council, and the appointees to the Northwest Power and Conservation Council. If requested by a governor in the Pacific Northwest, Relevant State and Provincial Agency may also include a representative from such governor's office. For the purposes of the Order 1000 Agreement, the term also includes any successor to these agencies.~~

~~A.89 "Requested Service Project" means any modification of the Regional Interconnected Systems that~~

- ~~(i) is for the purpose of providing service pursuant to a transmission service or interconnection request made to a TOPP; and~~
- ~~(ii) involves more than one Transmission System.~~

~~A.90 "Single System Project" means any modification of a single Transmission System that~~

- ~~(i) is for the purpose of meeting a Need (as such term is used in the PEFA) that impacts only such single Transmission System;~~
- ~~(ii) does not result in Material Adverse Impacts on any transmission system; and~~
- ~~(iii) is included as a Single System Project in a Plan.~~

~~A.91 "Staff" means the ColumbiaGrid staff, officers, or consultants hired or retained by ColumbiaGrid to perform the Staff's responsibilities under the Order 1000 Agreement. The activities of Staff under the Order 1000 Agreement are to be performed under the supervision and guidance of the ColumbiaGrid Board.~~

~~A.92 "Study Team" with respect to an Order 1000 Proposed Project being developed means a team that is comprised of ColumbiaGrid and the following that choose to participate in such team: (i) any Order 1000 Parties, (ii) any Order 1000 Affected Persons identified with respect to such project, and (iii) any Interested Persons; provided that participation in a Study Team may be subject to restrictions in tariffs (see, e.g., pro forma open access transmission tariff, sections 17.2 and 18.2) or applicable law to protect Confidential Information or CEII.~~

~~A.93 "System Assessment Report" means each system assessment report developed by Staff pursuant to section 3 of Appendix A. "Draft System Assessment Report" means a draft System Assessment Report as described in section 3 of Appendix A. "Final System Assessment Report" has the meaning described in section 3.5 of Appendix A.~~

~~A.94 "Third Person" means, for purposes of Part III of this Attachment K, any Person other than either ColumbiaGrid or any Order 1000 Party.~~

~~A.95 "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. Total Regional Costs from Interregional Cost Allocation may be recalculated as a result of application of section 7.6.2 of Appendix A.~~

~~A.96 "Transmission Owner or Operator Planning Party" or "TOPP" means a Party to the PEFA (exclusive of ColumbiaGrid) that, pursuant to the PEFA is,~~

~~or proposes to be, a developer or an owner or operator of transmission facilities in the Pacific Northwest.~~

~~**A.97** [Reserved]~~

~~**A.98** "Transmission System" means the transmission facilities in the Pacific Northwest owned or operated by a Transmission Owner or Operator Planning Party.~~

~~**A.99** "Uncontrollable Force" means any act or event that delays or prevents an Order 1000 Party or ColumbiaGrid from timely performing obligations under the Order 1000 Agreement, including an act of God, strike, lock-out, labor dispute, labor disturbance, act of the public enemy, act of terrorism, war, insurrection, riot, fire, storm or flood, earthquake, explosion, accident to or breakage, failure or malfunction of machinery or equipment, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities (other than, as to its own performance, by such Order 1000 Party that is a federal power marketing administration, municipal corporation or other federal, tribal or state governmental entity or subdivision thereof), or any other cause beyond an Order 1000 Party's or ColumbiaGrid's reasonable control and to the extent without such Order 1000 Party's or ColumbiaGrid's fault or negligence. Economic hardship shall not constitute an Uncontrollable Force under the Order 1000 Agreement.~~

~~**A.100** "Website" means, for purposes of Part III of this Attachment K, the website maintained by ColumbiaGrid at www.columbiagrid.org.~~

~~**A.101** "Western Electricity Coordinating Council" or "WECC" means the Western Electricity Coordinating Council or any successor entity.~~

~~**A.102** "Willful Action" means an action taken or not taken by an Order 1000 Party or ColumbiaGrid, which action is knowingly or intentionally taken or failed to be taken, with intent that injury or damage would result therefrom or which action is wantonly reckless. Willful Action does not include any act or failure to act which is involuntary, accidental, negligent, or grossly negligent.~~

ATTACHMENT K

**PART I.
INTRODUCTION**

1.0 General

Preamble. In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, interregional and interconnection-wide basis. Part 2 of this Attachment K addresses the local planning process. Part 3 of this Attachment K addresses the regional planning process. Part 4 of this Attachment K addresses interregional coordination with the planning regions in the United States portion of the Western Interconnection. Part 5 of this Attachment K addresses the interconnection-wide planning process.

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

DEFINITIONS

Unless defined below¹, capitalized terms shall refer to terms defined in the Tariff.

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

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

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

1.4 Reserved.

1.5 Reserved.

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

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

1.7 "Biennial Study Plan" means the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

1.8 "Change Case" is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more non-Committed projects in the Initial Regional Plan. The deletion or deferral of a non-Committed Project in the Initial Regional Plan without including an Alternative Project can also be a Change Case.

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

1.10 "Confidentiality Agreement" means Confidentiality Agreement means the agreement posted on Transmission Provider's OASIS at <http://www.oatiaoasis.com/mat1/>. The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.7.2 and 3.4.2.

1.11 "Cost Allocation Committee" is defined in Section 3.1.2.

1.12 "Cost Allocation Committee Charter" means that document attached as Exhibit D to this Attachment K.

1.13 "Cost Allocation Data Form" means the form posted on NTTG's website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

1.14 "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 Third 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 under the Order 1000 Agreement; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form; or (vi) required to be disclosed without a protective order or confidentiality agreement by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

1.15 "Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. Part 388 or any successor thereto and associated orders issued by the Commission.

1.16 "Data Submittal Form" means the form posted on NTTG's website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

1.17 "Demand Resources" means 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.

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

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

1.20 "Economic Study" or "Congestion Study" means an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

1.21 "Economic Congestion Study Request" means a request by a Transmission Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Transmission System Plan, to reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, Regional Economic Study Request, and Interconnection-wide Economic Study Request.

1.22 "Economic Study Request Form" means the form posted on NTTG's website used to submit an Economic Study Request as referenced in Section 3.11.1.

1.23 "Finance Agent Agreement" is Exhibit B to the Funding Agreement and identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

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

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

1.26 "Interconnection-wide Economic Study Request" means an Economic Study Request where there is a Point of Receipt or Point of Delivery within the NTTG Footprint, as determined by the Planning Committee, and it's a Point of Delivery or Point of Receipt, respectively, is both within the Western Interconnection and outside the NTTG Footprint. In the alternative, if the Economic Study Request is reasonably determined by the Planning Committee to be an Interconnection-wide Economic Study Request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes only WECC member interconnected transmission systems, the study request will be considered an Interconnection-wide Economic Study Request.

1.27 "Initial Regional Plan" is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders Local Transmission Plans.

1.28 Reserved.

1.29 Reserved.

1.30 "Local Economic Study Request" means an Economic Study Request where (1) the Point(s) of Receipt and Point(s) of Delivery that are all within the Transmission System of the Transmission Provider and the Point(s) of Receipt and Point(s) of Delivery utilize only the Transmission Provider's scheduling paths, or (2) is otherwise reasonably determined by the Planning

Committee (if the request is received by the NTTG Planning Committee) or the Transmission Provider (if the request is received by the Transmission Provider) to be a local request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request does not affect other interconnected transmission systems.

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

1.32 "LTSP Re-Study Request" means a request by an Eligible Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft Local Transmission System 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 Transmission System Plan.

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

1.34 "Monetized Non-Financial Incremental Costs" are defined in Section 3.7.4.1.

1.35 "NTTG" means the Northern Tier Transmission Group or its successor.

1.36 "NTTG Footprint" means the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

1.37 "NTTG Website" means www.nttg.biz.

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

1.39 "Ownership-Like Rights" are defined in Section 3.8.2.2.

1.40 "Planning Committee" is defined in Section 3.1.2.

1.41 "Planning Committee Charter" means that document attached as Exhibit C to this Attachment K.

1.42 "Planning Horizon" means the Local Transmission Plan evaluates a ten (10) year planning horizon, which consists of a summer/winter Near Term Case (years 1-5) ("Near Term Case") and a summer/winter Longer Term Case (years 6-10) ("Longer Term Case").

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

1.44 "Public Policy Considerations" means those public policy considerations that are not established by local, state, or federal laws or regulations.

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

1.46 "Regional Economic Study Request" means an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

1.47 "Regional Planning Cycle" means NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

1.48 "Regional Transmission Plan" means the current, final regional transmission plan, as approved by the Steering Committee.

1.49 Reserved.

1.50 "Sponsor Qualification Data Form" means the form posted on NTTG's website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

1.51 "Sponsored Project" means the project proposed by a Project Sponsor.

1.52 "Steering Committee" is defined in Section 3.1.2.

1.53 "Steering Committee Charter" means that document attached as Exhibit B to this Attachment K.

1.54 "TEPPC" means Transmission Expansion Planning Policy Committee or its successor committee within WECC.

1.55 "WECC" means the Western Electricity Coordinating Council or its successor.

1.56 [Reserved]

PART II.

THE TRANSMISSION PROVIDER LOCAL TRANSMISSION PLANNING PROCESS

2.1 Overview

Every five (5) years, the Transmission Provider will complete its local transmission planning process, as detailed in this Section II of this Attachment K for the purpose of identifying Single System Projects to mitigate future reliability and load-service requirements for its Transmission System (the "Local Transmission Plan"). The Transmission Provider shall document the results of the local transmission planning process in the Final Local Transmission Plan as further detailed herein. The Final Local Transmission Plan shall include any reliability issues identified on the Transmission Provider's Transmission System and a list of Single System Projects proposed to address those issues. Any impacts on neighboring transmission systems and the projects to mitigate those impacts shall be identified and coordinated through the regional planning process set forth in Part III of this Attachment K.

2.1.1

The Transmission Provider's Transmission System consists of a point-to-point, merchant electric transmission line. The Transmission Provider will operate, manage and plan for the use of its asset in a manner that maximizes shareholder value by meeting market demands for transmission capacity while respecting customer agreements, regulatory constraints and reliability standards.

The Transmission Provider anticipates engaging in transmission planning procedures for one of three reasons:

- (a) As a regular update on its project and its future potential, every five (5) years the Transmission Provider will launch and conclude a local transmission planning process, which, apart from providing for stakeholder input on the Transmission Provider's development options, will respect the needs of the WECC path rating and reliability planning processes;
- (b) In response to customer demand or interest, the Transmission Provider will explore development options to meet anticipated future transmission needs; and
- (c) The Transmission Provider will cooperate with and participate in the planning processes of neighboring utilities, Balancing Authorities and the Transmission Provider's regional planning process group both in support of regional transmission development efforts and commercial interests.

2.1.2 Purpose and Objective. The Transmission Provider's transmission planning process includes local and regional components to facilitate comprehensive, open and coordinated planning of the Transmission Provider's Transmission System. The purpose of the Transmission planning process detailed in Part II of this Attachment K is to set forth the process by which the Transmission Provider will plan for the enhancement and expansion of the Transmission System to ensure that the Transmission System can meet the needs of both the Transmission

Provider and its Transmission Customers on a comparable and nondiscriminatory basis. This is intended to be a coordinated, open and transparent planning process with the Transmission Customers and other Interested Stakeholders, including interconnected systems within its region and Interested Persons in the regional planning process.

Transmission Provider will also pursuant to this Attachment K, participate in NTTG transmission planning process structured to support and manage the coordination of the multi-system planning (including related studies) for the transmission systems of Transmission Provider and others. The regional planning processes are detailed in the Northern Tier Transmission Group Funding Agreement 2016-2017 ("Funding Agreement") or its successor documents. The Funding Agreement and its successors are each effective and posted on the NTTG website. Transmission Provider is a Full Funder under the Funding Agreement. Participation as a Full Funder under the Funding Agreement facilitates Transmission Provider's compliance with, among other things, the intraregional and interregional requirements of Order 1000. Part III of this Attachment K describes Transmission Provider's participation in the transmission planning processes of NTTG.

Further, the Transmission Provider participates in coordinated planning throughout the Western Interconnection as a whole through its membership in the Western Electricity Coordinating Council ("WECC") and participation in the WECC Transmission Expansion Planning Policy Committee ("TEPPC"). TEPPC is to provide for the development and maintenance of an economic transmission study database for the entire Western Interconnection and performs congestion studies at the Western Interconnection region level.

2.1.3 Identification of Connected Systems. The Transmission Provider's Transmission System is interconnected to the Alberta Electric System Operator ("AESO") in Canada and the system owned and operated by NorthWestern Energy ("NorthWestern") in Montana. Operating issues associated with the Transmission Provider's line have been provided for under a Coordinated Operating Agreement ("COA") among Montana Alberta Tie Ltd. and MATL LLP and the Independent System Operators, operating as the Alberta Electrical System Operator ("AESO"), (MATL LLP, Rate Schedule FERC No. 1 filed with the FERC on January 28, 2008 in Docket No. ER08-369-000). The COA provides mechanisms for ensuring the line is operated to industry standards by NorthWestern Energy ("NWE") and the AESO. It also provides for a Joint Operating Committee structure which will provide a regular interface between the parties, address maintenance and operational issues affecting the line, and provide an opportunity to initiate the Transmission Planning Process.

2.1.4 Load and Generation Planning Studies. Given that the Transmission Provider is not a Balancing Authority or a Control Area Operator, the Local Transmission Plan shall not include load or generation planning studies. The Transmission Provider will prioritize transmission planning and interconnection in accordance with FERC and/or NERC procedures.

2.1.5 Definitions. Terms capitalized and not otherwise defined in the Definitions Section of this Attachment K shall have the meanings set forth in Part 1 of the Tariff or the Funding Agreement.

2.2 Planning Advisory Groups

2.2.1 Establishment. A Planning Advisory Group shall be established and open to participation by all Interested Stakeholders, Transmission Provider's customers, generators interconnected to the Transmission Provider's Transmission System, other suppliers, neighboring transmission providers and control areas, and state utility regulatory agencies and offices of public advocates in the State of Montana. Any of the above-listed entities may designate a member to the Planning Advisory Group by providing written notice to the Transmission Provider identifying the name of the entity represented by the member, the member's name, address, telephone number, facsimile number, and electronic mail address. The entity may remove or replace such member at any time by written notice to the Transmission Provider. Each entity that participates in the Planning Advisory Group shall have one member of the group. The Transmission Provider shall act as the facilitator of the Planning Advisory Group.

2.2.2 Role of Planning Advisory Group. The Planning Advisory Group's role is to provide input and feedback to the Transmission Provider during the development of the Local Transmission Plan. The Transmission Provider will document and track all input and respond to all suggestions, queries or comments in an open and transparent manner by circulating consolidated responses to the members of the Planning Advisory Group.

2.2.3 Frequency of Meetings. The Planning Advisory Group, at a minimum, shall hold meetings biennially (i.e. every two years). Members shall be able to attend such biennial meetings in person or via teleconference. To the extent additional meetings may be warranted, such meetings may be held in person, or via telephone conference, electronic mail, or other written means. A meeting shall be held (i) as specified in the Local Transmission Plan; (ii) when the Transmission Provider deems a meeting is necessary, either upon its own or another entity's request; or (iii) at the request of a majority of the Planning Advisory Group.

2.2.4 Notice of Meetings. The Transmission Provider shall provide notice of the Planning Advisory Group meetings by electronic mail to members of the Planning Advisory Group and shall post notice on the Transmission Provider's OASIS and website. Such notice shall be provided at a minimum four weeks prior to the meeting. A calendar of meetings and other significant events in the transmission planning process shall be posted on the OASIS and website.

2.2.5 Purpose of Meetings. The Planning Advisory Group meetings shall provide an opportunity for the group members to provide input regarding: (i) data gathering and customer input into study development; (ii) review of study results; (iii) review of draft transmission plans; and (iv) coordination of draft plans with those of neighboring transmission providers. Participants in the Planning Advisory Group Meetings may also propose for consideration, among other things, local transmission needs driven by Public Policy Requirements and transmission, generation and demand response resource projects.

2.2.6 Transmission Provider Representative. The Transmission Provider intends to establish an operating company to assist in managing the Transmission System after the in-service date. This team will include one person responsible for all technical interface issues. This person may also be designated as the transmission planner. Transmission planning activities including analysis and coordination of consultation efforts may be outsourced to third-party service providers at the Transmission Provider's discretion.

2.2.7 Mechanism to Invite Affected Entities to Participate in Meetings. If the Transmission Provider identifies a particular entity that may be affected by the development of potential projects, or other significant events identified in the local planning process, the Transmission Provider shall notify the entity and invite them to participate in the related planning meetings.

2.3. General Transmission Planning Procedures

2.3.1 The Local Transmission Plan. The Transmission Provider will undertake a review of the Transmission System every five years.

2.3.2 Scope of the Local Transmission Plan. The Local Transmission Plan shall provide an assessment of the Transmission System needs in a consolidated manner, and the Local Transmission Plan is designed to maintain the reliability of the transmission system in an economic and environmentally acceptable manner. The Local Transmission Plan will be developed to meet the specific service requests of Transmission Customers and otherwise treat similarly situated customers comparably in transmission system planning.

2.3.3 Contents of the Local Transmission Plan. The Local Transmission Plan shall utilize at least a five year planning horizon, and reflect at least five year capacity and load forecasts, if any. The Local Transmission Plan shall reflect transmission enhancements and expansions, load and energy forecasts, including expected demand response, transmission needs driven by Public Policy Requirements and generation additions and retirements for at least the ensuing five years, if any. The Local Transmission Plan shall identify, based on the results of the planning studies, a list of proposed transmission enhancements and expansions for at least each of the ensuing five years that are determined by Transmission Provider to be appropriate at the time of the issuance of the Local Transmission Plan. The Local Transmission Plan also shall include a list of transmission enhancements and expansions identified in the prior Local Transmission Plan that have not been completed at that time. The Local Transmission Plan shall take into account reliability and rating studies in accordance with WECC path rating procedures.

2.3.4 The Transmission Provider may also identify expansions, modifications or additions to the transmission line resulting from discussions with customers, market participants, interconnection requests or transmission service requests. For these types of expansions, the Transmission Provider will use the following process:

- (a) In responding to a request for expansion of the Transmission Provider line, the Transmission Provider shall form a planning group inviting all Interested Stakeholders and connecting Balancing Authorities to participate. The invitation will be posted on the Transmission Provider's OASIS for 30 days;
- (b) Following a minimum 30 day review process with the planning group, the Transmission Provider shall conduct an economic feasibility study for the proposed expansion, funded by the requesting customer and/or the Transmission Provider, as negotiated. The study results shall be posted on the Transmission Provider's OASIS;
- (c) The Transmission Provider may then decide to hold an Open Season, or conduct an alternative process in conformance with FERC policy, to value and allocate the potential capacity;
- (d) If the results of the Open Season, or other such alternative process, are acceptable to the Transmission Provider and if the initial studies indicate that additional capacity is feasible, the Transmission Provider shall conduct reliability and rating studies in accordance with WECC path rating procedures;
- (e) If all regulatory approvals are obtained, and upon satisfaction of all outstanding conditions in its long term transmission contracts, the Transmission Provider will enter into agreements for the expansion.

2.3.5 Generator Interconnections. The Transmission Provider will process large generation interconnection requests in accordance with the terms of the Tariff. If generation interconnection is material to the path rating, the Transmission Provider shall seek to modify the path rating to include the generation interconnection in accordance with WECC path rating procedures.

2.3.6 Additions and Removals of Transmission Enhancements and Expansions. The Transmission Provider may add or remove transmission enhancements and expansions from the Local Transmission Plan at any time in a given year, and in doing so shall consult with and consider input from the Planning Advisory Group, within the scope of its respective functions.

2.3.7 Other Principles. The Local Transmission Plan shall be designed and implemented to (i) avoid unnecessary duplication of facilities; (ii) avoid the imposition of unreasonable costs upon the Transmission Provider and customers; (iii) take into account the legal and contractual rights and obligations of the Transmission Provider and the transmission-related legal and contractual rights and obligations of any other entity; (iv) provide for coordination with existing transmission systems and with appropriate interregional and local expansion plans; and (v) comply with NERC Reliability Standards and WECC standards, including WECC's Regional Planning and Project Rating Review Process. The Transmission Provider has a WECC-accepted path rating and any material changes to the line will require path rating studies which would be subject to further review by a committee of WECC members.

2.3.8 Status of Identified Upgrades or Alternatives. The status of upgrades or alternatives identified in the Local Transmission

Plan shall be reflected in future plans. The Transmission Provider will post, at least annually, the status of upgrades and alternatives identified in the Local Transmission Plan on the Transmission Provider's website. The Transmission Provider will provide such notification of updated status only to the extent there are upgrades or other alternatives identified by a Local Transmission Plan for which notification of in-service status has not previously been provided. The status of identified upgrades or alternatives will be reflected in future plan development (i.e., whether the upgrade or alternative is in-service, under construction, planned, proposed, or concept).

2.3.9 Coordination of the Local Transmission Plan. The Transmission Provider shall develop its Local Transmission Plan in coordination with all neighboring utilities, Balancing Authorities and regional transmission bodies, including the NTTG regional planning process (See Part III of this Attachment K). The Transmission Provider may also participate as an affected party or as a stakeholder in the planning processes of neighboring utilities, Balancing Authorities and regional transmission bodies, including the NTTG, both to support regional transmission development efforts and to protect its legitimate commercial interests.

2.3.10 Comparability. The Transmission Provider shall treat similarly situated customers comparably in transmission system planning through the measures set forth in this Section 3.10 and through the procedures set forth elsewhere in Section 3. The Transmission Provider's projects and similarly situated customer-identified projects shall be treated on a comparable basis and given comparable consideration in the Local Transmission Planning Process. The Transmission Provider shall permit stakeholders (including but not limited to sponsors of customer-defined transmission solutions, generation solutions, and solutions utilizing demand resources) to participate throughout the Local Transmission Planning Process and to submit to the Transmission Provider alternative or proposed solutions, which the Transmission Provider shall review and evaluate on a comparable basis. The Transmission Provider shall include all valid and relevant data received from stakeholders (including load forecast data, generation data, and demand resource data) in the development of the Local Transmission Plan. Notwithstanding the foregoing, the Transmission Provider shall retain discretion regarding which projects to pursue and is not required to include all customer-identified projects in the Local Transmission Plan. The Transmission Provider shall select projects based on cost, economics, impact on reliability, and the other considerations set forth elsewhere in this Section 3.

2.4. Methodology, Criteria, Process for Developing the Local Transmission Plan.

2.4.1 Initiation of the Local Transmission Plan. The Transmission Provider shall solicit input on the regional needs for the updated or new Local Transmission Plan from members of the Planning Advisory Group. The Planning Advisory Group shall meet to perform its respective functions with the preparation of the Local Transmission Plan. Drafts of the Local Transmission Plan shall be provided to the Planning Advisory Group and input from

the Planning Advisory Group shall be received and considered in preparing and revising subsequent drafts.

2.4.2 Studies. As necessary, the Transmission Provider shall conduct studies for the development of the Local Transmission Plan.

2.4.3 Assumptions and Methodology Used in Developing the Local Transmission Plan. Transmission Provider shall establish assumptions used in developing the Local Transmission Plan as described below. The Transmission Provider will use data received from the operation of the transmission line, the Balancing Authorities, WECC and other sources.

2.4.4 Methodology. The Transmission Provider will apply industry standard methodologies, criteria and processes in the development of local transmission plans. In particular, the Transmission Provider will apply the WECC Regional Planning process and Path Rating process for expansions or improvements to the transmission line. The Transmission Provider will use standard WECC base cases, NERC Reliability Standards/WECC reliability criteria and Balancing Authority standards in the study of its Transmission System. Base case development will include data from interconnected systems used to refine cases. The study plan will outline methodologies used in the analysis of the study results. Base cases and study results will be provided to participants for verification purposes. All planning processes and data will be posted on the OASIS. Such information will be made available for 1 year.

2.4.5 Criteria Used. Studies will be performed in accordance with NERC Reliability Standards TPL-001 through TPL-004, the WECC reliability criteria, and any other reliability criteria, including regional or local applicable criteria in establishing assumptions.

MATL will also evaluate and select from among alternative proposed solutions to local transmission needs (including those driven by Public Policy Requirements) using factors that include the following:

- (i) sponsorship and degree of development of proposed solution;
- (ii) feasibility;
- (iii) coordination with any affected transmission system;
- (iv) economics;
- (v) effectiveness of performance;
- (vi) satisfaction of identified local transmission need(s), including those driven by Public Policy Requirements and including the extent to which the proposed solution satisfies multiple identified local transmission needs;
- (vii) mitigation of any Material Adverse Impacts of Local Need Solution of such proposed solution on any transmission system;

(viii) consistency with applicable state, regional, and federal planning requirements and regulations;

No single factor shall necessarily be determinative in evaluating proposed solutions in developing the MATL Plan.

2.4.6 Process for Establishing Assumptions. The Transmission Provider uses industry standard assumptions, but the Planning Advisory Group may augment these industry standard assumptions and methodology consistent with local and regional needs as necessary.

2.4.7 Methodology for Determining Import and Export Capability in Regional Studies. The Transmission Provider determines the import and export capability as described in Attachment C to the Tariff regarding the methodology for assessment of available transfer capability.

2.4.8 Development of the Local Transmission Plan. The Transmission Provider shall be responsible for the development of the Local Transmission Plan and for conducting studies on which the Local Transmission Plan is based. The Planning Advisory Group shall provide input and review drafts of the Local Transmission Plan.

2.4.9 Draft Local Transmission Plan and Briefing Paper.

2.4.9.1 Following the Planning Advisory Group meetings, Transmission Provider will post on its OASIS all local transmission needs, including local transmission needs driven by Public Policy Requirements, identified or proposed at the Planning Advisory Group meetings. Interested Stakeholders shall have 30 days from the date of such posting to provide written comments to Transmission Provider regarding any local transmission need(s) posted on Transmission Provider's OASIS. After considering the comments provided by Interested Stakeholders in accordance with this paragraph, Transmission Provider shall list on its OASIS the local transmission needs selected by the Transmission Provider as local transmission needs to be evaluated in the local planning process. Transmission Provider will explain on its OASIS why it did not select for evaluation in the local planning process any identified local transmission need, including any identified local transmission need that is driven by Public Policy Requirements (as required by Part II, section 5.6, below). Upon completion of the studies and analysis, the Transmission Provider shall prepare a Draft Local Transmission Plan, which may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the needs. The Transmission Provider shall provide the Draft Local Transmission Plan to the Planning Advisory Group for review and comment. If requested by a member, a meeting of the Planning Advisory Group will be held to receive comments on the Draft Local Transmission Plan. Interested Stakeholders may submit comments on the recommended Draft Local Transmission Plan to the Transmission Provider.

2.4.9.2 The Draft Local Transmission Plan shall identify economically justified enhancements, expansions, or system

reinforcements that relieve transmission constraints. The evaluation shall be premised on the goals of maintaining reliability, reducing congestion where economically justified and on the enumerated criteria provided in Section 4.5 above.

2.4.9.3 The Transmission Provider shall hold an open meeting (the Review of Draft Local Transmission Plan Meeting) to review the results of the study process and to discuss the draft Local Planning Plan within thirty (30) days following completion of the draft Local Planning Plan. The Transmission Provider shall post the draft Local Planning Plan with the notification of the meeting. During this meeting, and for fifteen (15) calendar days following this meeting, all members of the Planning Advisory Group are encouraged to provide the Transmission Provider with any comments on the recommended plan, including alternatives to the projects proposed in the draft Local Planning Plan. If the Transmission Provider, after review of any offered alternatives, adopts an alternative it shall make any necessary changes to the recommended plan. The Transmission Provider shall post on the Transmission Provider's OASIS System Planning page the final Local Planning Plan within thirty (30) days following the Review of Draft Local Transmission Plan Meeting.

2.4.9.4 At the request of a majority of the Planning Advisory Group, the Transmission Provider will circulate one additional draft of the Local Transmission Plan and briefing paper to the Planning Advisory Group for review and comment ("Briefing Paper"). At the Transmission Provider's discretion, additional drafts of the Draft Local Transmission Plan and Briefing Paper may be circulated to the Planning Advisory Group for review and comment.

2.4.10 Final Local Transmission Plan. The Transmission Provider, upon consideration of the input and advice from the Planning Advisory Group shall develop a proposed Final Local Transmission Plan. Upon approval of the proposed Final Local Transmission Plan by the Transmission Provider's Board of Directors, it shall become the Final Local Transmission Plan. The Final Local Transmission Plan may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the need.

2.4.11 Publication of Final Local Transmission Plan. The Transmission Provider shall publish the Final Local Transmission Plan and Briefing Paper on the Transmission Provider's OASIS. The Final Local Transmission Plan also will be distributed to the Planning Advisory Group. Also, the Transmission Provider will post completed WECC path rating studies and other planning studies on the OASIS for a period of one year.

2.4.12 Procedures for Interim Modification to the Local Transmission Plan. The Transmission Provider, in consultation with the Planning Advisory Group, may modify the Local Transmission Plan on an interim basis as necessary to reflect additions or removals of transmission upgrades. Such interim modifications to the Local Transmission Plan shall be posted on Transmission Provider's OASIS.

2.4.13 Transmission Provider Technical Contact. The Transmission Provider shall identify on its internet website an individual or individuals to be the technical point of contact regarding questions about the modeling criteria, assumptions, and data underlying the Local Transmission Plan.

2.5. Disclosure of Criteria, Assumptions, and Data.

2.5.1 Availability of Information. The Transmission Provider shall make available to the Planning Advisory Group, subject to applicable confidentiality protections, a description of how its assumptions regarding transmission, generation, and demand resources are developed, including details regarding the types of resource, rating or size responsiveness and other operating information. Such information shall be available to Transmission Customers and other Interested Stakeholders at all stages of the planning process.

2.5.2 Process for Access to Underlying Data. Interested Stakeholders may request access to underlying data or assumptions used for transmission planning, such as power flow base cases and associated files needed for transmission planning through a written request to Transmission Provider. Such information generally will contain confidential information and be subject to the protections for the provision of such information.

2.5.3 Discussion of Assumptions. Members of the Planning Advisory Group shall have the opportunity to question and discuss principal assumptions used in the planning process. The process shall be through meetings of the Planning Advisory Group. Such meetings, if appropriate, may be held via email or other solicitation of written comments.

2.5.4 Requests For Additional Calculations. Upon request by a majority of the Planning Advisory Group, the Transmission Provider will run up to one additional calculation. Additional calculations may be run at the Transmission Provider's discretion.

2.5.5 Notification of Changes or Updates in Data Bases. The Transmission Provider shall notify Interested Stakeholders of changes or updates in the data bases used for transmission planning, including whether the changes were made independently by the Transmission Provider or in response to a stakeholder concern. Such notification shall be made via email to members of the Planning Advisory Group or a posting on OASIS.

2.5.6 Local Transmission Needs Driven by Public Policy Requirements. With respect to identified local transmission needs driven by Public Policy Requirements, if any, Transmission Provider will post on its OASIS (i) an explanation of which if such need(s) will be evaluated in Transmission Provider's local transmission planning process, and (ii) an explanation of why any of such need(s) may not be evaluated in the local transmission planning process.

2.6. Supply of Data.

2.6.1 Information Exchange. The information exchange required by this Attachment K pertains to information that relates to planning, not other studies performed in response to interconnection or transmission service requests. The Transmission Provider and

Transmission Customers shall, at a minimum, follow the Commission-approved Modeling, Data and Analysis Reliability Standards specific requirements for generator owners and transmission owners to provide data to planning authorities, resource planners, and regional reliability organizations.

2.6.2 Information to be Provided. The Transmission Provider shall solicit Transmission Customers and other Interested Stakeholders, including, but not limited to electric utility regulatory agencies and consumer advocates in the State of Montana, to provide information required by, or anticipated to be useful to, the Transmission Provider in its preparation of the Local Transmission Plan.

2.6.3 Transmission Provider Obligations. The Transmission Provider will provide current and projected transmission needs to the interconnected Balancing Authorities. The Transmission Provider will exchange interconnection facilities data and associated methodologies with the two Balancing Authorities in order to calculate ratings such that the Balancing Authorities can integrate the transmission line into their respective plans. The Transmission Provider will submit future transmission plans to WECC through the existing annual reporting process. The Transmission Provider will actively participate in connecting Balancing Authority and WECC planning processes. The Transmission Provider shall exchange path data information with WECC and remain current in the WECC Path Rating Catalogue.

2.6.4 Transmission Customers Obligations. Transmission Customers shall provide requested data to the Transmission Provider. A Transmission Customer may provide additional data it considers would be helpful for the planning process.

2.6.5 Types of Data. Transmission Customers shall provide, at a minimum, the following data, as applicable:

- (a) Generators shall provide data concerning planned additions or upgrades (including status and expected in-service dates), planned retirements, and environmental restrictions.
- (b) Transmission Customers shall provide projections of need for service over the planning horizon, including transmission capacity, duration, and receipt of delivery points.

2.6.6 Process for Providing Data. Transmission Customers shall submit the required data, to the maximum extent practical and subject to the confidentiality procedures, if applicable, by email to the Transmission Provider as identified on the Transmission Provider's internet website.

2.6.7 Schedule for Providing Data. Transmission Customers shall submit the required data to Transmission Provider at least once a year by January 31st for the immediately preceding calendar year. The Transmission Provider may require additional information during the planning process. Transmission Customers may submit additional information during the planning process.

2.6.8 Notice of Material Changes. Transmission Customers are required to provide the Transmission Provider with written notice of material changes in any information previously provided to the Transmission Provider relating to its resources or other aspects of its facilities or operations affecting the Transmission Provider's ability to provide service.

2.7. Confidential Information and Critical Energy Infrastructure Information:

2.7.1 WECC Proprietary Data.

Transmission Provider's transmission planning studies may include base case data that are WECC proprietary data. A stakeholder must hold membership in or execute a non-disclosure agreement with WECC (www.wecc.biz) to obtain WECC proprietary data, such as base case data, from Transmission Provider.

2.7.2 MATL Proprietary Data.

Except as otherwise set forth in Part II, Section 7.1 with respect to MATL proprietary data, a requestor may request MATL Proprietary Data required to be disclosed by Order Nos. 890 or 1000 from Transmission Provider using the procedures set forth below.

- (a) A requestor shall file a signed, written request, in accordance with the MATL Proprietary Data procedures outlined herein, with Transmission Provider at the following address:

MATL LLP
3000 - 425 1st Street SW
Calgary, Alberta T2P 3L8

Attn: Manager, Transmission Operations

- (b) Requests for MATL Proprietary Data will be considered to be received upon actual receipt by Transmission Provider.
- (c) Transmission Provider will make a determination of whether it considers the requested information to be MATL Proprietary Data and whether requested information should be provided. Transmission Provider will promptly notify the requestor of such determination.
- (d) If Transmission Provider determines that the requestor is eligible to and should receive the requested MATL Proprietary Data, Transmission Provider will provide a form of MATL Proprietary Data Non-Disclosure Agreement ("NDA") to the requestor for execution.

Upon Transmission Provider's receipt of any required NDA executed by requestor with respect to such MATL Proprietary Data, Transmission Provider will, subject to any restrictions on providing requested MATL Proprietary Data, promptly provide the requested MATL Proprietary Data upon its determination that an NDA is not needed, or upon receipt of a properly executed NDA.

- (e) Nothing in this Part II shall alleviate Transmission Provider's obligation to provide access to requestor to MATL Proprietary Data pursuant to a specific order by the Commission.

2.7.3 Critical Energy Infrastructure Information ("CEII"). The Local Transmission Plan and local planning studies may include information identified as CEII by the Commission. All such information may only be included in the appendices of the Local

Transmission Plan, such that the body can be provided to all interested stakeholders in an open manner.

(a) Access for Transmission Customers (w/OASIS access).

The Transmission Provider shall post the draft and completed Local Transmission Plan in the secure area of the Transmission Provider's OASIS website, which shall be accessible to Transmission Customers that have access to the secure area of Transmission Provider's OASIS.

Transmission Provider's CEII Request Procedure and CEII Non-Disclosure Agreement are posted on Transmission Provider's OASIS in the CEII folder. By accessing any material Transmission Provider has determined is CEII as such term is defined in 18 C.F.R. § 388.113, as may be amended from time to time, that has been posted on the Transmission Provider's OASIS, the Transmission Customer:

- (i) represents and warrants that it has read and understands the Transmission Provider's CEII policy and CEII Non-Disclosure Agreement;
- (ii) represents and warrants that it is an entity or person eligible to receive CEII and has, as contemplated by the Commission, a legitimate interest in and legitimate need for CEII from the Transmission Provider; and
- (iii) represents and warrants that such Transmission Customer will use any CEII received from the Transmission Provider only for the purposes for which the Commission has required its disclosure. Such Transmission Customer also agrees and acknowledges as follows:

- (1) Transmission Customer shall use any CEII received from the Transmission Provider only for such Transmission Customer's legitimate interest and legitimate need and shall only share such CEII with its employees, subcontractors, and agents who need to know such information for such Transmission Customer's legitimate interest and legitimate need and who have agreed, for the benefit of the Transmission Provider, to be bound (in the same manner as such Transmission Customer) by the terms of this section;
- (2) Transmission Customer shall take reasonable steps to protect any CEII received from the Transmission Provider (but in any event steps that are no less rigorous than such Transmission Customer would use to protect its own confidential information), to ensure that the Transmission Customer who receives such CEII directly or indirectly from such Transmission Customer distributes such CEII further except as permitted pursuant to subsection (A) above of this section; and
- (3) Transmission Customer shall destroy any CEII received from Transmission Provider and in such Transmission Customer's possession if and at such time when such CEII no longer serves the purposes described above, when such Transmission Customer is not an entity eligible to receive CEII, or when such CEII has been superseded or has become obsolete. Upon request by the Transmission Provider, such Transmission

Customer shall certify to the Transmission Provider that such destruction has occurred.

2.8. Dispute Resolution Procedures.

- 2.8.1** If a dispute arises concerning local transmission planning, the Transmission Provider will utilize the dispute resolution mechanism provided for in the Tariff. The use of this dispute resolution process will be limited to general and specific issues arising from this Attachment K and transmission planning.
- 2.8.2** All negotiations and proceedings pursuant to this process are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality protections provided by applicable law.
- 2.8.3** The basis of the dispute and final non-confidential decisions will be made available to stakeholders upon request.
- 2.8.4** Notwithstanding the above, all affected parties shall retain any rights they may have under Section 206 of the Federal Power Act to file a complaint with the Commission.

2.9. Local Planning Study Procedures.

- 2.9.1 Study Cycle.** The Transmission Provider shall initiate local planning studies at least once every five (5) years. A more targeted study shall be conducted if: (i) required to address a need identified by the Transmission Provider in its on-going evaluation of the transmission line economic and operational adequacy and performance; (ii) required as result of the Transmission Provider's assessment of the transmission line's compliance with NERC Reliability Standards and/or WECC reliability requirements; or (iii) constraints or available transfer capability shortages are identified by the Transmission Provider, possibly as a result of generation additions or retirements, or evaluation of load forecasts. A local planning study also may be initiated for any other circumstances which may warrant such a study.
- 2.9.2 Notice of Initiation.** The Transmission Provider shall provide written notice of the initiation of a local planning study to all members of the Planning Advisory Group. Transmission Provider shall consider the input of the Planning Advisory Group in preparing the study's scope, assumptions and procedures.
- 2.9.3 Scope of Studies.** In general, local planning studies shall include:
- (a) An identification of existing and projected limitation on the transmission line's physical, economic, and/or operational capability or performance, with accompanying simulations to identify the costs of controlling those limitations;
 - (b) Evaluation and analysis of potential enhancements and expansions, including alternatives thereto, needed to mitigate such limitations;

- (c) Identification, evaluation and analysis of potential enhancements and expansions for the purpose of supporting competition on the transmission line;
- (d) Engineering studies needed to determine the effectiveness and compliance (with reliability and operating criteria) of recommended enhancements and expansions.

2.10. Economic Planning Studies.

The Transmission Provider shall undertake economic planning studies on behalf of Transmission Customers. Economic planning studies shall apply only to and evaluate potential upgrades or other investments that could reduce congestion or interconnect new resources. Generally, the studies will be conducted in connection with other planning studies. When requested to do so by the proper authority, the Transmission Provider will cooperate with energy agencies in the United States and Canada in regards to international import and export requirements and national interests.

2.10.1 Requests. Transmission Customers may submit written requests for economic planning studies to the Transmission Provider. Such requests shall specify in detail the specific proposed project to be the subject of the requested economic planning study. Requests for such studies to be considered in the development of the current Local Transmission Plan must be received by April 1 of the year of the Local Transmission Plan. Requests received after that date will be considered for the development of subsequent Local Transmission Plans, unless withdrawn by the requestor. The requests shall be posted on OASIS, subject to the confidentiality provisions. Transmission Provider shall respond within 30 days of receiving the request, to confirm receipt of the request and inform the requestor whether the request is deficient. Transmission Customers that use the transmission line are responsible for their own economic evaluation for the Transmission Customer's use of the Transmission System.

2.10.2 Clustering of Studies. At the discretion of the Transmission Provider, such studies may be clustered or batched or incorporated with the other planning studies.

2.10.3 Data Requirements. Requesting parties with unique economic planning studies shall be required to provide data as required by the Transmission Provider. To the extent the Transmission Provider deems appropriate, the Transmission Provider shall use generic industry data in place of customer-specific data.

2.10.4 Recovery of Economic Planning Study Costs. Transmission Customers requesting economic planning studies shall be responsible for the costs associated with the study. A deposit of \$25,000 shall be provided by the requestor prior to initiation of such a study. The requestor shall be responsible for the actual costs of the study. At the completion of the study, the Transmission Provider shall either refund the amount of deposit in excess of the cost of the study or collect from the requestor the amounts of the study cost in excess of the deposit.

2.11. Cost Allocation of New Facilities.

2.11.1 Reliability and Economic Projects. The costs of reliability and economic projects that are identified in the local transmission planning studies shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.2 New Facilities Identified Through Requests for Service. The costs of new facilities required because of individual requests for service shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.3 Stakeholder Involvement in Cost Allocation Process. The Transmission Provider shall determine, with input from the Planning Advisory Group, what projects are reliability and economic projects.

2.12. Recovery of Planning Costs.

The Transmission Provider's local transmission planning costs, to the extent not specifically recovered pursuant to other provisions in this Attachment K, shall not be recovered from Transmission Customer, except that interconnection costs will be recovered from the applicable interconnection customer.

PART III. REGIONAL TRANSMISSION PLANNING PROCESS

Governance and Participation

3.1 Governance

3.1.1 About NTTG

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

3.1.2 Committees

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

responsible for increasing the efficiency of the transmission system through commercially reasonable initiatives and increasing customer knowledge of, and transparency into, the transmission system.

3.2. Participation through Enrollment or Membership

3.2.1 Enrollment

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

3.2.2 Membership

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

- a. Planning Committee as specified in the Planning Committee Charter,
- b. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
- c. Steering Committee as specified in the Steering Committee Charter.

3.2.3 Funder of NTTG

3.2.3.1 Eligibility

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

3.2.3.2 Funding Enrollment Process

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

- a. Entity becomes a party to the currently effective Funding Agreement, and complies with the obligations necessary for the agreement to become effective.
- b. Entity becomes a party to the currently effective Finance Agent Agreement.
- c. If an entity intending to become a Full Funder is a public utility, the Commission accepts the filing of an Open Access Transmission Tariff by the entity with regional, interregional and interconnection-wide planning provisions of Attachment K that are the same as the other Full Funders for its transmission facilities located within the Western Interconnection.

d. If an entity intending to become a Full Funder is not a public utility, then the entity shall adopt and post on its website an Open Access Transmission Tariff or other agreement(s) providing for comparable transmission service, each including regional, interregional and interconnection-wide planning provisions for its transmission facilities located within the Western Interconnection that are the same as those expressed in Attachment K of the other Full Funders that are public utilities for their transmission facilities located in the Western Interconnection (each referred to as a "NJ Attachment K").

3.2.3.3 Funder Enrollment Obligations

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

a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment.

b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment.

c. Agrees not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement.

d. A Full Funder that is a public utility agrees:

i. To implement the provisions of its Open Access Transmission Tariff providing for comparable transmission service including Attachment K; and

ii. To modify its Open Access Transmission Tariff, Funding Agreement, and Finance Agent Agreement consistent with FERC orders.

e. A Full Funder that is not a public utility agrees:

i. To implement the provisions of its NJ Attachment K;

ii. To modify its NJ Attachment K, Funding Agreement, and Finance Agent Agreement, consistent with FERC orders, except that a non-public utility Full Funder need not file its NJ Attachment K, Funding Agreement, and Finance Agent Agreement;

iii. Not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement; and

iv. Not to include a provision in its NJ Attachment K that conflicts with a provision in the Open Access Transmission Tariff including Attachment Ks of a Full Funder that is a public utility.

3.2.3.4 Funder Termination of Enrollment

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

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

b. The entity violates an applicable requirement set forth in Section 3.2.3.3.

c. A non-public utility shall revoke and remove from its website the NJ Attachment K.

d. A public utility shall file with the Commission an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

3.2.3.5 Identification of Full Funders

The following entities are enrolled in NTTG as Full Funders:

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

3.2.3.6 Identification of Nominal Funders

Utah Associated Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

3.3 Stakeholder Participation

3.3.1 Participation through Public Meetings

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings. The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG website as specified in the Steering Committee

Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.

3.3.2 Participation through Committees

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

3.3.3 Participation through Commenting

In addition to commenting orally during stakeholder meetings as set forth in Section 3.3.1 or during committee meetings as set forth in Section 3.3.2, any stakeholder may submit written comments to a committee chair at any time through info@nttg.biz.

3.4 Sensitive Information

3.4.1 Critical Energy Infrastructure Information ("CEII")

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

3.4.2 Confidential Information

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

3.5. Transmission Provider Participation

3.5.1 Planning & Process

Transmission Provider shall engage in regional transmission planning (including interregional

coordination and interregional cost allocation) through NTTG. Transmission Provider shall support NTTG's planning and cost allocation processes through funding a share of NTTG as a Full Funder, and providing employee support of NTTG's planning, cost allocation, and administrative efforts.

3.5.2 Project Identification

Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.

3.5.3 Project Cost Allocation

Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.7.

3.5.4 Information Provided

Transmission Provider will provide NTTG with:

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

3.5.5 Information Posted

Subject to appropriate Critical Energy Infrastructure Information or other applicable regulatory restrictions, Transmission Provider will post on its OASIS:

- a. The Biennial Study Plan;
- b. Updates to the Biennial Study Plan (if any);

- c. The Regional Transmission Plan; and
- d. The start and end dates of the current Regional Planning Cycle, along with notices for each upcoming regional planning meeting that is open to all parties.

3.6. Dispute Resolution

3.6.1 Scope

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

3.6.2 Process

Disputes shall be resolved according to the following process:

- a. *Step 1* - In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.
- b. *Step 2* - The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.
- c. *Step 3* - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission's dispute resolution service to facilitate mediation of the dispute.

If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.

d. *Step 4* - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

3.6.3 Timeliness

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

Planning and Cost Allocation Processes

3.7 Preparation of Regional Transmission Plan

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

3.7.1 Pre-qualify for Cost Allocation

3.7.1.1 Who must Pre-Qualify

A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a "Project Sponsor") that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee in accordance with this Section 3.7.1, and remain qualified to be considered a Sponsored Project in subsequent Regional Transmission Plans.

3.7.1.2 How to Pre-Qualify

A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through info@nttg.biz, by October 31st of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG website to submit the data.

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

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

The Project Sponsor has until January 31st of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not cured by the end of January of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with updated information and data deficiencies cured. The Project Sponsor must continue to comply with the pre-qualification requirements set forth in Section 3.7.1 for the project to continue to be considered a Sponsored Project in the next Regional Transmission Plan.

Table 1. Sponsor Qualification Data

Sponsor Qualification Data - Submit Quarter 8 Prior to the Regional Planning*(n.2)			
	Category	Qualification Data	How Sponsor Qualification Data Will be Evaluated
1	Project Sponsor description	<ul style="list-style-type: none"> 1. Name and address. 1. Years in business. 1. Operating environment (nature of business). 	Assess whether the required data was submitted.
2	Project Summary	<ul style="list-style-type: none"> 1. Voltage 1. Single or double circuit. 1. AC or DC. 1. Estimated cost. 1. Approximate construction period. 1. Project location. 1. Points of interconnection with the transmission grid. 	Assess whether the required data was submitted.
3	Project Name	<ul style="list-style-type: none"> 1. Project Name. 	Assess whether the required data was submitted.

4	Project Sponsor demonstration of technical expertise to develop, construct and own the proposed project	<ol style="list-style-type: none"> 1. Management's experience in developing, constructing (or managing construction), and owning a project of similar size and scope. 1. Clear discussion of Project Sponsor's depth and breadth of technical expertise, including Project Sponsor's internal expertise or external expertise, or both, to develop, construct, and own the proposed project. 1. Name, location, and description of a project of similar scale that demonstrates Project Sponsor's technical expertise to develop, construct, and own the proposed project. 	Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or managing construction) and owning comparable projects.
5	Project Sponsor financial expertise to develop, construct, and own the proposed project.	<p>Creditworthiness review requires the following information, if available:</p> <ol style="list-style-type: none"> 1. Most recent annual report. 1. Most recent quarterly report. 1. Last two most recent audited year-end financial statements. 1. Rating agency reports. 1. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if applicable). 1. Other information supporting Project Sponsor's financial expertise. <p>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following test:</p> <ol style="list-style-type: none"> A. Has a minimum tangible net worth of \$1,000,000 	Assess whether the qualification data was submitted and satisfied required qualitative criteria.

		or a total asset of \$10,000000	
6	Proposed project financing plan	<ol style="list-style-type: none"> 1. Describe how the project will be financed. 1. List investors and percentage ownership of each. 1. Proposed sources of debt and equity capital and the percentages of each. 	Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4.
7	Project Sponsor ability to maintain and operate proposed project	Clear description of Project Sponsor, its parent organization, or the third-party contractor(s) the Project Sponsor plans to retain to operate and/or maintain the proposed project. To the extent the Project Sponsor plans to rely on any third-party contractor(s) not yet under contract, the Project Sponsor must also indicate when it plans to enter into a definitive agreement with its contractor(s). Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor's consultant or outsourced entity.	Assess whether the qualification data was submitted and satisfied the required qualitative criteria.
8	Primary Project Contact	<ol style="list-style-type: none"> 1. Name. 1. Title. 1. Phone. 1. Email. 	Assess whether the required data was submitted.
9	Signature	Signature of authorized representative.	Assess whether the document was signed.

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

a) Public.

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

c) Contains Privileged Information - Do Not Release.

3.7.2 Quarter 1 - Data Gathering and Project Submittal

3.7.2.1 Data Gathering

Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.3.9 and Section 3.5.4) and stakeholder input, which may include ideas for consideration, applicable to the Planning Horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider's Local Transmission System Plan and prior Regional Transmission Plans. A stakeholder shall use the Data Submittal Form found on the NTTG website to submit its data. Any stakeholders wishing to submit input without submitting a Data Submittal Form can submit such input by email. Stakeholders shall submit such data and/or input by email to NTTG, through info@nttg.biz, no later than January 31st of Quarter 1.

3.7.2.2 Proposing a Project for Consideration

A Project Sponsor may propose a transmission project for consideration in the Regional Transmission Plan (a "Sponsored Project") by submitting to the Planning Committee chair the information identified in the "sponsored project" column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning Committee chair the information identified in the "unsponsored project" column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair the information identified in the "merchant developer project" column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an "Applicant." Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG website to submit its project. By March 31st of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through info@nttg.biz.

Table 2. Minimum Information Required

Minimum Information Required (Yes required or No not required)				
		Sponsored Project	Unsponsored Project	Merchant Developer Project
A	Load and resource data (1)	Y	Y	N (2)
B	Forecasted transmission service requirements, if any (5)	Y	Y	N (3)
C	Whether the proposed project meets reliability or load service needs	Y	Y	N (3)
D	Economic considerations (6)	Y	Y	N (4)
E	Whether the proposed project satisfies a transmission need driven by Public Policy Requirements	Y	Y	N (3)

F	Project Location	Y	Y	Y
G	Voltage level (including whether AC or DC)	Y	Y	Y
H	Structure type	Y	Y	Y
I	Conductor type and configuration	Y	Y	Y
J	Project terminal facilities	Y	Y	Y
K	Project cost, associated annual revenue requirements, and underlying assumptions and parameters in developing revenue requirement	Y	Y	N
L	Project development schedule	Y	Y	Y
M	Current project development phase	Y	Y	Y
N	In-service date	Y	Y	Y
O	A list of all planning regions to which an interregional project has been submitted for evaluation	Y	Y	N
<p>1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the intended to be served with the line and generation resource intended to inject energy into the line for the identified load.</p> <p>1. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.</p> <p>1. Provide this information only to the extent it is readily available when the information is due.</p> <p>1. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the congestion that this project is proposed to address.</p> <p>1. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in row "A," then do not provide them in response to this data request. If not provide, then provide the data.</p> <p>1. 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.</p>				

3.7.2.3 Proposing a Project for Consideration for Cost Allocation

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

- a. A statement as to whether the project was selected in a transmission provider's local plan;
- b. A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a local transmission provider;
- c. If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;
- d. If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;
- e. To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;
- f. To the extent not already provided, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project;
- g. To the extent not set forth in the material provided in response to items (b) - (e), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;
- h. Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

3.7.2.4 Submission of Economic Study Requests

Stakeholders may submit Economic Congestion Study Requests as set forth in Section 3.11.

3.7.2.5 Updates to Previously Selected Projects

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

of Quarter 1, Applicants shall submit an updated form to NTTG, through info@nttg.biz.

3.7.2.6 Review for Completeness

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

3.7.3 Quarter 2 - Development of the Biennial Study Plan

3.7.3.1 Evaluate the Data

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

3.7.3.2 Development of the Biennial Study Plan

The Planning Committee will develop the Biennial Study Plan, which describes

- a. The detailed study methodology;
- b. Reliability criteria;
- c. Transmission needs driven by Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- d. Assumptions;
- e. Databases;
- f. Analysis tools;
- g. Projects (including unsponsored projects) included in the prior Regional Transmission Plan that will be reevaluated according to Section 1.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- h. The projects included in each of the Full Funders Local Transmission Plans;
- i. Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, unsponsored projects identified by the Planning Committee, and unsponsored projects submitted by stakeholders; and

j. Allocation scenarios.

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

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

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

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

(aa) the draft Biennial Study Plan lacks details;

(bb) the draft Biennial Study Plan relies on inappropriate data, metrics, or scenarios; or

(cc) the draft Biennial Study Plan is inconsistent with the obligations contained in this Attachment K or the charters attached hereto.

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

(dd) the Steering Committee objects to the parameters used to define which Beneficiaries are eligible for allocating costs, or

(ee) the Steering Committee objects to the assumptions or methods used in modeling benefits for the various study scenarios.

In the event of a remand, the Steering Committee shall provide a specific description of the shortcomings, omissions, or inconsistencies that it found. The Planning Committee or Cost Allocation

Committee, whichever is appropriate, shall augment or modify the draft Biennial Study Plan to correct the deficiencies identified by the Steering Committee and the Planning Committee shall resubmit the draft Biennial Study Plan, until the Steering Committee is satisfied.

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

3.7.3.3.1. Overview

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

3.7.3.3.2. Process

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

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

Figure 2. "Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations"

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

In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the transmission needs driven by Public Policy Requirements to be used in the Biennial Study Plan, as well as the transmission needs driven by Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2

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

3.7.3.3.3. Identification

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

3.7.3.3.4. Posting

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

3.7.3.4 Identification of Un-sponsored Transmission Projects by Planning Committee

The Planning Committee may, using its knowledge of the transmission systems and its professional judgment, identify an un-sponsored project.

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

3.7.4.1 Analysis and Methodology

The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing non-Committed project(s) in the Initial Regional Plan with one or more of the Alternative Projects. Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the Initial Transmission

Plan's incremental capital-related cost for replaced or deferred project(s) and incremental Monetized Non-Financial Incremental Costs. The set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. The projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2. As used in this paragraph, "Monetized Non-Financial Incremental Costs" means those incremental costs associated with an Alternative Project that are not directly evaluated and measured in dollars of changed revenues, expenses, or capital investment. Such incremental costs, which are non-financial in nature, will be monetized by applying an appropriate index or conversion factor to convert the units in which the incremental costs were directly evaluated and measured into a dollar value. (For example, losses are measured in megawatt hours. That quantity will be converted to dollars by multiplying the quantity by a dollar per megawatt hour index.)

3.7.4.2 Analysis Criteria

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

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

"Annual Capital-Related Costs" will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

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

b. Energy Losses. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.

c. Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the Initial Regional Plan. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6

through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

3.7.4.3 Analysis of Additional Alternatives

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

3.7.4.4 Impacts on Neighboring Regions

The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated,

as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

3.7.4.5 Draft Regional Transmission Plan

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

3.7.5 Quarter 5 - Stakeholder Review of Draft Regional Transmission Plan

3.7.5.1 Public Review

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

3.7.5.2 Public Comment and Updates

Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan through info@nttg.biz. Stakeholder comments may include identification of a new unsponsored project. New unsponsored projects will be considered to the extent feasible, as determined by the Planning Committee, without delaying the development of the Regional Transmission Plan. New unsponsored projects that are not considered during the current Regional Planning Cycle will be noted in the Regional Transmission Plan and carried forward for consideration in the following Regional Planning Cycle. In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in quarter 1 above need to be submitted. Changes to third-party contractor information or the timeline for entering into a definitive agreement with a third-party contractor is considered a material change and must be updated, to the extent the information is different than the information provided in Quarter 1. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for

both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

3.7.5.3 Submission of Economic Study Reports

Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

3.7.6 Quarter 6 - Updates to the Biennial Study Plan

3.7.6.1 Updated Biennial Study Plan

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

3.7.6.2 Cost Allocation

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

3.7.6.3 Draft Final Regional Transmission Plan

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

3.7.7 Quarter 7 - Draft Final Regional Transmission Plan Review

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

3.7.8 Quarter 8 - Regional Transmission Plan Approval

The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan for consideration in the local and interconnection-wide study processes.

Any unsponsored project in the Final Regional Transmission Plan may be resubmitted using the process described in Sections 3.7.1

and 3.7.2 above, as a Sponsored Project by a pre-qualified Project Sponsor for consideration in the next Regional Planning Cycle for purposes of cost allocation. Pursuant to Section 3.9.1 below, such project shall be subject to reevaluation unless it is a Committed Project.

3.7.9 Quarterly Meetings

The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

3.8. Cost Allocation.

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

3.8.1 Participant Funding.

3.8.1.1 Open Season Solicitation of Interest.

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

- 3.8.1.1.1.** Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;
- 3.8.1.1.2.** Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and
- 3.8.1.1.3.** Post information about the proposed project on its OASIS.

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

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

3.8.1.2 Projects without a Solicitation of Interest.

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

3.8.1.3 Other Sponsored Projects.

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

3.8.2 Allocation of Costs

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

3.8.2.1 Project Qualification.

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

- a. Was proposed for such purpose by a pre-qualified sponsoring entity was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);
- b. Was selected in the Draft Regional Transmission Plan; and
- c. Has an estimated cost exceeding \$20 million.

3.8.2.2 Allocation of Project Costs to Beneficiaries.

The Cost Allocation Committee initially identifies Beneficiaries as all those entities that may be affected by the project based upon the application of the analysis criteria set forth in Section 3.7.4.2

and using the allocation scenarios developed pursuant to Section 3.8.2.3. For projects eligible to receive a cost allocation, the Cost Allocation Committee shall start with the calculations provided by the Planning Committee pursuant to Section 3.7.4.1, and remove those entities that do not receive a benefit from the project being evaluated.

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

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

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

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

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

Example 2: Same as Example 1, except Project Cost = \$950M. B is allocated \$439M (i.e., the

lesser of $\$950M * (\$483 / (\$483 + \$520)) =$
 $\$457.5M$ OR $\$483 / 1.10 = \439.1 and C is
allocated $\$511M$ (i.e., $\$950 - \439
 $= \$511$).

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

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership rights or Ownership-Like Rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or Ownership-Like Rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary. "Ownership-Like Rights," as used in this paragraph, refers to those arrangements where an entity has rights in certain transmission facilities or a transmission path owned by another entity (or entities), which are based upon a percentage of the facility or path's rated capacity, and which rights remain through the in-service life of the facility or path.

3.8.2.3 Allocation Scenarios

As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries. The allocation scenarios become part of the Biennial Study Plan during its development in Quarter 2, and are not used by the Planning Committee and the Cost Allocation Committee until the development of benefits pursuant to the analysis criteria in Section

3.7.4.2 and the allocation of costs pursuant to those benefits to Beneficiaries pursuant to Section 3.8.2.2 starting in Quarter 6.

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

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

3.8.3 Exclusions.

The cost for projects undertaken in connection with requests for interconnection or transmission service under the Tariff will be governed solely by the applicable cost allocation methods associated with those requests under the Tariff.

3.9. Reevaluation

3.9.1 Reevaluation of the Regional Transmission Plan.

NTTG expects the sponsor of a project selected in the prior Regional Transmission Plan (the "Original Project") to inform the Planning Committee of any project delay that would potentially affect the in service date as soon as the delay is known and, at a minimum, when the sponsor re-

submits its project development schedule during quarter 1. If the Planning Committee determines that the Original Project cannot be constructed by its original in-service date, the Planning Committee will reevaluate the Original Project in the context of the current Regional Planning Cycle using an updated in-service date.

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

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

- a. The Project Sponsor fails to meet its project development schedule such that the needs of the region will not be met,
- b. The Project Sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or
- c. The needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently or cost effectively.

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

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

3.9.2 Reevaluation of Cost Allocation

A cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed as "Committed" pursuant to Part B, Section 9.1.

3.10. Calculations

The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.

3.11. Economic Study Requests

3.11.1 Submission of Economic Study Requests

Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Part II, Section 10;
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12.1; and
- c. Interconnection-wide Economic Study Request to WECC TEPPC as provided for in Part V.

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

3.11.2 Review for Completeness

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

3.11.3 Categorization and Processing of Economic Study Requests

All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request, a Regional Economic Study Request, or an Interconnection-wide Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Part II, Section 10. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12. Interconnection-wide Economic Study Requests will be forwarded to WECC TEPPC and processed as set forth in Part V.

3.12. Regional Economic Study Requests

3.12.1 Submission Windows

Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 30th of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit completed forms to the Planning Committee, through info@nttg.biz.

3.12.2 Studies Performed

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

- a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and
- b. Input from stakeholders at the Planning Committee meeting. The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

3.12.3 Additional Studies

The Planning Committee will complete additional Regional Economic Study Requests at the sole expense of the parties requesting such

studies. A stakeholder shall request an additional study within ten (10) business days of receiving the notice provided for in provided for in Section 3.12.1, by emailing the Planning Committee chair, through info@nttg.biz. Following such notice, Transmission Provider will tender a study agreement that addresses, at a minimum, cost recovery for the Transmission Provider and schedule for completion. The requesting party shall be responsible for the actual cost of the additional regional economic study.

3.12.4 Clustering Study Requests

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

3.12.5 Unaccommodated Economic Study Requests

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

3.12.6 Study Schedule

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

PART IV. INTERREGIONAL PLANNING PROCESS

4. Common Interregional Coordination and Cost Allocation

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. Nothing in section 4 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.

Definitions

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

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

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

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

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

4.1.5. Planning Region: means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG Transmission Group, and WestConnect.

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

4.2 Annual Interregional Information Exchange

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

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

(iii) regional transmission plan

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

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

NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

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

4.3 Annual Interregional Coordination Meeting

NTTG shall participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTG shall 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 31st. The Annual Interregional Coordination Meeting is to be open to stakeholders. NTTG shall provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

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

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

- (iii) updates of the status of ITPs being evaluated or previously included in NTTG's regional transmission plan.

4.4 ITP Joint Evaluation Process

4.4.1 Submission Requirements

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

4.4.2 Joint Evaluation of an ITP

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

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

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

(a) is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's evaluation of the ITP;

(b) is to provide stakeholders an opportunity to participate in NTTG's activities under section 4.4.2 in accordance with its regional transmission planning process;

(c) is to notify the other Relevant Planning Regions if NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter NTTG has no obligation under section 7.4.2 of Appendix A to participate in the joint evaluation of the ITP; and

(d) is to determine under its regional transmission planning process if such ITP is a more efficient or cost effective solution to one or more of CNTTG's regional transmission needs.

4.5 Interregional Cost Allocation Process

4.5.1 Submission Requirements

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with section 4.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from NTTG and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

4.5.2 Interregional Cost Allocation Process

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

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

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

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's analysis;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under section 4.5.2 in accordance with its regional transmission planning process;
- (c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in NTTG, NTTG shall use its regional cost allocation methodology, as applied to ITPs;
- (d) is to calculate its assigned *pro rata* share of the projected costs of the ITP, stated in a specific dollar amount, equal to

its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;

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

4.6 Application of Regional Cost Allocation Methodology to Selected ITP

4.6.1 Selection by All Relevant Planning Regions

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

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

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

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

PART V.
Interconnection-Wide Planning Process

5.1.
Introduction

Transmission Provider is a member of the WECC and supports the work of WECC TEPPC. NTTG may utilize WECC TEPPC for consolidation and completion of congestion and Economic Congestion Studies, base cases and other interconnection- wide planning. NTTG may coordinate with other neighboring regional planning groups directly, through joint study teams, or through the interconnection-wide process. Eligible Customers and stakeholders may participate directly in the WECC's processes, pursuant to participation requirements defined by WECC TEPPC, or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan or through the NTTG processes as outlined above in Parts 3 and 4.

5.2. Transmission Provider Coordination

Transmission Provider will coordinate with WECC TEPPC for interconnection-wide planning through its participation in NTTG. Transmission Provider will also use NTTG to coordinate with neighboring regional planning groups including the CAISO, WestConnect, NWPP and Columbia Grid. The goal of NTTG's coordination a interconnection-wide basis on behalf of Transmission Provider is to (1) share system plans to ensure that they are simultaneously feasible and otherwise use consistent assumptions and data, and (2) identify system enhancements that could relieve congestion or integrate new resources. A description of the interconnection-wide planning process is located in the Transmission Provider's business practice, located on its OASIS website.

5.3 Study Process

WECC TEPPC's transmission planning protocol and information in available on the WECC website. A link to the WECC TEPPC process is maintained in the transmission planning business practice, available on the Transmission Provider's business practices located in the Business Practices, Waivers and Exemptions folder on the Transmission Provider's OASIS website.

5.4 Stakeholder Participation

Stakeholders have access to the interconnection-wide planning process through NTTG's public planning meetings, other regional planning groups and WECC at their discretion.

5.5 Interconnection-Wide Economic Study Requests

5.5.1 Submission of Economic Study Requests

Stakeholders shall submit their Interconnection-wide Economic Study Request to the WECC TEPPC process and provide the Planning Committee with a copy through info@nttg.biz.

5.5.2 Transmission Provider Support of WECC TEPPC

Transmission Provider will support, directly and through its participation in NTTG, the WECC TEPPC process.

5.5.3 Interconnection-Wide Economic Study Requests

Interconnection-wide Economic Study Requests by the will be processed and studied by WECC TEPPC according to its rules and procedures. Results of WECC TEPPC studies will be distributed by WECC TEPPC pursuant to its rules and procedures.

5.6 Dispute Resolution

Interconnection-wide dispute resolution will be pursuant to the process developed by WECC. Nothing contained in this Section 6 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

5.7 Cost Allocation

A Western Interconnection cost allocation methodology does not exist, therefore cost allocations for interconnection wide transmission projects, will be addressed on a case-by-case basis by parties participating in the project.

Exhibit A



Planning Agreement

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

Recitals

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of producing a sub-regional transmission plan for the Northern Tier footprint,¹ and coordinating the transmission plan and its development with other regional planning groups and the interconnection-wide planning activities of the Western Electricity Coordinating Council (“WECC”);

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

C. The Planning Committee Charter provides that any stakeholder may attend and participate in any Planning Committee meeting but limits those entities that may formally vote to those entities that execute this Agreement;

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

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

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

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

Section 1 -Duration and Termination.

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

Section 2 - Obligations of the Undersigned

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

- a. Act in a good faith manner to further the purpose of the Planning Committee

Charter according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time to time by the Steering Committee;

b. Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in section 16 of Attachment K;

c. To the extent practicable, provide support from internal resources to achieve the purpose of the Planning Committee Charter;

d. Bear its own costs and expenses associated with participation in and support of the Planning Committee;

e. Be responsible for the costs of meeting facilities and administration, including third-party contract resources associated with such meetings, if undersigned requests, in writing to the Planning Committee Chair, that Northern Tier hold a Planning Committee meeting outside the normal cycle as described in the Planning Committee Charter; and

f. Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

Section 3 - Miscellaneous

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

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

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

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

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

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

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

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

party beneficiaries of this Agreement.

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

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

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

Requested Membership Class _____ Date: _____
(Print)

(Signature) (Name of Company or Organization)(Phone)

(Print Signature) (Street Address) (Fax)

(Title) (City, State, Zip Code) (Email)

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

Exhibit B



Economic Study Agreement

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

Recitals

A. The Northern Tier Transmission Group’s (the “Northern Tier”) Planning Committee (the “Planning Committee”) is charged with the task of performing Economic Congestion Studies for the Northern Tier footprint¹ as requested by stakeholders following the process described in the Transmission Provider’s Attachment K;

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

C. This Agreement is intended to document an entity’s obligations regarding the Economic Congestion Study process, as described herein;

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

Section 1 - Duration and Termination.

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

Section 2 - Obligations of the Undersigned

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

a. Submit Economic Congestion Study Requests to the Transmission Provider during the Economic Congestion Study Request windows and provide the data required to perform the study;

b. Acknowledge that Economic Congestion Study Requests will be evaluated and voted upon by the Planning Committee for potential clustering and selection for the up to two studies that will be performed during the Regional Planning Cycle;

c. Be bound by the decisions of the Steering Committee and the Planning Committee, and/or resolve disputes according to the process set forth in section 3.6 of Attachment K;

d. If the Economic Congestion Study requests are not selected as one of the up to two studies, be subject to reimburse NTTG for the actual costs to perform the studies;

e. Act in a good faith manner to further the completion of the Economic Congestion Study Request according to the terms and conditions of the Planning Committee and Steering Committee Charters, as each may be amended from time-to-time by the Steering Committee;

f. The extent practicable, provide support from internal resources to complete the Economic Congestion Study;

g. Bear its own costs and expenses associated with participation in and support of the Economic Congestion Study; and

h. Execute non-disclosure agreements, as necessary, before receipt of transmission planning data.

Section 3 - Miscellaneous

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

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

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

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

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

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

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

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

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

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

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

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

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

(Print)

(Signature)

(Name of Company or
Organization)

(Phone)

(Print Signature)

(Street Address)

(Fax)

(Title)

(City, State, Zip Code)

(Email)

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

Exhibit C



**PLANNING COMMITTEE
CHARTER**

Adopted: August 27, 2013

TABLE OF CONTENTS

<u>ARTICLE 1.</u>	3		
<u>1.1.</u>	<u>Purpose.</u>	3	
<u>1.2.</u>	<u>Limitations.</u>	3	
<u>1.3.</u>	<u>Reporting to Steering Committee.</u>	3	
<u>ARTICLE 2.</u>	3		
<u>2.1.</u>	<u>Membership Classes.</u>	3	
<u>2.2.</u>	<u>Eligibility for Membership.</u>	3	
<u>2.3.</u>	<u>Stakeholder Participation; Becoming a Member</u>		4
<u>ARTICLE 3.</u>	4		
<u>3.1.</u>	<u>General Powers.</u>	4	
<u>3.2.</u>	<u>Appointment of Member Representative.</u>	5	
<u>3.3.</u>	<u>Alternate Representative.</u>	5	
<u>3.4.</u>	<u>State Representatives.</u>	5	
<u>3.5.</u>	<u>Resignation.</u>	5	
<u>3.6.</u>	<u>Removal.</u>	5	
<u>3.7.</u>	<u>No Compensation from Northern Tier.</u>	6	
<u>ARTICLE 4.</u>	6		
<u>4.1.</u>	<u>Open Meetings and Limitations.</u>	6	
<u>4.2.</u>	<u>Meetings; Notice and Minutes.</u>	6	
<u>4.3.</u>	<u>Procedure.</u>	6	
<u>4.4.</u>	<u>Member Representative List.</u>	6	
<u>4.5.</u>	<u>Quorum.</u>	6	
<u>4.6.</u>	<u>Voting.</u>	6	
<u>4.7.</u>	<u>Action Without Meeting.</u>	7	
<u>4.8.</u>	<u>Telephone Participation.</u>	7	
<u>ARTICLE 5.</u>	7		
<u>5.1.</u>	<u>Officers, Election, and Term.</u>	7	
<u>5.2.</u>	<u>Chair.</u>	7	
<u>5.3.</u>	<u>Vice-Chair.</u>	7	
<u>5.4.</u>	<u>Removal.</u>	7	
<u>5.5.</u>	<u>Resignation.</u>	7	
<u>5.6.</u>	<u>Vacancies.</u>	8	
<u>ARTICLE 6.</u>	8		
<u>6.1.</u>	<u>Sub-Committees.</u>	8	
<u>6.2.</u>	<u>Dispute Resolution.</u>	8	
<u>6.3.</u>	<u>Amendments.</u>	8	
<u>CERTIFICATION.</u>	8		

PLANNING COMMITTEE CHARTER

OF

NORTHERN TIER TRANSMISSION GROUP

(An Unincorporated Association)

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

ARTICLE 1.

PURPOSE AND LIMITATIONS

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

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

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

ARTICLE 2.

MEMBERSHIP

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

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

Footprint (the “Transmission User Class”). Class 3 members shall consist only of those state utility commissions, state customer advocates, or state transmission siting agencies within the Northern Tier Footprint (collectively, the “Regulators,” and the “Regulatory Class”). Each entity is entitled to only one membership.

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

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

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

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

ARTICLE 3.

MEMBER REPRESENTATIVES

3.1. General Powers. The business and affairs of the Committee shall be carried out through member representatives or their alternates. Each member

representative (or alternate properly appointed by the member representative) shall make decisions that further the purposes of Northern Tier and the Committee.

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

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

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

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

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

Committee meeting.

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

ARTICLE 4. MEMBER REPRESENTATIVE MEETINGS

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

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

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

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

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

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

representative or alternate who is present at such a meeting shall be presumed to have assented to the action taken at that meeting unless the member representative or alternate's dissent or abstention is entered in the minutes of the meeting.

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

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

ARTICLE 5. OFFICERS

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

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

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

5.4. Removal. The Steering Committee or the Committee may remove any

officer whenever, in the Steering Committee or Committee's judgment, removal will serve the best interests of Northern Tier and the Committee.

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

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

ARTICLE 6. MISCELLANEOUS

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

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

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

CERTIFICATION

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

/s/ Ray Brush

/s/ Travis Kavulla

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

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

Exhibit A
Planning Committee Membership Agreement

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

Recitals

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

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

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

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

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

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

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

Section 1. Duration and Termination

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

Section 2. Obligations of the Undersigned

2.1 By executing the signature page set forth below, the undersigned, asserts that it is eligible for membership in the requested membership class of the Planning Committee, and

agrees that, if requested by the Transmission Provider or the Chair of the Planning Committee, it will provide documentation demonstrating eligibility, and further agrees to:

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

Section 3. Miscellaneous

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

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

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

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

3.5 Waiver. A waiver by the Transmission Provider or the undersigned of any

default or breach of any covenants, terms or conditions of this Agreement shall not limit the party's right to enforce such covenants, terms or conditions or to pursue its rights in the event of any subsequent default or breach.

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

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

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

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

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

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

Requested Membership Class _____

(Signature)

(Name of Company or Organization)

(Phone)

(Print Signature)

(Street Address)

(Fax)

(Title)

(City, State, Zip Code)

(Email)

Exhibit D



COST ALLOCATION COMMITTEE

CHARTER

Adopted: August 27, 2013

TABLE OF CONTENTS

<u>ARTICLE 1.</u>	3		
<u>1.1.</u>	<u>Purpose.</u>	3	
<u>1.2.</u>	<u>Limitations.</u>	3	
<u>1.3.</u>	<u>Reporting to Steering Committee.</u>	3	
<u>ARTICLE 2.</u>	3		
<u>2.1.</u>	<u>Membership Classes.</u>	3	
<u>2.2.</u>	<u>Eligibility for Membership.</u>	3	
<u>2.3.</u>	<u>Stakeholder Participation; Becoming a Member.</u>	4	
<u>ARTICLE 3.</u>	4		
<u>3.1.</u>	<u>General Powers.</u>	4	
<u>3.2.</u>	<u>Appointment of Member Representative.</u>	4	
<u>3.3.</u>	<u>Alternate Representative.</u>	4	
<u>3.4.</u>	<u>State Representatives.</u>	4	
<u>3.5.</u>	<u>Resignation.</u>	4	
<u>3.6.</u>	<u>Removal.</u>	5	
<u>3.7.</u>	<u>No Compensation from Northern Tier.</u>	5	
<u>ARTICLE 4.</u>	5		
<u>4.1.</u>	<u>Open Meetings and Limitations.</u>	5	
<u>4.2.</u>	<u>Meetings; Notice and Minutes.</u>	5	
<u>4.3.</u>	<u>Procedure.</u>	5	
<u>4.4.</u>	<u>Member Representative List.</u>	5	
<u>4.5.</u>	<u>Quorum.</u>	6	
<u>4.6.</u>	<u>Voting.</u>	6	
<u>4.7.</u>	<u>Action Without Meeting.</u>	6	
<u>4.8.</u>	<u>Telephone Participation.</u>	6	
<u>ARTICLE 5.</u>	6		
<u>5.1.</u>	<u>Officers, Election, and Term.</u>	6	
<u>5.2.</u>	<u>Chair.</u>	6	
<u>5.3.</u>	<u>Vice-Chair.</u>	6	
<u>5.4.</u>	<u>Removal.</u>	7	
<u>5.5.</u>	<u>Resignation.</u>	7	
<u>5.6.</u>	<u>Vacancies.</u>	7	
<u>ARTICLE 6.</u>	7		
<u>6.1.</u>	<u>Sub-Committees.</u>	7	
<u>6.2.</u>	<u>Dispute Resolution</u>	7	
<u>6.3.</u>	<u>Amendments.</u>	7	
<u>CERTIFICATION.</u>	8		

COST ALLOCATION COMMITTEE CHARTER

OF

NORTHERN TIER TRANSMISSION GROUP

(An Unincorporated Association)

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

ARTICLE 1.

PURPOSE AND LIMITATIONS

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

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

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

ARTICLE 2.

MEMBERSHIP

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

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

2.3. Stakeholder Participation; Becoming a Member. Any stakeholder may participate in Committee meetings. However, only those stakeholders that satisfy the criteria of a membership class, as described in Section 2.2 above, or that submits a letter requesting membership in the case of Regulators, are members of the Committee. Committee members are the only stakeholders eligible to vote during Committee meetings. The Committee therefore operates as a single body of all participating stakeholders, with the voting members being the subset composed of the members of Class 1 and Class 2

ARTICLE 3. MEMBER REPRESENTATIVES

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

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

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

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

3.5. Resignation. A member representative or an alternate may resign at any

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

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

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

ARTICLE 4. MEMBER REPRESENTATIVE MEETINGS

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

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

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

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

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

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

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

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

ARTICLE 5. OFFICERS

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

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

the Steering Committee. _

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

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

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

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

ARTICLE 6. MISCELLANEOUS

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

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

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

CERTIFICATION

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

/s/ Ray Brush

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

/s/ Travis Kavulla

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

MATL LLP

Joint Tariff Name: Northern Tier Transmission Group Funding Agreement
Designated Filing Company: Portland General Electric Company
DFC Program: Electric MBR
DFC Tariff Title: Other Rate Schedules
DFC Joint Tariff Description: Rate Schedule No. 17 NTTG Funding Agreement

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

**CERTIFICATE OF CONCURRENCE
OF MATL LLP**

This is to certify that MATL LLP assents to and concurs in the rate schedule described below, which Portland General Electric Company has filed, and hereby files this certificate of concurrence in lieu of the filing of the rate schedule specified.

Rate Schedule Title:	Northern Tier Transmission Group Funding Agreement
Designated Filing Company (DFC):	Portland General Electric Company
DFC Joint Tariff Description:	Rate Schedule FERC No. 17 NTTG Funding Agreement

Respectfully submitted,

/s/ Stacy Myers

Stacy Myers

Senior Legal Counsel

Green Power, Transmission, and

Emerging Technology

Enbridge Energy Company, Inc.

Attorney for MATL LLP

Dated: January 25, 2016

FERC rendition of the electronically filed tariff records in Docket No. ER16-00778-000

Filing Data:

CID: C000240

Filing Title: MATL Tariff update

Company Filing Identifier: 1778

Type of Filing Code: 30

Associated Filing Identifier:

Tariff Title: Original Volume No. 0

Tariff ID: 28

Payment Confirmation:

Suspension Motion: Y

Tariff Record Data:

Record Content Description, Tariff Record Title, Record Version Number, Option Code:

Attachment K, Transmission Planning Process, 6.0.0, A

Record Narrative Name:

Tariff Record ID: 3128

Tariff Record Collation Value: 54000 Tariff Record Parent Identifier: 3074

Proposed Date: 2016-03-27

Priority Order: 500

Record Change Type: CHANGE

Record Content Type: 1

Associated Filing Identifier:

ATTACHMENT K

PART I.

INTRODUCTION

1.0 General

Preamble. In accordance with the Commission's regulations, Transmission Provider's planning process is performed on a local, regional, interregional and interconnection-wide basis. Part 2 of this Attachment K addresses the local planning process. Part 3 of this Attachment K addresses the regional planning process. Part 4 of this Attachment K addresses interregional coordination with the planning regions in the United States portion of the Western Interconnection. Part 5 of this Attachment K addresses the interconnection-wide planning process.

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

DEFINITIONS

Unless defined below¹, capitalized terms shall refer to terms defined in the Tariff.

1.1 "Alternative Project" is defined in Section 3.7.3.2 and collectively refers to Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, and unsponsored projects

identified by the Planning Committee (if any).

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

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

1.4 Reserved.

1.5 Reserved.

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

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

1.7 "Biennial Study Plan" means the study plan used to produce the Regional Transmission Plan, as approved by the Steering Committee. The Biennial Study Plan is described in Section 3.7.3.2.

1.8 "Change Case" is defined in Section 3.7.4.1 as a scenario where one or more of the Alternative Projects is added to or replaces one or more non-Committed projects in the Initial Regional Plan. The deletion or deferral of a non-Committed Project in the Initial Regional Plan without including an Alternative Project can also be a Change Case.

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

1.10 "Confidentiality Agreement" means Confidentiality Agreement means the agreement posted on Transmission Provider's OASIS at <http://www.oatioasis.com/mat1/>. The Confidentiality Agreement is used to provide confidential information as referenced in Sections 2.7.2 and 3.4.2.

1.11 "Cost Allocation Committee" is defined in Section 3.1.2.

1.12 "Cost Allocation Committee Charter" means that document attached as Exhibit D to this Attachment K.

1.13 "Cost Allocation Data Form" means the form posted on NTTG's website used to submit a project requesting cost allocation as referenced in Sections 3.7.2.3 and 3.7.5.2.

1.14 "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 Third 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 under the Order 1000 Agreement; (iv) normally disclosed by entities in the Western Interconnection without limitation; (v) disclosed in aggregate form; or (vi) required to be disclosed without a protective order or confidentiality agreement by subpoena, law, or other directive of a court, administrative agency, or arbitration panel.

1.15 "Critical Energy Infrastructure Information" or "CEII" means information as defined in 18 C.F.R. Part 388 or any successor thereto and associated orders issued by the Commission.

1.16 "Data Submittal Form" means the form posted on NTTG's website used to submit projects and project information for consideration and is used to submit updated project information as referenced in Section 3.7.2.1.

1.17 "Demand Resources" means 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.

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

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

1.20 "Economic Study" or "Congestion Study" means an assessment to determine whether transmission upgrades can reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers taking service under the Tariff.

1.21 "Economic Congestion Study Request" means a request by a Transmission Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the Transmission System Plan, to reduce the overall cost of reliably serving the forecasted needs of the Transmission Provider and its Transmission Customers. Economic Study Requests are used in the context of Local Economic Study Request, Regional Economic Study Request, and Interconnection-wide Economic Study Request.

1.22 "Economic Study Request Form" means the form posted on NTTG's website used to submit an Economic Study Request as referenced in Section 3.11.1.

1.23 "Finance Agent Agreement" is Exhibit B to the Funding Agreement and

identifies the entity responsible for performing the finance agent tasks set forth in the Funding Agreement.

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

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

1.26 "Interconnection-wide Economic Study Request" means an Economic Study Request where there is a Point of Receipt or Point of Delivery within the NTTG Footprint, as determined by the Planning Committee, and it's a Point of Delivery or Point of Receipt, respectively, is both within the Western Interconnection and outside the NTTG Footprint. In the alternative, if the Economic Study Request is reasonably determined by the Planning Committee to be an Interconnection-wide Economic Study Request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes only WECC member interconnected transmission systems, the study request will be considered an Interconnection-wide Economic Study Request.

1.27 "Initial Regional Plan" is defined in Section 3.7.3.2 to include projects included in the prior Regional Transmission Plan and projects included in the Full Funders Local Transmission Plans.

1.28 Reserved.

1.29 Reserved.

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

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

1.32 "LTSP Re-Study Request" means a request by an Eligible Customer or stakeholder to model the ability of specific upgrades or other investments to the Transmission System or Demand Resources, not otherwise considered in the draft

Local Transmission System 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 Transmission System Plan.

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

1.34 "Monetized Non-Financial Incremental Costs" are defined in Section 3.7.4.1.

1.35 "NTTG" means the Northern Tier Transmission Group or its successor.

1.36 "NTTG Footprint" means the geographic area comprised of the Transmission Systems in the Western Interconnection of the entities enrolled in NTTG as Full Funders.

1.37 "NTTG Website" means www.nttg.biz.

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

1.39 "Ownership-Like Rights" are defined in Section 3.8.2.2.

1.40 "Planning Committee" is defined in Section 3.1.2.

1.41 "Planning Committee Charter" means that document attached as Exhibit C to this Attachment K.

1.42 "Planning Horizon" means the Local Transmission Plan evaluates a ten (10) year planning horizon, which consists of a summer/winter Near Term Case (years 1-5) ("Near Term Case") and a summer/winter Longer Term Case (years 6-10) ("Longer Term Case").

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

1.44 "Public Policy Considerations" means those public policy considerations that are not established by local, state, or federal laws or regulations.

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

1.46 "Regional Economic Study Request" means an Economic Study Request where (1) Point(s) of Receipt and Point(s) of Delivery are all within the NTTG Footprint, as determined by the Transmission Provider (if the request is received by the Transmission Provider) or the NTTG Planning Committee (if the request is received by the Planning Committee), and the Point(s) of Receipt and Points(s) of Delivery utilize only Funding Agreement member scheduling paths, or (2) is otherwise reasonably determined by the Transmission Provider or Planning Committee to be a regional request from a geographical and electrical perspective, including, but not limited to, an evaluation determining that the study request utilizes the interconnected transmission systems of Funding Agreement members.

1.47 "Regional Planning Cycle" means NTTG's eight-quarter biennial planning cycle that commences in even-numbered years and results in the Regional Transmission Plan.

1.48 "Regional Transmission Plan" means the current, final regional transmission plan, as approved by the Steering Committee.

1.49 Reserved.

1.50 "Sponsor Qualification Data Form" means the form posted on NTTG's website used to submit sponsor qualification data for a proposed Sponsored Project as referenced in Sections 3.7.1.2 and 3.7.5.2.

1.51 "Sponsored Project" means the project proposed by a Project Sponsor.

1.52 "Steering Committee" is defined in Section 3.1.2.

1.53 "Steering Committee Charter" means that document attached as Exhibit B to this Attachment K.

1.54 "TEPPC" means Transmission Expansion Planning Policy Committee or its successor committee within WECC.

1.55 "WECC" means the Western Electricity Coordinating Council or its successor.

1.56 [Reserved]

PART II.

THE TRANSMISSION PROVIDER LOCAL TRANSMISSION PLANNING PROCESS

2.1 Overview

Every five (5) years, the Transmission Provider will complete its local transmission planning process, as detailed in this Section II of this Attachment K for the purpose of identifying Single System Projects to mitigate future reliability and load-service requirements for its Transmission System (the "Local Transmission Plan"). The Transmission Provider shall document the results of the local transmission planning process in the Final Local Transmission Plan as further detailed herein. The Final Local Transmission Plan shall include any reliability issues identified on the Transmission Provider's Transmission System and a list of Single System Projects proposed to address those issues. Any impacts on neighboring transmission systems and the projects to mitigate those

impacts shall be identified and coordinated through the regional planning process set forth in Part III of this Attachment K.

2.1.1

The Transmission Provider's Transmission System consists of a point-to-point, merchant electric transmission line. The Transmission Provider will operate, manage and plan for the use of its asset in a manner that maximizes shareholder value by meeting market demands for transmission capacity while respecting customer agreements, regulatory constraints and reliability standards.

The Transmission Provider anticipates engaging in transmission planning procedures for one of three reasons:

- (a) As a regular update on its project and its future potential, every five (5) years the Transmission Provider will launch and conclude a local transmission planning process, which, apart from providing for stakeholder input on the Transmission Provider's development options, will respect the needs of the WECC path rating and reliability planning processes;
- (b) In response to customer demand or interest, the Transmission Provider will explore development options to meet anticipated future transmission needs; and
- (c) The Transmission Provider will cooperate with and participate in the planning processes of neighboring utilities, Balancing Authorities and the Transmission Provider's regional planning process group both in support of regional transmission development efforts and commercial interests.

2.1.2 Purpose and Objective. The Transmission Provider's transmission planning process includes local and regional components to facilitate comprehensive, open and coordinated planning of the Transmission Provider's Transmission System. The purpose of the Transmission planning process detailed in Part II of this Attachment K is to set forth the process by which the Transmission Provider will plan for the enhancement and expansion of the Transmission System to ensure that the Transmission System can meet the needs of both the Transmission Provider and its Transmission Customers on a comparable and nondiscriminatory basis. This is intended to be a coordinated, open and transparent planning process with the Transmission Customers and other Interested Stakeholders, including interconnected systems within its region and Interested Persons in the regional planning process.

Transmission Provider will also pursuant to this Attachment K, participate in NTTG transmission planning process structured to support and manage the coordination of the multi-system planning (including related studies) for the transmission systems of Transmission Provider and others. The regional planning processes are detailed in the Northern Tier Transmission Group Funding Agreement 2016-2017 ("Funding Agreement") or its successor documents. The Funding Agreement and its successors are each effective and posted

on the NTTG website. Transmission Provider is a Full Funder under the Funding Agreement. Participation as a Full Funder under the Funding Agreement facilitates Transmission Provider's compliance with, among other things, the intraregional and interregional requirements of Order 1000. Part III of this Attachment K describes Transmission Provider's participation in the transmission planning processes of NTTG.

Further, the Transmission Provider participates in coordinated planning throughout the Western Interconnection as a whole through its membership in the Western Electricity Coordinating Council ("WECC") and participation in the WECC Transmission Expansion Planning Policy Committee ("TEPPC"). TEPPC is to provide for the development and maintenance of an economic transmission study database for the entire Western Interconnection and performs congestion studies at the Western Interconnection region level.

2.1.3 Identification of Connected Systems. The Transmission Provider's Transmission System is interconnected to the Alberta Electric System Operator ("AESO") in Canada and the system owned and operated by NorthWestern Energy ("NorthWestern") in Montana. Operating issues associated with the Transmission Provider's line have been provided for under a Coordinated Operating Agreement ("COA") among Montana Alberta Tie Ltd. and MATL LLP and the Independent System Operators, operating as the Alberta Electrical System Operator ("AESO"), (*MATL LLP*, Rate Schedule FERC No. 1 filed with the FERC on January 28, 2008 in Docket No. ER08-369-000). The COA provides mechanisms for ensuring the line is operated to industry standards by NorthWestern Energy ("NWE") and the AESO. It also provides for a Joint Operating Committee structure which will provide a regular interface between the parties, address maintenance and operational issues affecting the line, and provide an opportunity to initiate the Transmission Planning Process.

2.1.4 Load and Generation Planning Studies. Given that the Transmission Provider is not a Balancing Authority or a Control Area Operator, the Local Transmission Plan shall not include load or generation planning studies. The Transmission Provider will prioritize transmission planning and interconnection in accordance with FERC and/or NERC procedures.

2.1.5 Definitions. Terms capitalized and not otherwise defined in the Definitions Section of this Attachment K shall have the meanings set forth in Part 1 of the Tariff or the Funding Agreement.

2.2 Planning Advisory Groups

2.2.1 Establishment. A Planning Advisory Group shall be established and open to participation by all Interested Stakeholders, Transmission Provider's customers, generators interconnected to the Transmission Provider's Transmission System, other suppliers, neighboring transmission providers and control areas, and state utility regulatory agencies and offices of public advocates in the State of Montana. Any of the above-listed entities may designate a member to the Planning Advisory Group by providing written notice to the Transmission Provider identifying the name of the entity represented by the member, the member's name, address, telephone number, facsimile

number, and electronic mail address. The entity may remove or replace such member at any time by written notice to the Transmission Provider. Each entity that participates in the Planning Advisory Group shall have one member of the group. The Transmission Provider shall act as the facilitator of the Planning Advisory Group.

2.2.2 Role of Planning Advisory Group. The Planning Advisory Group's role is to provide input and feedback to the Transmission Provider during the development of the Local Transmission Plan. The Transmission Provider will document and track all input and respond to all suggestions, queries or comments in an open and transparent manner by circulating consolidated responses to the members of the Planning Advisory Group.

2.2.3 Frequency of Meetings. The Planning Advisory Group, at a minimum, shall hold meetings biennially (i.e. every two years). Members shall be able to attend such biennial meetings in person or via teleconference. To the extent additional meetings may be warranted, such meetings may be held in person, or via telephone conference, electronic mail, or other written means. A meeting shall be held (i) as specified in the Local Transmission Plan; (ii) when the Transmission Provider deems a meeting is necessary, either upon its own or another entity's request; or (iii) at the request of a majority of the Planning Advisory Group.

2.2.4 Notice of Meetings. The Transmission Provider shall provide notice of the Planning Advisory Group meetings by electronic mail to members of the Planning Advisory Group and shall post notice on the Transmission Provider's OASIS and website. Such notice shall be provided at a minimum four weeks prior to the meeting. A calendar of meetings and other significant events in the transmission planning process shall be posted on the OASIS and website.

2.2.5 Purpose of Meetings. The Planning Advisory Group meetings shall provide an opportunity for the group members to provide input regarding: (i) data gathering and customer input into study development; (ii) review of study results; (iii) review of draft transmission plans; and (iv) coordination of draft plans with those of neighboring transmission providers. Participants in the Planning Advisory Group Meetings may also propose for consideration, among other things, local transmission needs driven by Public Policy Requirements and transmission, generation and demand response resource projects.

2.2.6 Transmission Provider Representative. The Transmission Provider intends to establish an operating company to assist in managing the Transmission System after the in-service date. This team will include one person responsible for all technical interface issues. This person may also be designated as the transmission planner. Transmission planning activities including analysis and coordination of consultation efforts may be outsourced to third-party service providers at the Transmission Provider's discretion.

2.2.7 Mechanism to Invite Affected Entities to Participate in Meetings. If the Transmission Provider identifies a particular entity that may be affected by the development of potential projects, or other significant events identified in the local planning process, the

Transmission Provider shall notify the entity and invite them to participate in the related planning meetings.

2.3. General Transmission Planning Procedures

2.3.1 The Local Transmission Plan. The Transmission Provider will undertake a review of the Transmission System every five years.

2.3.2 Scope of the Local Transmission Plan. The Local Transmission Plan shall provide an assessment of the Transmission System needs in a consolidated manner, and the Local Transmission Plan is designed to maintain the reliability of the transmission system in an economic and environmentally acceptable manner. The Local Transmission Plan will be developed to meet the specific service requests of Transmission Customers and otherwise treat similarly situated customers comparably in transmission system planning.

2.3.3 Contents of the Local Transmission Plan. The Local Transmission Plan shall utilize at least a five year planning horizon, and reflect at least five year capacity and load forecasts, if any. The Local Transmission Plan shall reflect transmission enhancements and expansions, load and energy forecasts, including expected demand response, transmission needs driven by Public Policy Requirements and generation additions and retirements for at least the ensuing five years, if any. The Local Transmission Plan shall identify, based on the results of the planning studies, a list of proposed transmission enhancements and expansions for at least each of the ensuing five years that are determined by Transmission Provider to be appropriate at the time of the issuance of the Local Transmission Plan. The Local Transmission Plan also shall include a list of transmission enhancements and expansions identified in the prior Local Transmission Plan that have not been completed at that time. The Local Transmission Plan shall take into account reliability and rating studies in accordance with WECC path rating procedures.

2.3.4 The Transmission Provider may also identify expansions, modifications or additions to the transmission line resulting from discussions with customers, market participants, interconnection requests or transmission service requests. For these types of expansions, the Transmission Provider will use the following process:

(a) In responding to a request for expansion of the Transmission Provider line, the Transmission Provider shall form a planning group inviting all Interested Stakeholders and connecting Balancing Authorities to participate. The invitation will be posted on the Transmission Provider's OASIS for 30 days;

(b) Following a minimum 30 day review process with the planning group, the Transmission Provider shall conduct an economic feasibility study for the proposed expansion, funded by the requesting customer and/or the Transmission Provider, as negotiated. The study results shall be posted on the Transmission Provider's OASIS;

(c) The Transmission Provider may then decide to hold an Open

Season, or conduct an alternative process in conformance with FERC policy, to value and allocate the potential capacity;

- (d) If the results of the Open Season, or other such alternative process, are acceptable to the Transmission Provider and if the initial studies indicate that additional capacity is feasible, the Transmission Provider shall conduct reliability and rating studies in accordance with WECC path rating procedures;
- (e) If all regulatory approvals are obtained, and upon satisfaction of all outstanding conditions in its long term transmission contracts, the Transmission Provider will enter into agreements for the expansion.

2.3.5 Generator Interconnections. The Transmission Provider will process large generation interconnection requests in accordance with the terms of the Tariff. If generation interconnection is material to the path rating, the Transmission Provider shall seek to modify the path rating to include the generation interconnection in accordance with WECC path rating procedures.

2.3.6 Additions and Removals of Transmission Enhancements and Expansions. The Transmission Provider may add or remove transmission enhancements and expansions from the Local Transmission Plan at any time in a given year, and in doing so shall consult with and consider input from the Planning Advisory Group, within the scope of its respective functions.

2.3.7 Other Principles. The Local Transmission Plan shall be designed and implemented to (i) avoid unnecessary duplication of facilities; (ii) avoid the imposition of unreasonable costs upon the Transmission Provider and customers; (iii) take into account the legal and contractual rights and obligations of the Transmission Provider and the transmission-related legal and contractual rights and obligations of any other entity; (iv) provide for coordination with existing transmission systems and with appropriate interregional and local expansion plans; and (v) comply with NERC Reliability Standards and WECC standards, including WECC's Regional Planning and Project Rating Review Process. The Transmission Provider has a WECC-accepted path rating and any material changes to the line will require path rating studies which would be subject to further review by a committee of WECC members.

2.3.8 Status of Identified Upgrades or Alternatives. The status of upgrades or alternatives identified in the Local Transmission Plan shall be reflected in future plans. The Transmission Provider will post, at least annually, the status of upgrades and alternatives identified in the Local Transmission Plan on the Transmission Provider's website. The Transmission Provider will provide such notification of updated status only to the extent there are upgrades or other alternatives identified by a Local Transmission Plan for which notification of in-service status has not previously been provided. The status of identified upgrades or alternatives will be reflected in future plan development (i.e., whether the upgrade or alternative is in-service, under construction, planned, proposed, or concept).

2.3.9 Coordination of the Local Transmission Plan. The Transmission

Provider shall develop its Local Transmission Plan in coordination with all neighboring utilities, Balancing Authorities and regional transmission bodies, including the NTTG regional planning process (See Part III of this Attachment K). The Transmission Provider may also participate as an affected party or as a stakeholder in the planning processes of neighboring utilities, Balancing Authorities and regional transmission bodies, including the NTTG, both to support regional transmission development efforts and to protect its legitimate commercial interests.

2.3.10 Comparability. The Transmission Provider shall treat similarly situated customers comparably in transmission system planning through the measures set forth in this Section 3.10 and through the procedures set forth elsewhere in Section 3. The Transmission Provider's projects and similarly situated customer-identified projects shall be treated on a comparable basis and given comparable consideration in the Local Transmission Planning Process. The Transmission Provider shall permit stakeholders (including but not limited to sponsors of customer-defined transmission solutions, generation solutions, and solutions utilizing demand resources) to participate throughout the Local Transmission Planning Process and to submit to the Transmission Provider alternative or proposed solutions, which the Transmission Provider shall review and evaluate on a comparable basis. The Transmission Provider shall include all valid and relevant data received from stakeholders (including load forecast data, generation data, and demand resource data) in the development of the Local Transmission Plan. Notwithstanding the foregoing, the Transmission Provider shall retain discretion regarding which projects to pursue and is not required to include all customer-identified projects in the Local Transmission Plan. The Transmission Provider shall select projects based on cost, economics, impact on reliability, and the other considerations set forth elsewhere in this Section 3.

2.4. Methodology, Criteria, Process for Developing the Local Transmission Plan.

2.4.1 Initiation of the Local Transmission Plan. The Transmission Provider shall solicit input on the regional needs for the updated or new Local Transmission Plan from members of the Planning Advisory Group. The Planning Advisory Group shall meet to perform its respective functions with the preparation of the Local Transmission Plan. Drafts of the Local Transmission Plan shall be provided to the Planning Advisory Group and input from the Planning Advisory Group shall be received and considered in preparing and revising subsequent drafts.

2.4.2 Studies. As necessary, the Transmission Provider shall conduct studies for the development of the Local Transmission Plan.

2.4.3 Assumptions and Methodology Used in Developing the Local Transmission Plan. Transmission Provider shall establish assumptions used in developing the Local Transmission Plan as described below. The Transmission Provider will use data received from the operation of the transmission line, the Balancing Authorities, WECC and other sources.

2.4.4 Methodology. The Transmission Provider will apply industry standard methodologies, criteria and processes in the development of local transmission plans. In particular, the Transmission Provider will apply the WECC Regional Planning process and Path Rating process for expansions or improvements to the transmission line. The Transmission Provider will use standard WECC base cases, NERC Reliability Standards/WECC reliability criteria and Balancing Authority standards in the study of its Transmission System. Base case development will include data from interconnected systems used to refine cases. The study plan will outline methodologies used in the analysis of the study results. Base cases and study results will be provided to participants for verification purposes. All planning processes and data will be posted on the OASIS. Such information will be made available for 1 year.

2.4.5 Criteria Used. Studies will be performed in accordance with NERC Reliability Standards TPL-001 through TPL-004, the WECC reliability criteria, and any other reliability criteria, including regional or local applicable criteria in establishing assumptions.

MATL will also evaluate and select from among alternative proposed solutions to local transmission needs (including those driven by Public Policy Requirements) using factors that include the following:

- (i) sponsorship and degree of development of proposed solution;
- (ii) feasibility;
- (iii) coordination with any affected transmission system;
- (iv) economics;
- (v) effectiveness of performance;
- (vi) satisfaction of identified local transmission need(s), including those driven by Public Policy Requirements and including the extent to which the proposed solution satisfies multiple identified local transmission needs;
- (vii) mitigation of any Material Adverse Impacts of Local Need Solution of such proposed solution on any transmission system;
- (viii) consistency with applicable state, regional, and federal planning requirements and regulations;

No single factor shall necessarily be determinative in evaluating proposed solutions in developing the MATL Plan.

2.4.6 Process for Establishing Assumptions. The Transmission Provider uses industry standard assumptions, but the Planning Advisory Group may augment these industry standard assumptions and methodology consistent with local and regional needs as necessary.

2.4.7 Methodology for Determining Import and Export Capability in Regional

Studies. The Transmission Provider determines the import and export capability as described in Attachment C to the Tariff regarding the methodology for assessment of available transfer capability.

2.4.8 Development of the Local Transmission Plan. The Transmission Provider shall be responsible for the development of the Local Transmission Plan and for conducting studies on which the Local Transmission Plan is based. The Planning Advisory Group shall provide input and review drafts of the Local Transmission Plan.

2.4.9 Draft Local Transmission Plan and Briefing Paper.

2.4.9.1 Following the Planning Advisory Group meetings, Transmission Provider will post on its OASIS all local transmission needs, including local transmission needs driven by Public Policy Requirements, identified or proposed at the Planning Advisory Group meetings. Interested Stakeholders shall have 30 days from the date of such posting to provide written comments to Transmission Provider regarding any local transmission need(s) posted on Transmission Provider's OASIS. After considering the comments provided by Interested Stakeholders in accordance with this paragraph, Transmission Provider shall list on its OASIS the local transmission needs selected by the Transmission Provider as local transmission needs to be evaluated in the local planning process. Transmission Provider will explain on its OASIS why it did not select for evaluation in the local planning process any identified local transmission need, including any identified local transmission need that is driven by Public Policy Requirements (as required by Part II, section 5.6, below). Upon completion of the studies and analysis, the Transmission Provider shall prepare a Draft Local Transmission Plan, which may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the needs. The Transmission Provider shall provide the Draft Local Transmission Plan to the Planning Advisory Group for review and comment. If requested by a member, a meeting of the Planning Advisory Group will be held to receive comments on the Draft Local Transmission Plan. Interested Stakeholders may submit comments on the recommended Draft Local Transmission Plan to the Transmission Provider.

2.4.9.2 The Draft Local Transmission Plan shall identify economically justified enhancements, expansions, or system reinforcements that relieve transmission constraints. The evaluation shall be premised on the goals of maintaining reliability, reducing congestion where economically justified and on the enumerated criteria provided in Section 4.5 above.

2.4.9.3 The Transmission Provider shall hold an open meeting (the Review of Draft Local Transmission Plan Meeting) to review the results of the study process and to discuss the draft Local Planning Plan within thirty (30) days following completion of the draft Local Planning Plan. The Transmission Provider shall post the draft Local Planning Plan with the notification of the meeting. During this meeting, and for fifteen (15) calendar days

following this meeting, all members of the Planning Advisory Group are encouraged to provide the Transmission Provider with any comments on the recommended plan, including alternatives to the projects proposed in the draft Local Planning Plan. If the Transmission Provider, after review of any offered alternatives, adopts an alternative it shall make any necessary changes to the recommended plan. The Transmission Provider shall post on the Transmission Provider's OASIS System Planning page the final Local Planning Plan within thirty (30) days following the Review of Draft Local Transmission Plan Meeting.

2.4.9.4 At the request of a majority of the Planning Advisory Group, the Transmission Provider will circulate one additional draft of the Local Transmission Plan and briefing paper to the Planning Advisory Group for review and comment ("Briefing Paper"). At the Transmission Provider's discretion, additional drafts of the Draft Local Transmission Plan and Briefing Paper may be circulated to the Planning Advisory Group for review and comment.

2.4.10 Final Local Transmission Plan. The Transmission Provider, upon consideration of the input and advice from the Planning Advisory Group shall develop a proposed Final Local Transmission Plan. Upon approval of the proposed Final Local Transmission Plan by the Transmission Provider's Board of Directors, it shall become the Final Local Transmission Plan. The Final Local Transmission Plan may include a description of any needs, the underlying assumptions, applicable planning criteria, and methodology used to determine the need.

2.4.11 Publication of Final Local Transmission Plan. The Transmission Provider shall publish the Final Local Transmission Plan and Briefing Paper on the Transmission Provider's OASIS. The Final Local Transmission Plan also will be distributed to the Planning Advisory Group. Also, the Transmission Provider will post completed WECC path rating studies and other planning studies on the OASIS for a period of one year.

2.4.12 Procedures for Interim Modification to the Local Transmission Plan. The Transmission Provider, in consultation with the Planning Advisory Group, may modify the Local Transmission Plan on an interim basis as necessary to reflect additions or removals of transmission upgrades. Such interim modifications to the Local Transmission Plan shall be posted on Transmission Provider's OASIS.

2.4.13 Transmission Provider Technical Contact. The Transmission Provider shall identify on its internet website an individual or individuals to be the technical point of contact regarding questions about the modeling criteria, assumptions, and data underlying the Local Transmission Plan.

2.5. Disclosure of Criteria, Assumptions, and Data.

2.5.1 Availability of Information. The Transmission Provider shall make available to the Planning Advisory Group, subject to applicable confidentiality protections, a description of how its assumptions regarding transmission, generation, and demand resources are

developed, including details regarding the types of resource, rating or size responsiveness and other operating information. Such information shall be available to Transmission Customers and other Interested Stakeholders at all stages of the planning process.

2.5.2 Process for Access to Underlying Data. Interested Stakeholders may request access to underlying data or assumptions used for transmission planning, such as power flow base cases and associated files needed for transmission planning through a written request to Transmission Provider. Such information generally will contain confidential information and be subject to the protections for the provision of such information.

2.5.3 Discussion of Assumptions. Members of the Planning Advisory Group shall have the opportunity to question and discuss principal assumptions used in the planning process. The process shall be through meetings of the Planning Advisory Group. Such meetings, if appropriate, may be held via email or other solicitation of written comments.

2.5.4 Requests For Additional Calculations. Upon request by a majority of the Planning Advisory Group, the Transmission Provider will run up to one additional calculation. Additional calculations may be run at the Transmission Provider's discretion.

2.5.5 Notification of Changes or Updates in Data Bases. The Transmission Provider shall notify Interested Stakeholders of changes or updates in the data bases used for transmission planning, including whether the changes were made independently by the Transmission Provider or in response to a stakeholder concern. Such notification shall be made via email to members of the Planning Advisory Group or a posting on OASIS.

2.5.6 Local Transmission Needs Driven by Public Policy Requirements. With respect to identified local transmission needs driven by Public Policy Requirements, if any, Transmission Provider will post on its OASIS (i) an explanation of which if such need(s) will be evaluated in Transmission Provider's local transmission planning process, and (ii) an explanation of why any of such need(s) may not be evaluated in the local transmission planning process.

2.6. Supply of Data.

2.6.1 Information Exchange. The information exchange required by this Attachment K pertains to information that relates to planning, not other studies performed in response to interconnection or transmission service requests. The Transmission Provider and Transmission Customers shall, at a minimum, follow the Commission-approved Modeling, Data and Analysis Reliability Standards specific requirements for generator owners and transmission owners to provide data to planning authorities, resource planners, and regional reliability organizations.

2.6.2 Information to be Provided. The Transmission Provider shall solicit Transmission Customers and other Interested Stakeholders, including, but not limited to electric utility regulatory agencies and consumer advocates in the State of Montana, to provide information required

by, or anticipated to be useful to, the Transmission Provider in its preparation of the Local Transmission Plan.

2.6.3 Transmission Provider Obligations. The Transmission Provider will provide current and projected transmission needs to the interconnected Balancing Authorities. The Transmission Provider will exchange interconnection facilities data and associated methodologies with the two Balancing Authorities in order to calculate ratings such that the Balancing Authorities can integrate the transmission line into their respective plans. The Transmission Provider will submit future transmission plans to WECC through the existing annual reporting process. The Transmission Provider will actively participate in connecting Balancing Authority and WECC planning processes. The Transmission Provider shall exchange path data information with WECC and remain current in the WECC Path Rating Catalogue.

2.6.4 Transmission Customers Obligations. Transmission Customers shall provide requested data to the Transmission Provider. A Transmission Customer may provide additional data it considers would be helpful for the planning process.

2.6.5 Types of Data. Transmission Customers shall provide, at a minimum, the following data, as applicable:

- (a) Generators shall provide data concerning planned additions or upgrades (including status and expected in-service dates), planned retirements, and environmental restrictions.
- (b) Transmission Customers shall provide projections of need for service over the planning horizon, including transmission capacity, duration, and receipt of delivery points.

2.6.6 Process for Providing Data. Transmission Customers shall submit the required data, to the maximum extent practical and subject to the confidentiality procedures, if applicable, by email to the Transmission Provider as identified on the Transmission Provider's internet website.

2.6.7 Schedule for Providing Data. Transmission Customers shall submit the required data to Transmission Provider at least once a year by January 31st for the immediately preceding calendar year. The Transmission Provider may require additional information during the planning process. Transmission Customers may submit additional information during the planning process.

2.6.8 Notice of Material Changes. Transmission Customers are required to provide the Transmission Provider with written notice of material changes in any information previously provided to the Transmission Provider relating to its resources or other aspects of its facilities or operations affecting the Transmission Provider's ability to provide service.

2.7. Confidential Information and Critical Energy Infrastructure Information:

2.7.1 WECC Proprietary Data.

Transmission Provider's transmission planning studies may include base case data that are WECC proprietary data. A stakeholder must hold membership in or execute a non-disclosure agreement with WECC (www.wecc.biz) to obtain WECC proprietary data, such as base case data, from Transmission Provider.

2.7.2 MATL Proprietary Data.

Except as otherwise set forth in Part II, Section 7.1 with respect to MATL proprietary data, a requestor may request MATL Proprietary Data required to be disclosed by Order Nos. 890 or 1000 from Transmission Provider using the procedures set forth below.

- (a) A requestor shall file a signed, written request, in accordance with the MATL Proprietary Data procedures outlined herein, with Transmission Provider at the following address:

MATL LLP
3000 - 425 1st Street SW
Calgary, Alberta T2P 3L8

Attn: Manager, Transmission Operations

- (b) Requests for MATL Proprietary Data will be considered to be received upon actual receipt by Transmission Provider.
- (c) Transmission Provider will make a determination of whether it considers the requested information to be MATL Proprietary Data and whether requested information should be provided. Transmission Provider will promptly notify the requestor of such determination.
- (d) If Transmission Provider determines that the requestor is eligible to and should receive the requested MATL Proprietary Data, Transmission Provider will provide a form of MATL Proprietary Data Non-Disclosure Agreement ("NDA") to the requestor for execution.

Upon Transmission Provider's receipt of any required NDA executed by requestor with respect to such MATL Proprietary Data, Transmission Provider will, subject to any restrictions on providing requested MATL Proprietary Data, promptly provide the requested MATL Proprietary Data upon its determination that an NDA is not needed, or upon receipt of a properly executed NDA.

- (e) Nothing in this Part II shall alleviate Transmission Provider's obligation to provide access to requestor to MATL Proprietary Data pursuant to a specific order by the Commission.

2.7.3 Critical Energy Infrastructure Information ("CEII").

The Local Transmission Plan and local planning studies may include information identified as CEII by the Commission. All such information may only be included in the appendices of the Local Transmission Plan, such that the body can be provided to all interested stakeholders in an open manner.

- (a) **Access for Transmission Customers (w/OASIS access).**

The Transmission Provider shall post the draft and completed

Local Transmission Plan in the secure area of the Transmission Provider's OASIS website, which shall be accessible to Transmission Customers that have access to the secure area of Transmission Provider's OASIS.

Transmission Provider's CEII Request Procedure and CEII Non-Disclosure Agreement are posted on Transmission Provider's OASIS in the CEII folder. By accessing any material Transmission Provider has determined is CEII as such term is defined in 18 C.F.R. § 388.113, as may be amended from time to time, that has been posted on the Transmission Provider's OASIS, the Transmission Customer: (i) represents and warrants that it has read and understands the Transmission Provider's CEII policy and CEII Non-Disclosure Agreement; (ii) represents and warrants that it is an entity or person eligible to receive CEII and has, as contemplated by the Commission, a legitimate interest in and legitimate need for CEII from the Transmission Provider; and (iii) represents and warrants that such Transmission Customer will use any CEII received from the Transmission Provider only for the purposes for which the Commission has required its disclosure. Such Transmission Customer also agrees and acknowledges as follows:

- (1) Transmission Customer shall use any CEII received from the Transmission Provider only for such Transmission Customer's legitimate interest and legitimate need and shall only share such CEII with its employees, subcontractors, and agents who need to know such information for such Transmission Customer's legitimate interest and legitimate need and who have agreed, for the benefit of the Transmission Provider, to be bound (in the same manner as such Transmission Customer) by the terms of this section;
- (2) Transmission Customer shall take reasonable steps to protect any CEII received from the Transmission Provider (but in any event steps that are no less rigorous than such Transmission Customer would use to protect its own confidential information), to ensure that the Transmission Customer who receives such CEII directly or indirectly from such Transmission Customer distributes such CEII further except as permitted pursuant to subsection (A) above of this section; and
- (3) Transmission Customer shall destroy any CEII received from Transmission Provider and in such Transmission Customer's possession if and at such time when such CEII no longer serves the purposes described above, when such Transmission Customer is not an entity eligible to receive CEII, or when such CEII has been superseded or has become obsolete. Upon request by the Transmission Provider, such Transmission Customer shall certify to the Transmission Provider that such destruction has occurred.

2.8. Dispute Resolution Procedures.

2.8.1 If a dispute arises concerning local transmission planning, the Transmission Provider will utilize the dispute resolution mechanism provided for in the Tariff. The use of this dispute resolution process will be limited to general and specific issues arising from this Attachment K and transmission planning.

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

2.8.3 The basis of the dispute and final non-confidential decisions will be made available to stakeholders upon request.

2.8.4 Notwithstanding the above, all affected parties shall retain any rights they may have under Section 206 of the Federal Power Act to file a complaint with the Commission.

2.9. Local Planning Study Procedures.

2.9.1 Study Cycle. The Transmission Provider shall initiate local planning studies at least once every five (5) years. A more targeted study shall be conducted if: (i) required to address a need identified by the Transmission Provider in its on-going evaluation of the transmission line economic and operational adequacy and performance; (ii) required as result of the Transmission Provider's assessment of the transmission line's compliance with NERC Reliability Standards and/or WECC reliability requirements; or (iii) constraints or available transfer capability shortages are identified by the Transmission Provider, possibly as a result of generation additions or retirements, or evaluation of load forecasts. A local planning study also may be initiated for any other circumstances which may warrant such a study.

2.9.2 Notice of Initiation. The Transmission Provider shall provide written notice of the initiation of a local planning study to all members of the Planning Advisory Group. Transmission Provider shall consider the input of the Planning Advisory Group in preparing the study's scope, assumptions and procedures.

2.9.3 Scope of Studies. In general, local planning studies shall include:

- (a) An identification of existing and projected limitation on the transmission line's physical, economic, and/or operational capability or performance, with accompanying simulations to identify the costs of controlling those limitations;
- (b) Evaluation and analysis of potential enhancements and expansions, including alternatives thereto, needed to mitigate such limitations;
- (c) Identification, evaluation and analysis of potential enhancements and expansions for the purpose of supporting competition on the transmission line;
- (d) Engineering studies needed to determine the effectiveness and compliance (with reliability and operating criteria) of

recommended enhancements and expansions.

2.10. Economic Planning Studies.

The Transmission Provider shall undertake economic planning studies on behalf of Transmission Customers. Economic planning studies shall apply only to and evaluate potential upgrades or other investments that could reduce congestion or interconnect new resources. Generally, the studies will be conducted in connection with other planning studies. When requested to do so by the proper authority, the Transmission Provider will cooperate with energy agencies in the United States and Canada in regards to international import and export requirements and national interests.

2.10.1 Requests. Transmission Customers may submit written requests for economic planning studies to the Transmission Provider. Such requests shall specify in detail the specific proposed project to be the subject of the requested economic planning study. Requests for such studies to be considered in the development of the current Local Transmission Plan must be received by April 1 of the year of the Local Transmission Plan. Requests received after that date will be considered for the development of subsequent Local Transmission Plans, unless withdrawn by the requestor. The requests shall be posted on OASIS, subject to the confidentiality provisions. Transmission Provider shall respond within 30 days of receiving the request, to confirm receipt of the request and inform the requestor whether the request is deficient. Transmission Customers that use the transmission line are responsible for their own economic evaluation for the Transmission Customer's use of the Transmission System.

2.10.2 Clustering of Studies. At the discretion of the Transmission Provider, such studies may be clustered or batched or incorporated with the other planning studies.

2.10.3 Data Requirements. Requesting parties with unique economic planning studies shall be required to provide data as required by the Transmission Provider. To the extent the Transmission Provider deems appropriate, the Transmission Provider shall use generic industry data in place of customer-specific data.

2.10.4 Recovery of Economic Planning Study Costs. Transmission Customers requesting economic planning studies shall be responsible for the costs associated with the study. A deposit of \$25,000 shall be provided by the requestor prior to initiation of such a study. The requestor shall be responsible for the actual costs of the study. At the completion of the study, the Transmission Provider shall either refund the amount of deposit in excess of the cost of the study or collect from the requestor the amounts of the study cost in excess of the deposit.

2.11. Cost Allocation of New Facilities.

2.11.1 Reliability and Economic Projects. The costs of reliability and economic projects that are identified in the local transmission planning studies shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.2 New Facilities Identified Through Requests for Service. The costs of new facilities required because of individual requests for service shall be allocated to Transmission Customers pursuant to Schedule 7 of the Tariff.

2.11.3 Stakeholder Involvement in Cost Allocation Process. The Transmission Provider shall determine, with input from the Planning Advisory Group, what projects are reliability and economic projects.

2.12. Recovery of Planning Costs.

The Transmission Provider's local transmission planning costs, to the extent not specifically recovered pursuant to other provisions in this Attachment K, shall not be recovered from Transmission Customer, except that interconnection costs will be recovered from the applicable interconnection customer.

**PART III.
REGIONAL TRANSMISSION PLANNING PROCESS**

Governance and Participation

3.1 Governance

3.1.1 About NTTG

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

3.1.2 Committees

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

into, the transmission system.

3.2. Participation through Enrollment or Membership

3.2.1 Enrollment

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

3.2.2 Membership

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

- a. Planning Committee as specified in the Planning Committee Charter,
- b. Cost Allocation Committee as specified in the Cost Allocation Committee Charter, and
- c. Steering Committee as specified in the Steering Committee Charter.

3.2.3 Funder of NTTG

3.2.3.1 Eligibility

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

3.2.3.2 Funding Enrollment Process

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

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

on its website an Open Access Transmission Tariff or other agreement(s) providing for comparable transmission service, each including regional, interregional and interconnection-wide planning provisions for its transmission facilities located within the Western Interconnection that are the same as those expressed in Attachment K of the other Full Funders that are public utilities for their transmission facilities located in the Western Interconnection (each referred to as a "NJ Attachment K").

3.2.3.3 Funder Enrollment Obligations

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

a. Agrees to be bound by the decisions that have been made by the Steering Committee, the Planning Committee, the Cost Allocation Committee, and such other committees as exist, up to and including the date of enrollment.

b. Agrees to resolve disputes according to the dispute resolution process set forth in Attachment K, from the date of enrollment and throughout the period of enrollment.

c. Agrees not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement.

d. A Full Funder that is a public utility agrees:

i. To implement the provisions of its Open Access Transmission Tariff providing for comparable transmission service including Attachment K; and

ii. To modify its Open Access Transmission Tariff, Funding Agreement, and Finance Agent Agreement consistent with FERC orders.

e. A Full Funder that is not a public utility agrees:

i. To implement the provisions of its NJ Attachment K;

ii. To modify its NJ Attachment K, Funding Agreement, and Finance Agent Agreement, consistent with FERC orders, except that a non-public utility Full Funder need not file its NJ Attachment K, Funding Agreement, and Finance Agent Agreement;

iii. Not to take action within the Steering Committee or other committees of NTTG, or fail to take action within the Steering Committee or other committees of NTTG, that prevents a Full Funder that is a public utility from complying with its Open Access Transmission Tariff including Attachment K, Funding Agreement, and Finance Agent Agreement; and

iv. Not to include a provision in its NJ Attachment K that conflicts with a provision in the Open Access Transmission Tariff including Attachment Ks of a Full Funder that is a public utility.

3.2.3.4 Funder Termination of Enrollment

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

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

b. The entity violates an applicable requirement set forth in Section 3.2.3.3.

c. A non-public utility shall revoke and remove from its website the NJ Attachment K.

d. A public utility shall file with the Commission an Attachment K in place of the Attachment K specified in Section 3.2.3.2.

3.2.3.5 Identification of Full Funders

The following entities are enrolled in NTTG as Full Funders:

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

3.2.3.6 Identification of Nominal Funders

Utah Associated Municipal Power Systems is enrolled in NTTG as a Nominal Funder.

3.3 Stakeholder Participation

3.3.1 Participation through Public Meetings

Any stakeholder may participate in Steering Committee, Planning Committee and Cost Allocation Committee stakeholder meetings.

The date, time, and location of the public meetings and meeting materials shall be posted on the NTTG website as specified in the Steering Committee Charter, Planning Committee Charter, and the Cost Allocation Committee Charter. Meetings may be held in person, telephonically, or by video or Internet conference.

3.3.2 Participation through Committees

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

3.3.3 Participation through Commenting

In addition to commenting orally during stakeholder meetings as set forth in Section 3.3.1 or during committee meetings as set forth in Section 3.3.2, any stakeholder may submit written comments to a committee chair at any time through info@nttg.biz.

3.4 Sensitive Information

3.4.1 Critical Energy Infrastructure Information ("CEII")

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

3.4.2 Confidential Information

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

3.5. Transmission Provider Participation

3.5.1 Planning & Process

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

3.5.2 Project Identification

Transmission Provider will use best efforts to facilitate NTTG conducting its regional planning process, using identified regional transmission service needs and transmission and non-transmission alternatives, to identify regional and interregional transmission projects (if any) that are more efficient or cost effective from a regional perspective than the transmission projects identified in the Local Transmission Plans developed by the participating transmission providers that are Full Funders.

3.5.3 Project Cost Allocation

Transmission Provider, through its participation in NTTG, will support and use best efforts to ensure that NTTG, as part of its regional planning process, will determine benefits of projects and thereby allocate costs of projects (or in the case of interregional projects, portions of projects) selected for cost allocation as more fully described in Section 3.7.

3.5.4 Information Provided

Transmission Provider will provide NTTG with:

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

3.5.5 Information Posted

Subject to appropriate Critical Energy Infrastructure Information or other applicable regulatory restrictions,

Transmission Provider will post on its OASIS:

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

3.6. Dispute Resolution

3.6.1 Scope

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

3.6.2 Process

Disputes shall be resolved according to the following process:

- a. *Step 1* - In the event of a dispute involving the Planning Committee or Cost Allocation Committee (for disputes involving the Steering Committee, proceed to Step 2), the disputing entity shall provide written notice of the dispute to the applicable Planning Committee or Cost Allocation Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Planning Committee or Cost Allocation Committee to resolve the dispute. In the event the dispute is not resolved to the satisfaction of the disputing entity within 30 days of written notice of dispute to the applicable Planning or Cost Allocation Committee chair, or such other period as may be mutually agreed upon, the disputing entity shall proceed to Step 2.
- b. *Step 2* - The Planning Committee or Cost Allocation Committee chair shall refer the dispute to the Steering Committee. In the event of a dispute involving the Steering Committee, the disputing entity shall provide written notice of the dispute to the Steering Committee chair. An executive representative from the disputing entity shall participate in good faith negotiations with the Steering Committee to resolve the dispute. Upon declaration of an impasse by the state co-chair of the Steering Committee, the disputing entity shall proceed to Step 3.
- c. *Step 3* - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the mediation

process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept mediation of the dispute, the disputing entity may utilize the Commission's dispute resolution service to facilitate mediation of the dispute. If the dispute cannot be resolved in Step 3, the disputing entity shall proceed to Step 4.

d. *Step 4* - If the dispute is one that is within the scope of the WECC dispute resolution procedures (including a dispute that may be accommodated through modification of the WECC dispute resolution procedures through invocation of Section C.4 thereof), the disputing entity shall follow the binding arbitration process defined in Appendix C of the WECC bylaws. If the dispute is not one that is within the scope of the WECC dispute resolution procedures or the WECC otherwise refuses to accept arbitration of the dispute, the disputing entity may invoke the arbitration procedures set out in Article 12 of the *pro forma* Open Access Transmission Tariff to resolve the dispute.

3.6.3 Timeliness

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

Planning and Cost Allocation Processes

3.7 Preparation of Regional Transmission Plan

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

3.7.1 Pre-qualify for Cost Allocation

3.7.1.1 Who must Pre-Qualify

A Nonincumbent Transmission Developer and an Incumbent Transmission Developer (a "Project Sponsor") that intends to submit its project for cost allocation consideration, if the project is selected in the Regional Transmission Plan for cost allocation, must be pre-qualified by the Planning Committee in accordance with this Section 3.7.1, and remain qualified to be considered a Sponsored Project in subsequent Regional Transmission Plans.

3.7.1.2 How to Pre-Qualify

A Project Sponsor must submit the sponsor qualification data described in Table 1 below to NTTG, through info@nttg.biz, by October 31st of Quarter 8 of the prior Regional Planning Cycle. A Project Sponsor shall use the Sponsor Qualification Data Form found on the NTTG website to submit the data.

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

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

The Project Sponsor has until January 31st of Quarter 1 of the current Regional Planning Cycle to cure identified deficiencies. If the deficiency is not cured by the end of January of Quarter 1, the project will be considered an unsponsored project submitted by a stakeholder, unless the Applicant withdraws the project from further consideration. The Planning Committee may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a project set forth in a withdrawn submission. During the next Regional Planning Cycle, stakeholder may seek qualification as a Project Sponsor, with updated information and data deficiencies cured. The Project Sponsor must continue to comply with the pre-qualification requirements set forth in Section 3.7.1 for the project to continue to be considered a Sponsored Project in the next Regional Transmission Plan.

Table 1. Sponsor Qualification Data

Sponsor Qualification Data - Submit Quarter 8 Prior to the Regional Planning*(n.2)			
	Category	Qualification Data	How Sponsor Qualification Data Will be Evaluated
1	Project Sponsor description	1. Name and address. 2. Years in business. 3. Operating environment (nature of business).	Access whether the required data was submitted.
2	Project Summary	1. Voltage 2. Single or double circuit.	Assess whether the required data was submitted.

		<ul style="list-style-type: none"> 3. AC or DC. 4. Estimated cost. 5. Approximate construction period. 6. Project location. 7. Points of interconnection with the transmission grid. 	
3	Project Name	1. Project Name.	Assess whether the required data was submitted.
4	Project Sponsor demonstration of technical expertise to develop, construct and own the proposed project	<ul style="list-style-type: none"> 1. Management's experience in developing, constructing (or managing construction), and owning a project of similar size and scope. 2. Clear discussion of Project Sponsor's depth and breadth of technical expertise, including Project Sponsor's internal expertise or external expertise, or both, to develop, construct, and own the proposed project. 3. Name, location, and description of a project of similar scale that demonstrates Project Sponsor's technical expertise to develop, construct, and own the proposed project. 	Assess whether the submission provides experience, including managerial and technical expertise in developing, constructing (or managing construction) and owning comparable projects.
5	Project Sponsor financial expertise to develop, construct, and own the proposed project.	<p>Creditworthiness review requires the following information, if available:</p> <ul style="list-style-type: none"> 1. Most recent annual report. 2. Most recent quarterly report. 3. Last two most recent audited year-end financial statements. 4. Rating agency reports. 5. Any material issues that could affect the credit decision, including but not limited to litigation, arbitration, contingencies, or investigations (if 	Assess whether the qualification data was submitted and satisfied required qualitative criteria.

		<p>applicable).</p> <p>6. Other information supporting Project Sponsor's financial expertise.</p> <p>In addition to the qualification data above, demonstrate that the Project Sponsor, or the sponsor's parent company has either an investment grade rating, or, meets the following test:</p> <p>A. Has a minimum tangible net worth of \$1,000,000 or a total asset of \$10,000,000</p>	
6	Proposed project financing plan	<ol style="list-style-type: none"> 1. Describe how the project will be financed. 2. List investors and percentage ownership of each. 3. Proposed sources of debt and equity capital and the percentages of each. 	Assess whether the submission provides the appropriate financial information for the investor(s), including financial expertise provided in response to category 4.
7	Project Sponsor ability to maintain and operate proposed project	<p>Clear description of Project Sponsor, its parent organization, or the third-party contractor(s) the Project Sponsor plans to retain to operate and/or maintain the proposed project. To the extent the Project Sponsor plans to rely on any third-party contractor(s) not yet under contract, the Project Sponsor must also indicate when it plans to enter into a definitive agreement with its contractor(s). Must provide (1) actual examples of at least five years of operation and maintenance experience for a similar size project; or (2) provide similar information for Project Sponsor's consultant or outsourced entity.</p>	Assess whether the qualification data was submitted and satisfied the required qualitative criteria.
8	Primary Project Contact	<ol style="list-style-type: none"> 1. Name. 2. Title. 3. Phone. 4. Email. 	Assess whether the required data was submitted.

9	Signature	Signature of authorized representative.	Assess whether the document was signed.
---	-----------	---	---

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

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

3.7.2 Quarter 1 - Data Gathering and Project Submittal

3.7.2.1 Data Gathering

Planning Committee shall gather and coordinate Transmission Provider (as specified in Section 2.3.9 and Section 3.5.4) and stakeholder input, which may include ideas for consideration, applicable to the Planning Horizon. Any stakeholder may submit data to be evaluated as part of the preparation of the Draft Regional Transmission Plan, including data supporting transmission needs and associated facilities driven by Public Policy Requirements, Public Policy Considerations, and alternate solutions to the identified needs set out in the Transmission Provider's Local Transmission System Plan and prior Regional Transmission Plans. A stakeholder shall use the Data Submittal Form found on the NTTG website to submit its data. Any stakeholders wishing to submit input without submitting a Data Submittal Form can submit such input by email. Stakeholders shall submit such data and/or input by email to NTTG, through info@nttg.biz, no later than January 31st of Quarter 1.

3.7.2.2 Proposing a Project for Consideration

A Project Sponsor may propose a transmission project for consideration in the Regional Transmission Plan (a "Sponsored Project") by submitting to the Planning Committee chair the information identified in the "sponsored project" column of Table 2 below. A stakeholder may submit an unsponsored project for consideration in the Regional Transmission Plan by submitting to the Planning Committee chair the information identified in the "unsponsored project" column of Table 2 below. A Merchant Transmission Developer within the NTTG Footprint shall submit to the Planning Committee chair the information identified in the "merchant developer project" column of Table 2 below. A Project Sponsor and a stakeholder that submits an unsponsored project are collectively referred to in this Section 3.7 as an "Applicant." Applicant and a Merchant Transmission Developer shall use the Data Submittal Form found on the NTTG website to submit its project. By March 31st of Quarter 1, Applicant and Merchant Transmission Developer shall submit a completed Data Submittal Form to NTTG, through info@nttg.biz.

Table 2. Minimum Information Required

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

1. Incumbent Transmission Developer shall provide load and resource data for its balancing authority area or the balancing authority area in which it operates. Nonincumbent Transmission Developer and Merchant Transmission Developer who are providing data shall identify the intended to be served with the line and generation resource intended to inject energy into the line for the identified load.
2. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the new or existing resource and/or load that may require this proposed project if other than forecasted transmission service.
3. Provide this information only to the extent it is readily available when the information is due.
4. To the extent applicable and data is readily available for the proposed transmission project; provide the approximate location of the congestion that this project is proposed to address.
5. Provide data for transmission service requests and forecasted transmission service needs. If network transmission loads or native load service needs are included in the response to the load data requested in

row "A," then do not provide them in response to this data request. If not provide, then provide the data.

6. Provide data supporting the economic considerations (rather than load service, reliability or Public Policy Requirements) that are driving the project. Economic considerations include but are not limited to a search for lower cost power or marketing opportunities for power or transmission service.

3.7.2.3 Proposing a Project for Consideration for Cost Allocation

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

a. A statement as to whether the project was selected in a transmission provider's local plan;

b. A statement as to whether the proposed project is planned in conjunction with evaluation of economical resource development and operation (i.e., as part on an integrated resource planning process or other resource planning process regarding economical operation of current or future resources) conducted by or for one or more load serving entities within the footprint of a local transmission provider;

c. If the proposed project is planned primarily to meet the transmission needs of a reliability or Public Policy Requirement of a transmission provider, copies of all studies (i.e., engineering, financial, and economic) upon which planning of the project is based;

d. If the proposed project is planned as part of future resource development and operation within the footprint of a local transmission provider, copies of all studies upon which planning of the project is based, including, but not limited to, any production cost model input and output used as part of the economic justification of the project;

e. To the extent not already provided, copies of all studies performed by or in possession of the Applicant that describe and/or quantify the estimated annual impacts (both beneficial and detrimental) of the proposed project on the Applicant and other regional entities;

f. To the extent not already provided, copies of any WECC or other regional, interregional, or interconnection-wide planning entity determinations relative to the project;

g. To the extent not set forth in the material provided in

response to items (b) - (e), the input assumptions and the range of forecasts incorporated in any studies relied on by the Applicant in evaluating the efficiency or cost-effectiveness of the proposed project;

h. Any proposal Applicant may choose to offer with regard to treatment of project cost overruns.

3.7.2.4 Submission of Economic Study Requests

Stakeholders may submit Economic Congestion Study Requests as set forth in Section 3.11.

3.7.2.5 Updates to Previously Selected Projects

For projects selected in the prior Regional Transmission Plan, the Applicant must submit an updated project development schedule to the Planning Committee. The Applicant must also submit updated information for its third-party contractor(s), to the extent such information or the timeline for entering into a definitive agreement is different than the information previously provided pursuant to Table 1 above. Stakeholders shall use the Data Submittal Form found on the NTTG website. By March 31st of Quarter 1, Applicants shall submit an updated form to NTTG, through info@nttg.biz.

3.7.2.6 Review for Completeness

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

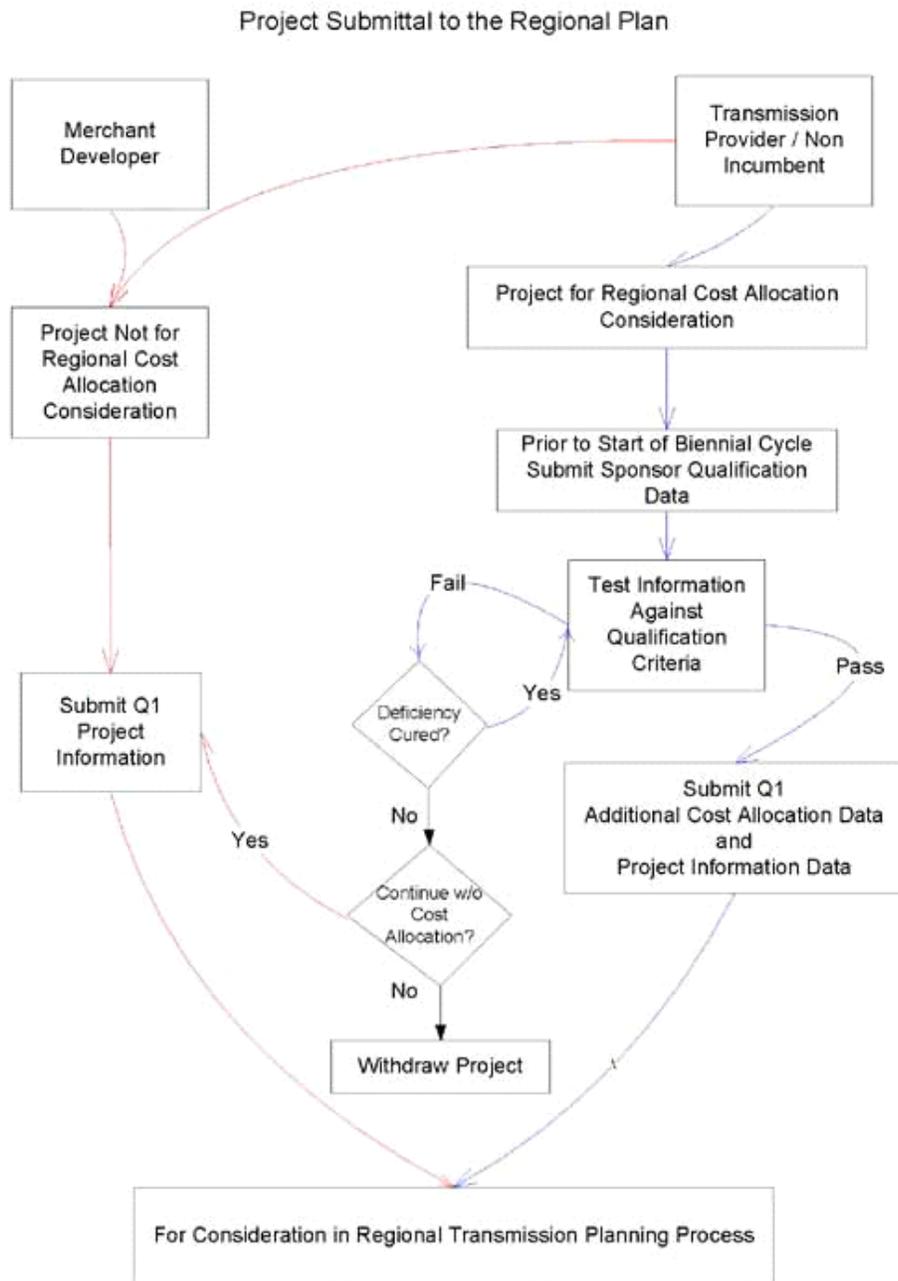


Figure 1. "Project Submittal Process"

3.7.3 Quarter 2 - Development of the Biennial Study Plan

3.7.3.1 Evaluate the Data

The Planning Committee shall identify the loads,

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

3.7.3.2 Development of the Biennial Study Plan

The Planning Committee will develop the Biennial Study Plan, which describes

- a. The detailed study methodology;
- b. Reliability criteria;
- c. Transmission needs driven by Public Policy Requirements and Public Policy Considerations selected for use in the Biennial Study Plan;
- d. Assumptions;
- e. Databases;
- f. Analysis tools;
- g. Projects (including unsponsored projects) included in the prior Regional Transmission Plan that will be reevaluated according to Section 1.9 (unless the Planning Committee has received notice or is aware that a project included in the prior Regional Transmission Plan has been cancelled or replaced in which case the cancelled or replaced project will not be included);
- h. The projects included in each of the Full Funders Local Transmission Plans;
- i. Sponsored Projects, projects submitted by stakeholders, projects submitted by Merchant Transmission Developers, unsponsored projects identified by the Planning Committee, and unsponsored projects submitted by stakeholders; and
- j. Allocation scenarios.

The projects in (g) and (h) are collectively referred to as the "Initial Regional Plan." The projects identified in (i) are referred to as the "Alternative Projects." The allocation scenarios referenced in (j) are developed by the Cost Allocation Committee (in consultation with the

Planning Committee) with stakeholder input, for those parameters that will likely affect the amount of total benefits and their distribution among Beneficiaries as set forth in Section 3.8.2.3.

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

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

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

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

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

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

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

3.7.3.3

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

3.7.3.3.1. Overview

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

3.7.3.3.2. Process

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

Q1 Transmission Needs Driven by Public Policy Data Submitted	
Transmission Provider	Stakeholder
Q2 Develop Biennial Study Plan Define Transmission Needs Driven by Public Policy Requirements & Public Policy Considerations	
With stakeholder and state regulator input, identify transmission needs driven by Public Policy Requirements and Public Policy Considerations to include in Regional Transmission Plan	

Requirement included in Regional Transmission Plan	Considerations included in scenario analysis
Q2 (June)	
Rationale for selection and exclusion of transmission needs driven by Public Policy Requirements and Public Policy Considerations posted on NTTG website	
Q3 Start Technical Analysis	
Transmission needs driven by Public Policy Requirements to be evaluated with other projects within biennial planning process	

Figure 2. "Planning Committee Process for Selecting Transmission Needs Driven by Public Policy Requirements and Public Policy Considerations"

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

In Quarter 2, after consultation with stakeholders, including state regulators, the Planning Committee recommends to the Steering Committee the transmission needs driven by Public Policy Requirements to be used in the Biennial Study Plan, as well as the transmission needs driven by Public Policy Considerations to be used in the additional study analysis. The additional study analysis results are informational only and may inform the Regional Transmission Plan, but will not result in the inclusion of additional projects in the Regional Transmission Plan. Refer to Section 3.7.3.2

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

3.7.3.3.3. Identification

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

other regional projects.

3.7.3.3.4. Posting

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

3.7.3.4 Identification of Un-sponsored Transmission Projects by Planning Committee

The Planning Committee may, using its knowledge of the transmission systems and its professional judgment, identify an un-sponsored project.

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

3.7.4.1 Analysis and Methodology

The Planning Committee shall utilize each Alternative Project in one or more Change Cases and, using the criteria set forth in Section 3.7.4.2, determine if a Change Case is a more efficient or cost-effective solution for the NTTG Footprint than the Initial Regional Plan based upon the methodology set forth below. The methodology employed by the Planning Committee will be to develop one or more Change Cases by replacing non-Committed project(s) in the Initial Regional Plan with one or more of the Alternative Projects. Each Change Case will be compared against the Initial Regional Plan for the tenth year of a ten-year planning horizon. Criteria (b) and (c) described in Section 3.7.4.2 below will be monetized using an index price of power and summed with capital-related cost criteria to develop an incremental cost for that Change Case that will be compared to the Initial Transmission Plan's incremental capital-related cost for replaced or deferred project(s) and incremental Monetized Non-Financial Incremental Costs. The set of projects (either the Initial Regional Plan or a Change Case) with the lowest incremental cost, as adjusted by its effects on neighboring regions as set forth in Section 3.7.4.3, will then be incorporated within the Draft Regional Transmission Plan. The projects eligible for cost allocation (i.e., those satisfying the criteria set forth in Sections 3.8 and 3.8.2.1) that are incorporated within the Draft Regional Transmission Plan will then be evaluated for cost allocation by the Cost Allocation Committee as set forth in Section 3.8.2. As used in this paragraph, "Monetized Non-Financial Incremental Costs" means those incremental costs associated with an Alternative Project that are not directly evaluated and measured in dollars of changed revenues, expenses, or capital investment. Such incremental costs, which are non-financial in nature, will be monetized by

applying an appropriate index or conversion factor to convert the units in which the incremental costs were directly evaluated and measured into a dollar value. (For example, losses are measured in megawatt hours. That quantity will be converted to dollars by multiplying the quantity by a dollar per megawatt hour index.)

3.7.4.2 Analysis Criteria

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

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

"Annual Capital-Related Costs" will be the sum of annual return (both debt and equity related), depreciation, taxes other than income, operation and maintenance expense, and income taxes. These costs will be based on estimates provided by the Applicant or estimates by the Planning Committee using representative industry data if not provided by the Applicant. Power flow analysis will be used to ensure each scenario meets transmission reliability standards.

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

b. Energy Losses. This metric captures the change in energy generated to serve a given amount of load. A change in annual energy losses between a Change Case and the Initial Regional Plan measures the energy impact of changing (either displacing or adding) projects within the Initial Regional Plan with one or more projects in

the Change Case. Power flow or production cost analysis will be used to measure the quantity of energy losses in each scenario. Those entities affected by the change in energy losses shall be identified for the cost allocation process.

c. Reserves. This metric is based on savings that may result when two or more balancing authority areas could economically share a reserve resource when unused transmission capacity remains in proposed transmission project. A change in annual reserves between a Change Case and the Initial Regional Plan measures the energy impact of changing projects within the Initial Regional Plan with one or more projects in the Change Case. The incremental reserve requirement for each balancing authority area within the NTTG Footprint will be calculated as a standalone quantity and as a reserve sharing quantity for each scenario. Those entities affected by the change in reserves shall be identified for the cost allocation process.

Each criterion (a), (b), and (c) will be expressed as an annual change in costs (or revenue). The annual changes will be discounted to a net present value to the in-service year of the project for which the cost allocation is being determined. A common year will be selected for net present value calculations for all cases to enable a comparative analysis between each Change Case and the Initial Regional Plan. For example, if a transmission project scheduled in-service beginning year 6 of the 10-year study period is deferred until after year 10 by another project in-service beginning in year 6, the change in Annual Capital-Related Costs would be computed for years 6 through 10 and converted to a net present value for year 6 of the study period. Any change in energy losses or reserves would similarly be calculated for years 6-10 as a change in cost or revenue for each affected Beneficiary and discounted to a net present value to year 6, the in-service year of the project for which the cost allocation is developed.

3.7.4.3 Analysis of Additional Alternatives

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

3.7.4.4 Impacts on Neighboring Regions

The Planning Committee will monitor the impacts of projects under consideration for the Draft Regional Transmission Plan on neighboring Planning Regions. The

methodology employed by the Planning Committee will identify the most efficient or cost effective plan (either the Initial Transmission Plan or a Change Case) prior to consideration of impacts on neighboring Planning Regions. If the Planning Committee finds that such Change Case or Initial Regional Plan may cause reliability standard violations on neighboring Planning Regions, the Planning Committee shall coordinate with the neighboring Planning Regions to reassess and redesign the facilities. If the violation of reliability standards can be mitigated through new or redesigned facilities or facility upgrades within the NTTG Footprint or through operational adjustments within the NTTG Footprint, the costs of such mitigation solutions shall be considered in addition to the cost of the project(s) under consideration when selecting a project for the Draft Regional Transmission Plan. If the reliability standard violation cannot be mitigated (by actions within the NTTG Footprint or the affected neighboring Planning Region), the Change Case or Initial Regional Plan will not be selected for the Draft Regional Transmission Plan. The impacts of upgrades on, or additions to, the neighboring Planning Regions, whether identified by Planning Committee or the neighboring Planning Regions, will be considered by the Planning Committee; provided, however, any costs associated with such impacts in the neighboring Planning Regions will not be accepted for cost allocation, and will not be considered when selecting a project for the Draft Regional Transmission Plan. The evaluation specified in this Section 3.7.4.3 will be repeated, as necessary, until the Change Case or Initial Regional Plan is selected for the Draft Regional Transmission Plan pursuant to Section 3.7.4.1.

3.7.4.5 Draft Regional Transmission Plan

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

3.7.5 Quarter 5 - Stakeholder Review of Draft Regional Transmission Plan

3.7.5.1 Public Review

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

3.7.5.2 Public Comment and Updates

Any stakeholder may submit to the Planning Committee chair comments on the Draft Regional Transmission Plan

through info@nttg.biz. Stakeholder comments may include identification of a new unsponsored project. New unsponsored projects will be considered to the extent feasible, as determined by the Planning Committee, without delaying the development of the Regional Transmission Plan. New unsponsored projects that are not considered during the current Regional Planning Cycle will be noted in the Regional Transmission Plan and carried forward for consideration in the following Regional Planning Cycle. In addition, Project Sponsors and stakeholders that submitted projects included in the Draft Regional Transmission Plan shall update data provided in Quarter 1 using the same forms identified in Quarter 1; provided, however, only changes that should likely lead to a material change, individually or in the aggregate, in the Draft Regional Transmission Plan and match the level of detail described in quarter 1 above need to be submitted. Changes to third-party contractor information or the timeline for entering into a definitive agreement with a third-party contractor is considered a material change and must be updated, to the extent the information is different than the information provided in Quarter 1. All stakeholder submissions will be evaluated, in consultation with stakeholders, on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability requirements, address economic considerations and meet transmission needs driven by Public Policy Requirements.

3.7.5.3 Submission of Economic Study Reports

Stakeholders may submit Economic Study Requests as provided for in Section 3.11.

3.7.6 Quarter 6 – Updates to the Biennial Study Plan

3.7.6.1 Updated Biennial Study Plan

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

3.7.6.2 Cost Allocation

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

3.7.6.3 Draft Final Regional Transmission Plan

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

3.7.7 Quarter 7 - Draft Final Regional Transmission Plan Review

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

3.7.8 Quarter 8 - Regional Transmission Plan Approval

The Planning Committee will submit the Draft Final Regional Transmission Plan to the Steering Committee for approval, completing the Regional Planning Cycle. The Planning Committee will share the approved Regional Transmission Plan for consideration in the local and interconnection-wide study processes.

Any unsponsored project in the Final Regional Transmission Plan may be resubmitted using the process described in Sections 3.7.1 and 3.7.2 above, as a Sponsored Project by a pre-qualified Project Sponsor for consideration in the next Regional Planning Cycle for purposes of cost allocation. Pursuant to Section 3.9.1 below, such project shall be subject to reevaluation unless it is a Committed Project.

3.7.9 Quarterly Meetings

The Planning Committee and Cost Allocation Committee shall jointly convene a public meeting at the end of each quarter in the Regional Study Cycle to present a status report on the development of the Regional Transmission Plan, summarize the substantive results at each quarter, present drafts of documents, and receive comments.

3.8. Cost Allocation.

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

3.8.1 Participant Funding.

3.8.1.1 Open Season Solicitation of Interest.

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

- 3.8.1.1.1. Announce and solicit interest in the project through informational meetings, its website and/or other means of dissemination as appropriate;
- 3.8.1.1.2. Schedule meeting(s) with stakeholders and/or state public utility commission staff, as appropriate; and
- 3.8.1.1.3. Post information about the proposed project on its OASIS.

For any project entered into by Transmission Provider where an open-season solicitation-of-interest process has been used, the Transmission Provider will choose to allocate costs among project participants in proportion to investment or based on a commitment to transmission rights, unless the parties agree to an alternative mechanism for allocating project costs. In the event an open season process results in a single participant, the full cost and transmission rights will be allocated to that participant.

3.8.1.2 Projects without a Solicitation of Interest.

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

3.8.1.3 Other Sponsored Projects.

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

3.8.2 Allocation of Costs

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

3.8.2.1 Project Qualification.

To be eligible for cost allocation, and therefore selected into the Draft Transmission Plan for purposes of cost allocation, the Planning

Committee Cost shall verify that the project:

- a. Was proposed for such purpose by a pre-qualified sponsoring entity was an unsponsored project identified in the regional planning process, or was an unsponsored project proposed by a stakeholder (or Transmission Provider or non-incumbent transmission developer not desiring to sponsor the project);
- b. Was selected in the Draft Regional Transmission Plan; and
- c. Has an estimated cost exceeding \$20 million.

3.8.2.2 Allocation of Project Costs to Beneficiaries.

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

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

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

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

The adjusted net benefits, as determined by applying the limits in the two conditions above, are used for allocating project costs proportionally to

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

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

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

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

The Cost Allocation Committee shall provide its cost allocations to the Planning Committee for its inclusion in the Draft Final Regional Transmission Plan. While the estimation of benefits is not dependent or conditioned on a Beneficiary's receipt of future ownership rights or Ownership-Like Rights on the project or the transmission system(s) involved, the Cost Allocation Committee shall identify and provide with the cost allocation of any such project those transmission rights or Ownership-Like Rights that were assumed would be available to and utilized by the Beneficiary in order to realize the benefits attributed to the Beneficiary. "Ownership-Like Rights," as used in this paragraph, refers to those arrangements where an entity has rights in certain transmission facilities or a transmission path owned by another entity (or entities), which are based upon a percentage of the facility or path's rated

capacity, and which rights remain through the in-service life of the facility or path.

3.8.2.3 Allocation Scenarios

As set forth in Section 3.7.3.2, during Quarters 1 and 2, the Cost Allocation Committee (in consultation with the Planning Committee) with stakeholder input, will create allocation scenarios for those parameters that likely affect the amount of total benefits of a project and their distribution among Beneficiaries. The allocation scenarios become part of the Biennial Study Plan during its development in Quarter 2, and are not used by the Planning Committee and the Cost Allocation Committee until the development of benefits pursuant to the analysis criteria in Section 3.7.4.2 and the allocation of costs pursuant to those benefits to Beneficiaries pursuant to Section 3.8.2.2 starting in Quarter 6.

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

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

3.8.3 Exclusions.

The cost for projects undertaken in connection with requests

for interconnection or transmission service under the Tariff will be governed solely by the applicable cost allocation methods associated with those requests under the Tariff.

3.9. Reevaluation

3.9.1 Reevaluation of the Regional Transmission Plan.

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

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

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

- a. The Project Sponsor fails to meet its project development schedule such that the needs of the region will not be met,
- b. The Project Sponsor fails to meet its project development schedule due to delays of governmental permitting agencies such that the needs of the region will not be met, or
- c. The needs of the region change such that a project with an alternative location and/or configuration meets the needs of the region more efficiently or cost effectively.

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

During such reevaluation the Planning Committee shall only consider remaining costs to complete the Original Project

against the costs to complete of the other projects being evaluated.

3.9.2 Reevaluation of Cost Allocation

A cost allocation shall be performed in each Regional Planning Cycle for any project that has been selected for purposes of cost allocation in the prior Regional Transmission Plan until such project is deemed as "Committed" pursuant to Part B, Section 9.1.

3.10. Calculations

The Planning Committee shall include the calculations conducted pursuant to Section 3.7.4 in the Regional Transmission Plan, and the Cost Allocation Committee shall include the calculations conducted pursuant to Section 3.8.2 in the Regional Transmission Plan. Unless precluded by software licensing requirements or other limitations, the Planning Committee and the Cost Allocation Committee shall utilize best efforts to provide input data, and calculated output data to requesting stakeholders. The Planning Committee and the Cost Allocation Committee shall also identify the models utilized and the contact information of the vendors providing the model to requesting stakeholders. Stakeholders may comment on the clarity of the calculations considered by the Planning Committee and the Cost Allocation Committee.

3.11. Economic Study Requests

3.11.1 Submission of Economic Study Requests

Any stakeholder may submit a:

- a. Local Economic Study Request to the Transmission Provider as provided for in Part II, Section 10;
- b. Regional Economic Study Request to the Planning Committee as provided for in Section 3.12.1; and
- c. Interconnection-wide Economic Study Request to WECC TEPPC as provided for in Part V.

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

3.11.2 Review for Completeness

The Planning Committee or the Transmission Provider will review the information it receives pursuant to this Section 3.11 for completeness. If a stakeholder fails to meet the information requirements, the Planning Committee or Transmission Provider shall notify the stakeholder of the reasons for such failure. The Planning Committee or Transmission Provider will attempt to remedy deficiencies in the submitted information through informal communications with the stakeholder. If such efforts are unsuccessful within 15 calendar days of the close of the submission window, the

Planning Committee or Transmission Provider shall return the stakeholder's information, and stakeholder's request shall be deemed withdrawn. The Planning Committee or Transmission Provider may consider the incomplete data in its consideration of whether to include an unsponsored project that resembles a request set forth in a withdrawn submission. Stakeholder may resubmit the request for consideration during the next submission window with updated information and data deficiencies cured.

3.11.3 Categorization and Processing of Economic Study Requests

All Economic Study Requests will be categorized by the Planning Committee or the Transmission Provider as a Local Economic Study Request, a Regional Economic Study Request, or an Interconnection-wide Economic Study Request. Local Economic Study Requests will be forwarded to the Transmission Provider and processed as set forth in Part II, Section 10. Regional Economic Study Requests will be forwarded to the Planning Committee and processed as set forth in Section 3.12. Interconnection-wide Economic Study Requests will be forwarded to WECC TEPPC and processed as set forth in Part V.

3.12. Regional Economic Study Requests

3.12.1 Submission Windows

Regional Economic Study Requests may be submitted in Quarters 1 and 5 of each Regional Study Cycle, and must be received by March 30th of each year. A Regional Economic Study Request is submitted to the Planning Committee using the Economic Study Request Form found on the NTTG website. Additionally, to be considered a Regional Economic Study Request, the stakeholder must request membership in the Planning Committee according to the terms and conditions of the Planning Committee Charter, or sign the Economic Study Agreement, attached as Exhibit A. A stakeholder shall submit completed forms to the Planning Committee, through info@nttg.biz.

3.12.2 Studies Performed

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

a. The most significant opportunities to reduce overall costs of the Regional Transmission Plan while reliably serving the load growth needs being studied in the Regional Transmission Plan, and

b. Input from stakeholders at the Planning Committee meeting. The Planning Committee shall notify the entities submitting Regional Economic Study Requests of its decision.

3.12.3 Additional Studies

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

3.12.4 Clustering Study Requests

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

3.12.5 Unaccommodated Economic Study Requests

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

3.12.6 Study Schedule

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

PART IV. INTERREGIONAL PLANNING PROCESS

4. Common Interregional Coordination and Cost Allocation

This Section 4 of Attachment K sets forth common provisions, which are to be adopted by or for each Planning Region and which facilitate the implementation of Order 1000 interregional provisions. Nothing in section 4 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.

Definitions

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

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

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

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

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

4.1.5. Planning Region: means each of the following Order 1000 transmission planning regions insofar as they are within the Western Interconnection: California Independent System Operator Corporation, ColumbiaGrid, NTTG Transmission Group, and WestConnect.

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

4.2 Annual Interregional Information Exchange

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

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

- (b) planning study assumptions; and
 - (c) study methodologies;
- (ii) initial study reports (or system assessments); and
- (iii) regional transmission plan
- (collectively referred to as "Annual Interregional Information").

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

NTTG may use in its regional transmission planning process Annual Interregional Information provided by other Planning Regions.

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

4.3 Annual Interregional Coordination Meeting

NTTG shall participate in an Annual Interregional Coordination Meeting with the other Planning Regions. NTTG shall 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 31st. The Annual Interregional Coordination Meeting is to be open to stakeholders. NTTG shall provide notice of the meeting to its stakeholders in accordance with its regional transmission planning process.

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

- (i) each Planning Region's most recent Annual Interregional Information (to the extent it is not confidential or protected by CEII or other legal restrictions);
- (ii) identification and preliminary discussion of interregional solutions, including conceptual solutions, that may meet regional

transmission needs in each of two or more Planning Regions more efficiently or cost effectively; and

(iii) updates of the status of ITPs being evaluated or previously included in NTTG's regional transmission plan.

4.4 ITP Joint Evaluation Process

4.4.1 Submission Requirements

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

4.4.2 Joint Evaluation of an ITP

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

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

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

- (a) is to seek to resolve any differences it has with the other Relevant Planning Regions relating to the ITP or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's evaluation of the ITP;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under section 4.4.2 in accordance with its regional transmission planning process;
- (c) is to notify the other Relevant Planning Regions if NTTG determines that the ITP will not meet any of its regional transmission needs; thereafter NTTG has no obligation under section 7.4.2 of Appendix A to participate in the joint evaluation of the ITP; and

(d) is to determine under its regional transmission planning process if such ITP is a more efficient or cost effective solution to one or more of CNTTG's regional transmission needs.

4.5 Interregional Cost Allocation Process

4.5.1 Submission Requirements

For any ITP that has been properly submitted in each Relevant Planning Region's regional transmission planning process in accordance with section 4.4.1, a proponent of such ITP may also request Interregional Cost Allocation by requesting such cost allocation from NTTG and each other Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must include with its submittal to each Relevant Planning Region a list of all Planning Regions in which Interregional Cost Allocation is being requested.

4.5.2 Interregional Cost Allocation Process

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

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

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

- (a) is to seek to resolve with the other Relevant Planning Regions any differences relating to ITP data or to information specific to other Relevant Planning Regions insofar as such differences may affect NTTG's analysis;
- (b) is to provide stakeholders an opportunity to participate in NTTG's activities under section 4.5.2 in accordance with its regional transmission planning process;
- (c) is to determine its regional benefits, stated in dollars, resulting from an ITP; in making such determination of its regional benefits in NTTG, NTTG shall use its regional cost allocation methodology, as applied to ITPs;
- (d) is to calculate its assigned *pro rata* share of the projected costs of the ITP, stated in a specific dollar amount, equal to its share of the total benefits identified by the Relevant Planning Regions multiplied by the projected costs of the ITP;

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

4.6 Application of Regional Cost Allocation Methodology to Selected ITP

4.6.1 Selection by All Relevant Planning Regions

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

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

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

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

PART V. Interconnection-Wide Planning Process

5.1.

Introduction

Transmission Provider is a member of the WECC and supports the work of WECC TEPPC. NTTG may utilize WECC TEPPC for consolidation and completion of congestion and Economic Congestion Studies, base cases and other interconnection-wide planning. NTTG may coordinate with other neighboring regional planning groups directly, through joint study teams, or through the interconnection-wide process. Eligible Customers and stakeholders may participate directly in the WECC's processes, pursuant to participation requirements defined by WECC TEPPC, or participate indirectly through the Transmission Provider via development of the Local Transmission System Plan or through the NTTG processes as outlined above in Parts 3 and 4.

5.2. Transmission Provider Coordination

Transmission Provider will coordinate with WECC TEPPC for interconnection-wide planning through its participation in NTTG. Transmission Provider will also use NTTG to coordinate with neighboring regional planning groups including the CAISO, WestConnect, NWPP and Columbia Grid. The goal of NTTG's coordination on an interconnection-wide basis on behalf of Transmission Provider is to (1) share system plans to ensure that they are simultaneously feasible and otherwise use consistent assumptions and data, and (2) identify system enhancements that could relieve congestion or integrate new resources. A description of the interconnection-wide planning process is located in the Transmission Provider's business practice, located on its OASIS website.

5.3 Study Process

WECC TEPPC's transmission planning protocol and information is available on the WECC website. A link to the WECC TEPPC process is maintained in the transmission planning business practice, available on the Transmission Provider's business practices located in the Business Practices, Waivers and Exemptions folder on the Transmission Provider's OASIS website.

5.4 Stakeholder Participation

Stakeholders have access to the interconnection-wide planning process through NTTG's public planning meetings, other regional planning groups and WECC at their discretion.

5.5 Interconnection-Wide Economic Study Requests

5.5.1 Submission of Economic Study Requests

Stakeholders shall submit their Interconnection-wide Economic Study Request to the WECC TEPPC process and provide the Planning Committee with a copy through info@nttg.biz.

5.5.2 Transmission Provider Support of WECC TEPPC

Transmission Provider will support, directly and through its participation in NTTG, the WECC TEPPC process.

5.5.3 Interconnection-Wide Economic Study Requests

Interconnection-wide Economic Study Requests by the will be processed and studied by WECC TEPPC according to its rules and procedures. Results of WECC TEPPC studies will be distributed by WECC TEPPC pursuant to its rules and procedures.

5.6 Dispute Resolution

Interconnection-wide dispute resolution will be pursuant to the process developed by WECC. Nothing contained in this Section 6 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

5.7 Cost Allocation

A Western Interconnection cost allocation methodology does not exist, therefore cost allocations for interconnection wide transmission projects, will be addressed on a case-by-case basis by parties participating in the project.