

FERC Order No. 1000 Compliance Interregional Transmission Planning Process Narrative

Draft

*California ISO
Northern Tier Transmission Group
WestConnect*

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Draft for discussion purposes only; reflects discussions as of the date of the document and information and proposals reflected are dynamic and have not been fully vetted or approved; content is subject to change; some of the discussion in this document may be provided for context.

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DRAFT

I. Introduction to the Interregional Transmission Planning Process Narrative

The “*Western Interconnection – Order No. 1000 Interregional Compliance Filings*” (“Common Tariff Language”) were formally accepted by the Federal Energy Regulatory Commission (“FERC”) on June 1, 2015. The California ISO, Northern Tier Transmission Group, and WestConnect (“Planning Regions”) are required to be compliant with FERC’s final order by October 1, 2015 and have prepared this Interregional Transmission Planning Process Narrative (“ITPPN”) to provide more visibility of the interregional coordination concepts to stakeholders.

II. Purpose of the ITPPN

The Planning Regions recognized that the concepts of interregional coordination may not be widely understood by all stakeholders and that additional discussion of the different aspects of interregional coordination might be helpful in understanding how interregional coordination will be achieved between the Planning Regions. The concept of the ITPPN was derived for this reason and is intended to provide a narrative about interregional coordination among the Planning regions and the consideration of Interregional Transmission Projects (“ITP”).

III. Overview of Interregional Transmission Coordination

The Planning Regions will use the following for interregional coordination among themselves:

- A. Coordinate and share the results of each transmission planning region’s regional transmission plans to facilitate the identification of possible ITPs that could address regional transmission needs more efficiently or cost effectively than separate regional transmission facilities;
- B. Evaluate transmission projects that are proposed as an ITP to be connected to all Relevant Planning Regions;
- C. Exchange, at least annually, planning data and information;
- D. Facilitate the communication and exchange of planning data and information related to regional planning processes and the proposal of any ITP to at least two Relevant Planning Regions.

IV. Approach to Interregional Coordination

The Planning Regions believe that effective interregional coordination among themselves will facilitate addressing regional transmission needs through interregional opportunities. Information on how the Planning Regions propose to approach coordination among themselves is provided below.

A. Coordination among the Planning Regions

The Planning Regions should actively engage in coordination with each other to promote the exchange and coordination of planning data and information; information related to regional transmission plans (input and output), interregional coordination meetings and interregional coordination with stakeholders through the Annual Coordination Meeting, and coordination of the joint evaluation studies. The Planning Regions' approach to engaging in coordination can be achieved by the following:

1. Hold technical meetings as needed to assist in sharing of planning data, coordination and joint evaluation of interregional transmission projects and to discuss:
 - a) Technical data and/or regional study plans, ITP-related information, material, proposals, or other items that are important to the individual regional planning processes;
 - b) Regional analysis, assessment results and findings of an ITP submitted to at least two Relevant Planning Regions;
 - c) Regional plans and technical issues or matters that may have interregional significance;
 - d) Other issues, technical or otherwise, that may come up from time to time and may have regional and interregional significance;
2. Confer on matters relating to coordination and selection of power flow and economic grid simulation base cases, and communications with stakeholders through the Annual Coordination Meeting or other meetings as may be initiated by the Planning Regions;
3. Confer on matters relating to ITPs and ITP-related planning data and information specific to each Planning Region as it may be needed to ensure

that where appropriate, “common information” is utilized in each Relevant Planning Region’s evaluation of an ITP.

B. Regional Data Coordination and Sharing Process

The Planning Regions, where appropriate, should coordinate and exchange planning data and information among themselves. The Planning regions may use the WECC base cases of their choosing and may further modify the WECC base cases for use in their respective regional planning processes.

1. The Planning Regions will continue to participate in and support the existing data collection and power flow base case development processes currently in place at WECC;
2. As the Planning Regions individually modify and update the WECC base cases for their individual planning purposes, they should notify the other Planning Regions of their proposed changes and provide the change information to the other Planning Regions through their designated communication portals. The Planning regions propose to engage in exchanging base case information through the following activities:
 - a) A Planning Region requesting data from other Planning Regions will notify the other Planning Regions in writing and submitted through their designated communication portals. The request should specify an appropriate time frame for a response to be provided;
 - b) Planning Regions that receive a data request should attempt to respond to the request within the time frame provided for by the requestor. Responses should be provided, in writing, through the designated communication portals of all Planning Regions to ensure “awareness” among all Planning Regions;
 - c) The Planning Regions will make every effort to ensure that their data is free of errors, accurate and complete. The Planning Regions will notify the other Planning Regions through their designated communication portals if errors, inaccurate or incomplete information is found. Planning Regions will provide corrected information within a reasonable amount of time;

- d) The Planning Regions will report on the data and information requests and responses at the Annual Interregional Coordination Meeting.

C. Base Cases will be used to Coordinate Technical Data

A goal of the Planning Regions is to achieve consistent planning assumptions and technical data through the coordination of base cases. As discussed earlier, the Planning Regions will make any necessary changes to base cases used in their regional planning processes available to the other Planning Regions through the designated communication portals of the other Planning Regions. The Planning Regions believe that change files is the preferred way to exchange and incorporate changed electrical data and models of proposed transmission expansion projects into the base cases developed for use within its own regional planning processes. A general discussion of the process follows.

1. At the beginning of, or before the biennial interregional planning cycle, the Planning Regions will help to identify and agree on a “common” set of WECC base case(s) that will be used by each of the Planning Regions to develop the set of planning cases that each Planning Region will use to perform its respective regional planning assessments. The Planning Regions should also consider the WECC Transmission Expansion Planning Policy Committee’s (TEPPC’s) year 10 economic grid simulation “common case” as a starting point for base case coordination;
2. A Planning Region may use as many of the base cases within the “common” set of WECC bases cases as it deems appropriate for its regional planning process;
3. For those cases from the “common” set of base cases a Planning Region chooses to use as part of its regional planning process, each Planning Region will evaluate the common case(s) it has selected and identify, for that base case(s), additional improvements of network topology and other modeling issues relevant to its planning region;
4. Based on its review of the common cases it has chosen to use, each Planning Region will provide corrected/updated electrical models through change files for existing facilities and planned transmission projects that have interregional significance to the other Planning Regions through their designated communication portals. Among other things, these change files

should include the expected commercial operation dates for planned transmission facilities;

5. Each Planning Region will review the change files provided by the other regions. A Planning Region may modify their respective regional power flow base cases, as appropriate, for performing their own regional planning studies;
6. The Planning Regions will post their regional base cases on their websites consistent with their regional planning processes and procedures for CEI data collection and sharing. The Planning Regions will notify the other Planning Regions through their designated communication portals that their regional planning base cases have been posted.

D. Annual Interregional Information Exchange

Each Planning Region will post Annual Interregional Information prior to the Annual Meeting and will review the study plans, regional reliability study results, economic and public policy assessments, project information, and the most recent regional transmission plans provided by the other Planning Regions. The annual interregional information exchange will occur through the following:

1. Each Planning Region will seek input from, or provide information to, the other Planning Regions through their designated communication portals at the same time they are seeking input from, or providing information to, their own stakeholders. This includes, but is not limited to, draft and final study plans, assessment reports, and regional transmission plans;
2. Planning Regions should make every effort to review material provided by another Planning Region and respond within the time frame requested by the Planning Region. A Planning Region will provide its response through the designated communication portals of the other Planning Regions so that all Planning Regions are aware of the information that is being provided;
3. Planning Regions who receive a data request from another Planning Region should attempt to respond to the request within the time frame provided for by the requestor. Responses should be provided, in writing, through the designated communication portals of the other Planning Regions to ensure that information is available to all Planning Regions;

4. Study plans, assessment reports, and regional transmission plans may be discussed by Planning Regions at technical meetings that will be held from time to time. The Planning Regions will report on the review of study plans, assessment reports, and regional transmission plans at the Annual Meeting or other meetings as may be initiated by the Planning Regions.

E. Annual Interregional Coordination Meeting

The Planning Regions and ColumbiaGrid, collectively Western Planning Regions, will hold one interregional coordination stakeholder meeting no later than March 31 of each year to provide stakeholders an opportunity to consider and discuss information developed by the Western Planning Regions during the previous year. The Western Planning Regions will strive to hold this meeting in February.

1. The Western Planning Regions will rotate hosting the Annual Interregional Coordination Meeting;
2. A meeting notification should be issued no later than 45 calendar days prior to the meeting date;
3. Meeting materials should be posted no later than 7 calendar days prior to the meeting date;
4. The following topics may be discussed at the Annual Interregional Coordination Meetings:
 - a) Annual Interregional Information¹;
 - b) Interregional coordination activities;
 - c) Identification and preliminary discussion of interregional solutions, including conceptual solutions, that may meet regional transmission needs in each of two or more Planning Regions more cost effectively or efficiently;
 - d) Status updates of ITPs being evaluated or previously included in a Western Planning Region's regional transmission plan;

¹ Annual Interregional Information includes study plans or underlying information that would typically be included in a study plan, such as: identification of base cases; planning study assumptions; and study methodologies; initial study reports (or system assessments); and regional transmission plans.

- e) Any additional issues that need to be discussed in order to have comprehensive and thorough interregional coordination;
- 5. Presentations by stakeholders with prior approval of the Western Planning Regions are permitted;
- 6. Decisions and action items during the meeting will be provided;
- 7. Comments from stakeholders should be provided no later than 30 calendar days after the meeting has been adjourned. The meeting host will compile and make comments available for posting on each of the Planning Regions' websites consistent with their regional planning processes.
- 8. When there has been a request for an Interregional Cost Allocation that is properly submitted, the Relevant Planning Regions will produce an initial determination of ITP benefits and share this determination, including regional ITP benefits and regional cost assignments, among the Relevant Planning Regions, as described in their individual regional planning processes. The Relevant Planning Regions may share any benefit determinations with stakeholders during the Annual Interregional Coordination Meeting or other interregional coordination meetings.

At the beginning of the second year, the Western Planning Regions will participate in an Annual Interregional Coordination Meeting. During this meeting, the Western Planning Regions will have an opportunity to discuss the status of the ITP evaluations, including regional ITP benefits and regional cost assignment, with stakeholders. Following the second-year Annual Interregional Coordination Meeting, each of the Western Planning Regions will incorporate information from other Western Planning Regions and stakeholders into its study plan, if applicable and as appropriate, and proceed to complete its transmission plan analysis and regional cost allocation.

9. The proposed host schedule is shown in Table 1:

Table 1 - Annual Interregional Coordination Meeting

Year	Host
2016	WestConnect
2017	ColumbiaGrid
2018	California ISO
2019	NTTG
2020	WestConnect

Additional interregional coordination stakeholder meetings may be held during any given year at the discretion of, and upon the mutual agreement of the Planning Regions. The above format will be used for these meetings.

V. Approach for ITP Submission, Coordination and Joint Evaluation

While Section IV discussed the Planning Regions' approach to interregional coordination among themselves, this section discusses the Planning Regions' approach to an ITP submission, coordination, and joint evaluation. The details of this approach are discussed below.

A. ITP Submission

In order for the Planning Regions to consider an ITP proposal, it must be properly submitted to each Relevant Planning Region by March 31st of any even numbered calendar year. Once submitted, the ITP proposal will be considered an ITP and will be jointly evaluated by the Relevant Planning Regions and eligible for interregional cost allocation.

There are several opportunities for an ITP proposal to be identified and properly submitted:

1. An ITP proposal may be submitted to at least two Relevant Planning Regions no later than March 31st of any even-numbered calendar year;
2. An ITP proposal may also be proposed during the Annual Interregional Coordination Meeting held in even-numbered years. During these meetings The Planning Regions and stakeholders will be provided the opportunity to propose conceptual interregional solutions that may meet regional transmission needs more efficiently or cost effectively. While a conceptual

interregional solution will be considered an ITP proposal, it will not be considered an ITP until it is properly submitted to at least two Relevant Planning Regions;

3. Any stakeholder or group of stakeholders may identify a conceptual interregional solution within a Planning Region's regional planning process. While the Planning Regions consider interregional coordination on a biennial cycle, the regional processes, while alike in many ways, are also unique to each individual Planning Region.

B. ITP Joint Evaluation

The following describes how the Planning Regions will jointly evaluate an ITP.

1. ITP Submission

A proponent of an ITP proposal must submit its ITP data into each Relevant Planning Region's regional planning process by following the submittal process established within that Relevant Planning Region's planning process procedures. Likewise, each Relevant Planning Region will determine if the ITP data is properly submitted in accordance with its regional planning process. The ITP submittal date is no later than March 31 of any even numbered calendar year. A properly submitted ITP proposal must be submitted according to each Relevant Planning Region's planning process, and include a list of all the Relevant Planning Regions that have received the submittal. A proponent of an ITP that is properly submitted may also request Interregional Cost Allocation by requesting such cost allocation from the Relevant Planning Regions in accordance with those regions' regional planning processes.

2. Coordination of Planning Data and Information

As described earlier, a goal of the Planning Regions is to achieve consistent planning assumptions and technical data of an ITP through, among other things, the coordination of relevant information among the Relevant Planning Regions. Planning data and information from the Relevant Planning Regions may include but is not limited to consideration of (i) the current planning cycle study plan, or underlying information that would typically be included in a study plan, (ii) initial study reports (or system assessments) from the current or previous planning cycle; and (iii) the regional transmission plan from the previous planning cycle. These data may be used

to select appropriate power flow cases and develop study assumptions and methodologies to be used by the Relevant Planning Region to assess an ITP. The Relevant Planning Regions will make this ITP related planning data and information available to the other Planning Regions through their designated communication portals.

3. Joint Evaluation of an ITP

The joint evaluation of an ITP is considered to be the joint coordination of the regional planning processes that evaluate the ITP. Joint evaluation has two components – joint evaluation coordination meetings and ITP evaluation. These components are described below.

Joint Evaluation Coordination Meetings

Following the first-year Annual Interregional Coordination Meeting, each Relevant Planning Region, with regard to an ITP that has been properly submitted, will participate in a joint evaluation coordination meeting(s) to consider planning data and information relevant to the ITP. Joint evaluation meetings are for the benefit of the subject matter experts from each Relevant Planning Region that are expected to be responsible for evaluating the ITP on behalf of the Relevant Planning Regions. Meetings will be held as needed and arranged by the Relevant Planning Regions.

Differences in planning data and information that impact an ITP or other Relevant Planning Region will be considered and if possible, resolved by the Relevant Planning Regions. The Relevant Planning Regions will document these differences, whether resolved or not, in their regional transmission plan assessments.

ITP Evaluation

Each Relevant Planning Region will provide stakeholders an opportunity to participate in the joint evaluation process in accordance with its regional planning process. At any time during which a Relevant Planning Region determines that an ITP will not meet any of its regional transmission needs; that Relevant Planning Region will notify all Relevant Planning Regions and the Planning Regions through their designated communication portals.

VI. Interregional Cost Allocation

A. Eligibility

To be eligible for Interregional Cost Allocation, an ITP must be submitted to, and request Interregional Cost Allocation from, each Relevant Planning Region in accordance with its regional transmission planning process. The proponent of an ITP must follow each Relevant Planning Region's ITP submission process.

B. Process

A Relevant Planning Region will only be allocated costs attributable to the ITP if the ITP is further selected in that Relevant Planning Region's regional transmission plan. As discussed earlier, if a Relevant Planning Region determines that an ITP will not meet any of its regional transmission needs; that Relevant Planning Region will notify all Relevant Planning Regions and the Planning Regions through their designated communication portals.

Each Relevant Planning Region will determine if a properly-submitted ITP is a more cost effective or efficient solution to a transmission need in its region. To do so, each Relevant Planning Region will use what its regional cost allocation would be, based on its pro rata share of projected ITP costs, in determining whether to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation.

Each Relevant Planning Region will calculate its *pro rata* share of the projected ITP costs and provide that information to the other Relevant Planning Regions through their designated communication portals. After the *pro rata* share of the projected ITP costs have been provided to all Relevant Planning Regions, the Relevant Planning Region will use this information to identify the Relevant Planning Regions' total share of the projected ITP costs. Once a Relevant Planning Regions has calculated its "total share" of the ITP costs, it will determine whether to select the ITP in its regional transmission plan for purposes of Interregional Cost Allocation based upon its regional transmission planning process.

C. Application of Regional Cost Allocation to Selected ITP

If all the Relevant Planning Regions have selected an ITP in their respective regional transmission plans for purposes of Interregional Cost Allocation, the Relevant Planning Regions will each determine their regional cost allocations for their allocated portion of the ITP and transmission plans for the relevant

planning cycle. However, if not all Relevant Planning Regions select the ITP in their regional transmission plans for purposes of Interregional Cost Allocation, but at least two Relevant Planning Regions have selected the ITP, the costs to the remaining Relevant Planning Regions will need to be determined without the cost allocation that was to be provided by the Relevant Planning Regions that did not select the ITP in their regional transmission plans. This “reevaluation” of costs will occur as many times as necessary until all ITP costs are allocated to at least two Relevant Planning Regions or there are less than two Relevant Planning regions remaining. In the case of the latter, the ITP is no longer viable and will be dropped from further consideration.

D. Interregional Cost Allocation Coordination

When there has been a request for an Interregional Cost Allocation that is properly submitted, the Relevant Planning Regions will produce an initial determination of ITP benefits and share this determination, including regional ITP benefits and regional cost assignments, among the Relevant Planning Regions, as described in their individual regional planning processes. The Relevant Planning Regions may share any benefits determinations with stakeholders during the Annual Interregional Coordination Meeting or other interregional coordination meetings.

At the beginning of the second year, the Planning Regions are to participate in an Annual Interregional Coordination Meeting. During this meeting, the Planning Regions are to have an opportunity to discuss the status of the ITP evaluations, including regional ITP benefits and regional cost assignment, with stakeholders. Following the second-year Annual Interregional Coordination Meeting, each Planning Region will incorporate information from other Planning Regions and stakeholders into its study plan, if applicable and as appropriate, and proceed to complete its transmission plan analysis and regional cost allocation.

VII. Stakeholder Communication and Input

Stakeholders are encouraged to follow and/or participate in the regional planning processes of the Planning Regions. There are opportunities through these regional transmission planning processes to hear about interregional activities as well as opportunities to provide input into the regional planning process that may have interregional significance. The following provides some brief information on how and when interregional information may be considered.

California ISO

If appropriate, preliminary reliability results of the ITP will be discussed at the CAISO's annual September stakeholder meeting. If appropriate, preliminary economic results will be discussed at its annual November stakeholder meeting.

NTTG

Regular updates of regional and interregional planning activities will be provided at the monthly NTTG Planning Committee meetings. In general, these planning meetings are held on the second Wednesday of each month. The date, time and location are posted on the NTTG website.

In addition, NTTG convenes quarterly public stakeholder meetings at the end of each quarter to update stakeholders on the development of NTTG's Regional Transmission Plan and interregional solutions.

WestConnect

Regular updates will be provided at Planning Management Committee (PMC) meetings held no less often than bi-monthly (and typically more frequently). Much of the planning work will be performed in the Planning and Cost Allocation Subcommittee meetings. Stakeholders may attend and participate in these PMC subcommittee meetings. WestConnect will also schedule Stakeholder meetings several times during a planning cycle at "decision points" within the process where major work efforts for discrete planning cycle activities are drawing to a close.

VIII. Designated Communication Portals

The following have been designated by the Planning Regions as their designated communication portals.

CAISO

California ISO interregional transmission planning page:

<http://www.caiso.com/planning/Pages/InterregionalTransmissionPlanning/default.aspx>.

Information provided to the California ISO:

Regionaltransmission@caiso.com

To receive notifications regarding stakeholder meetings and other related information, please subscribe to receive market notices here:

<http://www.caiso.com/informed/Pages/Notifications/MarketNotices/MarketNoticesSubscriptionForm.aspx>.

California ISO interregional coordination contact:

Gary DeShazo (gdeshazo@caiso.com)

NTTG

NTTG's interregional transmission planning page:

http://nttg.biz/site/index.php?option=com_content&task=view&id=351&Itemid=139

To receive notifications regarding stakeholder meetings and other related information, please submit your contact information to info@nttg.biz. Any comments or questions on interregional coordination may also be submitted to info@nttg.biz.

WestConnect

Order 1000 planning activities are documented at

http://www.westconnect.com/planning_order_1000_stakeholder_process.php.

Interested parties may elect to be added to a Stakeholder distribution list from a link on this page.