

ATTACHMENT 1

Overview of Order No. 890 Transmission Planning Principles

The following briefly summarizes the nine principles included in Order No. 890 against which the CAISO's Transmission Planning Process will be measured. Those principles are:

1. Coordination – This principle requires that transmission providers create a voluntary forum for transmission customers and interconnected neighbors to provide input at the early stages of development of the transmission providers' transmission plan.
2. Openness – This principle requires that transmission planning meetings be open to affected parties and that mechanisms be put into place to manage confidential information.
3. Transparency – This principle requires the disclosure of basic criteria, assumptions, and data that underlie the transmission plans as well as the status of upgrades identified in transmission plans. Knowledgeable third parties should be able to “replicate” the results of planning studies.
4. Information Exchange – This principle requires the development of a schedule and guidelines for the submittal of information from affected parties on a uniform basis.
5. Comparability – This principle requires that the transmission plan treat similarly situated entities equally.
6. Dispute Resolution – This principle requires that the transmission provider implement a dispute resolution process that address both procedural and substantive issues that arise from the transmission planning process.
7. Regional Participation – This principle requires that the transmission provider coordinate with interconnected systems to share system plans to ensure simultaneous feasibility, use consistent assumptions and data where possible, and potentially identify system enhancements that could relieve congestion or integrate new resources.
8. Economic Planning Studies – This principle requires that the transmission planning process consider not only infrastructure to maintain reliability, but also to enhance the economic efficiency of the transmission system. In order to do so, the transmission provider must, at a minimum, identify and publish instances of “significant and recurring” congestion.
9. Cost Allocation – This principle is not intended to replace current cost allocation rules, but rather requires transmission providers to establish cost allocation rules for projects that do not fit under existing structures.