



January 2, 2015

*via eFiling*

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

Re: *NorthWestern Corporation (South Dakota)*, Docket No. ER13-62-003

OATT Order No. 1000 Compliance Filing

Dear Secretary Bose:

Pursuant to Section 206 of the Federal Power Act<sup>1</sup>, Order No. 1000<sup>2</sup>, and the Commission's directive in its August 14, 2014 letter order<sup>3</sup>, NorthWestern Corporation d/b/a NorthWestern Energy submits for filing revisions to Attachment K of its South Dakota Open Access Transmission Tariff ("OATT").

Attachment K sets forth NorthWestern Energy's South Dakota Transmission Planning Process, which includes the Mid-Continent Area Power Pool ("MAPP") regional planning process, NorthWestern Energy's local planning process, and the joint planning process with Western Area Power Administration ("WAPA") Upper Great Plains Region for the transmission network that is part of the Integrated System ("IS"). The planned integration of the IS system with the Southwest Power Pool ("SPP") in October 2015 will change the transmission planning process for NorthWestern Energy and for the MAPP region. Consequently, NorthWestern Energy is making this filing to propose amendments to its Attachment K that address the interim period until the transition to SPP takes effect.

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<sup>1</sup> 16 U.S.C. § 824e.

<sup>2</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132 (2012), *order on reh'g*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

<sup>3</sup> *NorthWestern Corp.*, 148 FERC ¶ 61,123, P 8 (2014).



## I. Background

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NorthWestern Energy is a public utility engaged in the generation, transmission, and distribution of electricity and the supply and transportation of natural gas with facilities located primarily in Montana and South Dakota. NorthWestern Energy's Montana and South Dakota electric transmission facilities are not physically connected and are not in the same electric reliability region. As a result, NorthWestern Energy maintains separate OATTs, each approved by the Commission, for transmission operations in each state. This filing concerns only NorthWestern Energy's South Dakota OATT.

Currently, NorthWestern Energy participates in the regional planning process conducted by MAPP. As discussed in NorthWestern Energy's prior filings in this docket, MAPP has undergone significant change within the last 18 months related to efforts by WAPA and the other IS members to transition from MAPP to SPP.<sup>4</sup> Faced with this transition, the MAPP members ceased all Order No. 1000 compliance efforts.<sup>5</sup> Given all these changes, NorthWestern Energy has sought extensions of time to meet its Order No. 1000 responsibilities pending further clarity within the IS. In its August 14, 2014 order granting NorthWestern Energy's most recent request for extension, the Commission required that NorthWestern Energy submit this filing by January 2, 2015, and also submit two interim updates regarding NorthWestern Energy's transition to SPP.<sup>6</sup>

Since NorthWestern Energy's June 30, 2014 request for extension, NorthWestern Energy has expended considerable effort so that it can transition to SPP along with the other IS parties on October 1, 2015. NorthWestern Energy has executed a Memorandum of Understanding with SPP and expects to make further filings with the Commission in the coming months, depending on the outcome of SPP's filing in Docket Nos. ER14-2850 and ER14-2851, which NorthWestern Energy is closely monitoring.<sup>7</sup>

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<sup>4</sup> As explained in NorthWestern's June 30, 2014 request for extension, MAPP has been unable to develop a fully compliant Order No. 1000 process. (Ascension No. 20140630-5327, at 5.) The primary driver was WAPA's decision to migrate to SPP, which it announced on January 10, 2014. The other IS members, who together with WAPA compose the majority of MAPP's electric footprint and a significant quantity of the load and generation, have also determined to pursue SPP membership. Shortly after WAPA's public announcement, the MAPP Transmission Planning Committee unanimously approved a motion directing the Cost Allocation and Planning Task Forces to suspend FERC Order No. 1000 work. See TPC Meeting Minutes – Jan. 28, 2014, available at [www.mapp.org](http://www.mapp.org) under "Documents."

<sup>5</sup> MAPP is continuing its existing Attachment K planning processes, however, until the IS transition to SPP takes effect. See DRAFT TPC Meeting Minutes – Dec. 3, 2014, available at [www.mapp.org](http://www.mapp.org) under "Documents."

<sup>6</sup> *NorthWestern Corp.*, 148 FERC ¶ 61,123, P 8 (2014). NorthWestern Energy's interim updates were submitted on September 15 (Ascension No. 20140915-5220) and November 13, 2014 (Ascension No. 20141113-5109).

<sup>7</sup> On September 11, 2014, SPP sought Commission approval of several amendments to the SPP tariff, bylaws, and membership agreement to facilitate integration of the IS into SPP. The Commission accepted many of the requested



## II. Description of Filing

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Upon NorthWestern Energy's anticipated integration into SPP, which is expected in October 2015, the SPP OATT will supersede NorthWestern Energy's South Dakota OATT, and NorthWestern Energy intends to comply with the Order No. 1000 transmission planning requirements as of that date by participating as a transmission owner in the SPP Integrated Transmission Planning Process. Consequently, NorthWestern Energy is requesting Commission approval of a tariff that would allow NorthWestern Energy to meet its compliance responsibilities under Order No. 1000 by committing to adopt SPP's tariff, including its transmission planning and cost allocation processes, when it transitions to SPP. Such an approach is consistent with Order No. 1000, and it is also consistent with the approach adopted by the Commission when Entergy and Cleco were planning to join MISO.<sup>8</sup>

NorthWestern Energy's South Dakota operations have been engaged in ongoing and active efforts over the last year to join SPP. In consultation with SPP, NorthWestern Energy determined that the planning process proposed here is the most efficient method to comply with the requirements of Order No. 1000. This proposal is also the only meaningful option available to NorthWestern Energy given the intended timeframe for its transition to SPP and MAPP's suspension of its Order No. 1000 compliance efforts.<sup>9</sup>

Between now and October 2015 when it expects to join SPP, NorthWestern Energy commits to continued participation in the local and regional planning processes under its Attachment K. Currently, the MAPP transmission planning process uses a biennial planning cycle, which begins in January of even years.<sup>10</sup> The MAPP regional planning process is entering quarter five of its biennial cycle. NorthWestern Energy, SPP, and the IS parties are currently working together to determine how best to transition from MAPP's process to the SPP planning process. NorthWestern Energy understands that the other IS parties also intend to continue transmission planning efforts through MAPP until such time as the SPP transition occurs.

The tariff changes proposed here will allow NorthWestern Energy to continue participation in the MAPP regional planning process, finalize its arrangements with SPP, and focus on the

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changes but set certain elements in the filing for hearing. *Southwest Power Pool, Inc.*, 149 FERC ¶ 61,113 (2014). At present, the hearing process is pending.

<sup>8</sup> *Midwest Independent Transmission System Operator, Inc., et al.*, 142 FERC ¶ 61,215, PP 459–60 (2013) (conditionally accepting Cleco's and Entergy's proposal to comply with Order No. 1000 by participating in the MISO regional transmission planning process, subject to the outcome of the proceedings on MISO's proposed modifications to its tariff necessary to integrate Entergy and Cleco into its region).

<sup>9</sup> See TPC Meeting Minutes – Jan. 28, 2014, available at [www.mapp.org](http://www.mapp.org) under "Documents."

<sup>10</sup> MAPP Transmission Planning Committee Procedures Version 3.0, ¶ 13.2 (Dec. 5, 2013), available at <http://www.mapp.org/ReturnBinary.aspx?Params=584e5b5f4653517e00000002c8>.



significant efforts necessary to achieve operational integration into SPP by the targeted date of October 2015.<sup>11</sup> For these reasons, NorthWestern Energy requests that the Commission accept these tariff changes to further comply with the Order No. 1000 requirements.

### III. Effective Date

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NorthWestern Energy respectfully requests an effective date of January 2, 2015, for the proposed revisions. To the extent necessary, NorthWestern Energy seeks waiver of the Commission's prior notice requirements, and any requirements of Part 35 of the Commission's regulations not satisfied by this filing.

### IV. Filing Information

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This compliance filing includes the following documents:

- 1) This transmittal letter;
- 2) Marked version of Attachment K – NorthWestern Energy South Dakota Transmission Planning Process; and
- 3) Clean version of Attachment K.

### V. Communications

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

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<sup>11</sup> NorthWestern Energy's proposed tariff changes include one ministerial change to correct a broken hyperlink to the Attachment K documents on its website.



## VI. Conclusion

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NorthWestern Energy respectfully requests that the Commission accept the enclosed revisions to Attachment K.

Respectfully submitted,

*s/ M. Andrew McLain*

**M. Andrew McLain**

*Corporate Counsel & FERC Compliance Officer*

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MAM/dq

Attachment

cc: Commission's Service List, Docket No. ER-67  
South Dakota Public Service Commission



## Certificate of Service

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I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in these proceedings, in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated this 2<sup>nd</sup> day of January, 2015.

s/ M. Andrew McLain

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Attachment 1

# **Attachment K**

NorthWestern Energy South Dakota  
Transmission Planning Process

*Marked Tariff Record*

NorthWestern Corporation  
(South Dakota)

FERC Open Access Transmission Tariff  
Volume No. 2

## ATTACHMENT K

### NORTHWESTERN ENERGY SOUTH DAKOTA TRANSMISSION PLANNING PROCESS

#### 1.0 Introduction

NorthWestern Energy (“NorthWestern”) is a member of the Mid-Continent Area Power Pool (“MAPP”). Based on the Federal Energy Regulatory Commission’s order accepting the Southwest Power Pool’s (“SPP”) proposal to integrate Western Area Power Administration – Upper Great Plains Region, Basin Electric Power Cooperative, and Heartland Consumers Power District (the “Integrated System”) into SPP, 149 FERC ¶ 61,113 (Nov. 20, 2014), MAPP is beginning its termination process. MAPP plans to terminate coterminous with the Integrated System joining SPP on October 1, 2015.

NorthWestern is pursuing membership with SPP with the intent to integrate coterminous with the Integrated System. At that time, NorthWestern will participate in the SPP planning process pursuant to Attachment O (Transmission Planning Process) of the SPP tariff. This Attachment K and other relevant provisions of NorthWestern’s OATT will remain in effect until that date.

As a member of the Mid-Continent Area Power Pool, NorthWestern Energy’s (“NorthWestern”) South Dakota Attachment K addresses the rights and obligations of Transmission Customers, Affected Generators, other relevant stakeholders and NorthWestern as the Transmission Provider related to transmission planning in NorthWestern-SD jurisdictional area in South Dakota. Specifically, NorthWestern’s South Dakota Attachment K addresses: (a) the Mid-Continent Area Power Pool (“MAPP”) regional planning process in sections 1-12 that are adopted by the Transmission Planning Committee (“TPC”) Members of MAPP in the TPC Region, as those terms are defined by the MAPP Restated Agreement; (b) NorthWestern’s (i.e., the Transmission Provider’s) local planning process for local facilities not covered by the MAPP regional planning process in section 13; and (c) section 14 presents information on the WAPA Upper Great Plains Region (“WAPA-UGPR”) planning process since NorthWestern and WAPA-UGPR jointly plan NorthWestern’s local transmission network as part of the Integrated System.

The MAPP Regional Plan integrates the transmission plans developed by the individual MAPP Transmission Owning Members and the Regional Planning Group (“RPG”) to meet the transmission needs in the MAPP Region of the Members and other Stakeholders on a consistent, reliable, environmentally acceptable, and economic basis. Additional details on the MAPP Regional and RPG processes are provided in the “MAPP Transmission Planning Committee Procedures” and the “MAPP RPG Guidelines” documents.

The MAPP Regional Plan shall be consistent with applicable standards and requirements established by MAPP and by the reliability standards of the North American Electric



Reliability Corporation (NERC), the Midwest Reliability Organization (MRO), and the Western Electricity Coordinating Council (WECC), if applicable.

## **2.0 Definitions**

### **2.1 Affected Generator**

A generator owner whose existing or proposed generating unit(s) is directly affected by a proposed Economic Network Upgrade as demonstrated in the study analysis performed in conjunction with Section 11, Economic Planning Studies.

### **2.2 Affected System**

The transmission owner's system, including the Host TO, that is affected by the allocations in an economic benefits study performed by the TPC in accordance with Section 11 of this Attachment K.

### **2.3 Affected System Operator**

The transmission owner/operator that operates an Affected System.

### **2.4 Economic Network Upgrade**

A project, or set of projects, that is designed to relieve a constrained facility by providing additional transmission capacity, having project benefits exceeding project costs.

### **2.5 Host Transmission Owner (Host TO)**

The transmission owner on whose transmission system a proposed Economic Network Upgrade is to be located. The Host TO shall conduct all related project management activities associated with the Economic Network Upgrade. If facility upgrades are required on more than one transmission owner's transmission system for a given set of transmission facilities comprising an Economic Network Upgrade, the affected Host TOs shall provide a single joint Facilities Agreement to the Subscription Rights buyers.

### **2.6 Incumbent Transmission Developer**

An entity that develops a transmission project within its own retail distribution service territory or footprint.

## **2.7 Interregional Transmission Facilities**

Interregional transmission facilities are located within two or more neighboring transmission planning regions and are determined by each of those regions to be a more efficient or cost effective solution to a regional transmission need.

## **2.8 Merchant Transmission Project**

Merchant transmission projects are defined as those for which the costs of constructing the proposed transmission facilities will be recovered through negotiated rates instead of cost-based rates.

## **2.9 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.

## **2.10 Physical Transmission Rights**

Rights held by a party to a Facilities Agreement to schedule transmission service across a defined portion of a NERC flowgate or other transmission facility and/or to collect revenue credits, if applicable, against transmission service charges. Physical Transmission Rights will exist for the life of the facility if the holder is an owner, or for the term stated in the Facilities Agreement. The facility's capabilities that are to be allocated as Physical Transmission Rights, shall be consistent with the owner's or joint-owners' methodologies for determining facility ratings, system operating limits and, if applicable, TTC and ATC in accordance with reliability standards.

## **2.11 Public Policy Requirements**

Transmission needs driven by requirements established by state or federal laws or regulations.

## **2.12 Public Policy Requirements Projects**

Public Policy Requirements Projects address transmission needs driven by requirements established by state or federal laws or regulations and may consist of a number of individual facilities that constitutes a single project for cost allocation purposes.

### **2.13 Regional Transmission Facilities**

Regional transmission facilities are located solely within a single transmission planning region.

### **2.14 Regulatory Agency**

A state agency exercising regulatory authority over the rates, terms or conditions of electric service of an entity other than itself within the MAPP Region or the planning, siting, construction, or operation of electric facilities of an entity other than itself within the MAPP Region.

### **2.15 Regulatory Participant**

A Regulatory Agency which elects to participate in the MAPP Regional Planning Process.

### **2.16 Reliability Projects**

Reliability Projects are network upgrades required to ensure that the Transmission System is in compliance with applicable reliability standards.

### **2.17 Renewable Energy Zone**

A geographic region recognized by the TPC that has limited or constrained ability to transport electric energy from generating units that had such units been in production they would have utilized renewable resources for the production of electric energy.

### **2.18 Stakeholder**

Stakeholder is any interested party in the MAPP Regional Planning Process, including, but not limited to, TPC Members, Merchant Transmission Project developers, Regulatory Participants, Incumbent Transmission Developers, and Nonincumbent Transmission Developers.

### **2.19 Subscription Rights**

Contractual rights to use the transmission capacity associated with an Economic Network Upgrade defined in a Facilities Agreement with the Host TO in exchange for payments to the Host TO for facility charges and continuing operation and maintenance charges.

## **2.20 Other Defined Terms**

All other terms will have the meanings set forth in the [Second Restated MAPP Agreement](#) (April 1, 2011), the TPC Procedures, and the RPG guidelines.

## **3.0 MAPP Transmission Owning Member Plans**

The procedures, standards, and requirements for making available MAPP Transmission Owning Members' transmission plans (Member Plans) and the information on which the Member Plans are based are required by the Second Restated MAPP Agreement. MAPP Transmission Owning Members may submit their Plans, subsequent updates, and other information directly to the TPC, but submittals to the RPG are preferred. The RPG provides a forum for MAPP Transmission Owning Members to continue their long-term joint planning relationships with their neighbors and to encourage involvement by other Stakeholders. Member Plans will be integrated into the RPG Roll-up Plan.

The MAPP Regional Plan will be available on the MAPP website at [www.mapp.org](http://www.mapp.org), consistent with CEII requirements and regulations.

### **3.1 Member Plan Requirements**

Each MAPP Transmission Owning Member shall prepare and maintain a plan for its transmission facilities. Such plans shall be: (i) conformed to applicable methods and assessment practices and other transmission planning standards and requirements established by the TPC; (ii) consistent with applicable reliability standards and requirements established by the FERC, NERC, and the applicable Regional Entity; and (iii) coordinated with the plans of other TPC Members.

Each Member Plan shall adhere to its local transmission planning process set forth in Section 13 of its Attachment K. Plans shall take into account:

- (a) the MAPP Transmission Owning Member's current and anticipated requirements for transmission to provide all-requirements and partial requirements service and service to its end-use loads;
- (b) the current and anticipated requirements for transmission to provide network transmission service to those entities for which the MAPP Transmission Owning Member provides such service;
- (c) the MAPP Transmission Owning Member's other contractual and tariff obligations to provide firm transmission service;

- (d) any other contractual obligations of the MAPP Transmission Owning Member affecting the use of its transmission facilities;
- (e) any requirements for future transmission service of a Member or Stakeholder communicated to the MAPP Transmission Owning Member under procedures, standards and requirements established by the TPC;
- (f) the coordination of the Member Plan with the transmission plans of neighboring systems, and in particular any coordination parameters or requirements identified by the RPG; and
- (g) the obligation of the MAPP Transmission Owning Member under FERC requirements to provide transmission service to other entities;
- (h) the consideration of Member's transmission needs driven by its Public Policy Requirements.

### **3.2 Availability of Plans and Information**

Member Plans, along with the criteria, assumptions, and data underlying the transmission plans, shall be made available to the TPC on a regular basis as established by the TPC. Such information shall be provided in accordance with the MAPP Critical Energy Infrastructure Information (CEII) policy and the Commission's Standards of Conduct regulations.

### **3.3 Member Planning Procedures and Requirements**

The TPC shall establish procedures, standards, and requirements for:

- (a) The submission of the Member Plans, and the underlying criteria, assumptions, and data utilized in developing those transmission plans.
- (b) The development of integrated transmission plans by the RPG including consideration of the MAPP Transmission Owning Members' Public Policy Requirements.
- (c) The integration of Member Plans by the RPG and the resolution of any Member transmission planning issues on an informal, collaborative basis.

## **4.0 MAPP Regional Planning Process**

The Second Restated MAPP Agreement requires each MAPP Transmission Owning Member that has facilities under the Second Restated MAPP Agreement prepare and maintain a plan for its transmission facilities.

## 4.1 General

The TPC shall develop and approve a coordinated transmission plan, including alternatives, for the ensuing 10 years, or other planning periods specified by NERC, for all transmission facilities in the MAPP Planning Region, including economic and reliability components and needs driven by the MAPP Transmission Owning Members' Public Policy Requirements. The MAPP Regional Plan integrates the transmission plans developed by individual MAPP Transmission Owning Members, the RPG, and other Stakeholders to insure that the transmission needs of the MAPP Planning Region will be met in a consistent, reliable, environmentally acceptable, and economic manner. Appendix A, at the end of this Attachment K, contains the MAPP Regional Planning Process Diagram.

## 4.2 MAPP Regional Planning Process Enrollment Requirements

MAPP has commenced planning for the termination of the MAPP Second Restated Agreement effective simultaneously with the entry of the Integrated System members into the Southwest Power Pool.

Enrollment in the MAPP Regional Planning Process is open to public and non-public utility transmission providers that are MAPP Transmission Planning Committee (TPC) members. Projects sponsored by an enrolled entity may be eligible to have costs allocated under the MAPP regional cost allocation method.

All MAPP TPC members that are transmission providers are automatically enrolled in the MAPP Regional Planning process. Membership in the MAPP TPC is open to any Electric Utility, any Transmitting Utility, and to any other entity generating electric energy for sale, for resale, or to a Joint Member the Designating Entities of which meet the requirements of the Second Restated MAPP Agreement. An entity desiring to become a MAPP TPC Member shall submit to MAPP COR an application for membership. The application shall obligate the applicant to become a signatory to the Second Restated MAPP Agreement if the applicant becomes a Member.

MAPP TPC Members who do not remain enrolled in the Regional Planning Process, which incorporates FERC Order No.1000, will still be able to voluntarily participate as a Stakeholder, exercise all rights applicable to Stakeholders under Order No. 1000, and receive any of the benefits of being in the MAPP TPC; they will not, however, be able to participate in cost allocation activities. Public and non-public utility transmission providers that do not make the choice to enroll in

~~the MAPP transmission planning region will nevertheless be permitted to act as Stakeholders in the MAPP Regional Planning Process.~~

~~The list of all public and non-public utility transmission providers that are enrolled in the MAPP transmission planning region and are therefore potential beneficiaries that may be allocated costs under the MAPP regional cost allocation methodology are as follows:-~~

~~Ames Municipal Electric System (AMES)~~

~~Basin Electric Power Cooperative (BEPC)~~

~~Corn Belt Power Cooperative (CBPC)~~

~~Heartland Consumers Power District (HCPD)~~

~~MN Municipal Power Agency (MMPA)~~

~~MN Municipal Utilities Association (MMUA)~~

~~Minnkota Power Cooperative (MPC)~~

~~Missouri River Energy Services (MRES)~~

~~NorthWestern Energy (NWE)~~

~~Rochester Public Utilities (RPU)~~

~~Western Area Power Administration, Upper Great Plains Region (WAPA-UGPR)~~

~~Should any entity wish to enroll or withdraw, the entity should submit a written request to the Chair of the MAPP TPC. Upon the MAPP TPC Chair's receipt, acknowledgement, and notification to other MAPP TPC Members, the entity's enrollment or withdrawal is effective. Like other non-enrollees, a withdrawn MAPP TPC Member shall still be able to participate in the MAPP Order No. 1000 Regional Planning Process as a Stakeholder.~~

#### **4.3 MAPP Regional Plan Development Process**

The TPC process for developing the MAPP Regional Plan begins with the submittal of the Member Plans to the TPC through the RPG. Next, the RPG shall: (i) integrate the Member Plans into the RPG Roll-up Plan; (ii) coordinate the RPG Roll-up Plan with the plans of other Stakeholders; (iii) evaluate alternative

projects submitted by Stakeholders or determined through analysis that are potentially more efficient or cost-effective or provide greater benefits; (iv) evaluate projects eligible for regional cost allocation; and (v) cooperate, as necessary, in planning with neighboring transmission systems.

The RPG Roll-up Plan primarily addresses the local load serving and Public Policy Requirement needs of the MAPP Transmission Owning Members, but is not precluded from addressing regional transmission needs.

All projects determined to be eligible for regional cost allocation will go through the regional cost allocation process (Section 12). All projects, including alternatives that were not selected and projects not eligible for regional cost allocation are documented in the MAPP Regional Plan.

The MAPP Regional Planning Process utilizes a biennial planning cycle to develop an efficient and cost-effective MAPP Regional Plan. The biennial cycle includes collection of planning input data, preparation of study models, integration of Member Plans, collaboration with Stakeholders, and creation of procedures to study and evaluate the effectiveness and efficiency of proposed projects in addressing regional and interregional needs. These activities are described below.

#### **4.3.1 TPC Data Collection:**

- a) RPG and Economic Planning Group (EPG) studies.
- b) Local plans of the MAPP Transmission Owning Members as submitted in MAPP Forms 1-3.

#### **4.3.2 TPC Data Analysis:**

- a) Analyze history of constrained interface performance.
- b) Analyze history of transmission loading relief requests.
- c) Review of reliability assessment studies and reports.

The TPC shall evaluate limitations on MAPP transfer capability through historical Transmission Loading Relief (TLR) analysis associated with the defined flowgates in the MAPP region. The TPC shall utilize these comprehensive reviews to determine transmission constraints in the region. The TPC shall also support economic studies necessary to review



the integration of large proposed generation facilities into the regional grid and shall develop concept plans as part of regional study efforts.

The TPC may also commission the RPG to address highly constrained regional flowgates and to develop proposed plans for increasing interregional transfer capability. The RPG may also perform regional transfer capability analysis and develop exploratory transmission expansion plans to address the most limiting flowgates within the RPG region. The TPC may also coordinate and support other joint exploratory economic planning efforts within and adjacent to the MAPP Planning Region.

#### **4.3.3 TPC Model Preparation**

- a) Select base case models from appropriate MRO/WECC Model Series.
- b) Add MAPP Transmission Owning Members' and RPG plans to models.
- c) Solicit input from Stakeholders including additions or changes to transmission, generation, and demand resources, in developing base-line assumptions and models.
- d) Validate firm transactions, major new loads, and new generation.

#### **4.3.4 TPC Study Procedures**

The MAPP Regional Plan procedures and processes are outlined in the following documents.

**TPC Procedures:** The TPC has adopted the procedures contained in this document to facilitate the development of the MAPP Regional Plan.

**RPG Guidelines:** The TPC has established a RPG to facilitate the MAPP Regional Planning Process and the development of the RPG Roll-up Plan and the MAPP Regional Plan. This document outlines the procedures utilized in the development of the RPG Roll-up Plan and MAPP Regional Plan.

The MAPP Regional Planning Process may include the following study procedures:

- a) Analyze projects submitted into the planning process that address reliability or load service requirements that were not included in the roll-up process, address economic considerations, and/or address transmission needs driven by the Members' Public Policy Requirements.
- b) Integrate the transmission projects submitted by the TPC Transmission Owners and the other Stakeholders (RPG Roll-up Plan). Transmission needs driven by the Members' Public Policy Requirements will be rolled up with the Member Plans and may be evaluated for potential regional solutions in the regional transmission planning process. Explanations of why other suggested transmission needs were not evaluated (if any) will be documented in the MAPP Regional Plan.
- c) Identify and evaluate alternative projects to meet regional and interregional reliability, public policy, and economic needs (assess impacts on Member Plans). Project delays shall be taken into consideration during this process and to the extent a delay in a project creates a need for additional mitigation solutions, the project sponsor shall identify those needs. Alternative solutions required because of delays in the development of a transmission facility that was selected in the MAPP Regional Plan for cost allocation shall be included in the MAPP Regional Plan.
- d) Document in the MAPP Regional Plan the projects eligible for cost allocation including any unsponsored projects that were identified through the regional planning process.
- e) Determine cost allocation for projects eligible for cost allocation selected through the criteria detailed in Section 12.

#### **4.3.5 Stakeholder Collaboration**

The MAPP Regional Planning Process allows for Stakeholder participation in the following:

- a) Stakeholder participation at Economic Planning Group (EPG), RPG, and TPC meetings.
- b) Stakeholder input throughout all planning stages.

- c) Stakeholder input on transmission needs which are driven by Public Policy Requirements.

#### **4.3.6 MAPP RPG Roll-up Plan and Regional Plan Approval Timelines**

The TPC will approve the RPG Roll-up Plan at the end of the first year in the biennial cycle and approve the MAPP Regional Plan at the end of the biennial cycle.

#### **4.3.7 Availability of the MAPP Regional Plan**

The MAPP Regional Plan, along with the underlying criteria, assumptions, and data, shall be made available on the MAPP website at [www.mapp.org](http://www.mapp.org). Sufficient additional information will be available to enable the requesting entity to perform planning analyses on the same basis as the TPC. Such information shall be provided in accordance with the MAPP Critical Energy Infrastructure Information (CEII) policy and the Commission's Standards of Conduct regulations.

### **4.4 Identification of Transmission Requirements**

The following process is used to communicate to the TPC the transmission requirements identified by the MAPP Transmission Owning Members and Stakeholders:

- a) The RPG shall prepare a integrated plan incorporating the MAPP Transmission Owning Members' and Stakeholders' needs.
- b) The TPC shall develop the MAPP Regional Plan addressing Member Plans, Public Policy Requirements, and regional and interregional needs.
- c) The TPC shall establish liaisons with existing neighboring regional planning entities to facilitate addressing interregional transmission issues.

### **5.0 The Transmission Planning Committee**

The TPC shall develop the MAPP Regional Plan. The following procedures shall be utilized in developing the MAPP Regional Plan. Costs incurred related to regional planning activities shall be recovered under the provisions of the Second Restated MAPP Agreement.

## **5.1 Procedures for Conduct of TPC Meetings**

### **5.1.1 TPC Representatives**

The TPC shall be constituted as defined by the Second Restated MAPP Agreement. In accordance with the Second Restated MAPP Agreement, membership in the TPC shall be available to all MAPP Members. The TPC shall be composed of one Representative of each TPC Member. Each TPC Member shall designate a Representative and an alternate Representative for the TPC. TPC Members shall appoint as their Representatives on the TPC persons with technical expertise and significant experience relating to electric transmission matters. The TPC Representatives shall elect the TPC Chair and Vice-Chair.

### **5.1.2 TPC Meeting Notification**

All meeting notices shall be communicated by the Secretary of the TPC (Secretary) electronically through e-mail distribution lists, and subsequently posted at [www.mapp.org](http://www.mapp.org). All meeting notices shall be publicly available. Please contact the Contractor (MAPP COR) for instructions on how to register for the TPC and/or TPC e-mail distribution lists.

The notice of a meeting shall state the time and place of the meeting and shall include an agenda sufficient to notify a Stakeholder of the substance of the matters to be considered at the meeting.

The Secretary shall publish the meeting notice and agenda at least 10 days prior to the meeting. If the tenth day falls on a weekend, the notice shall be communicated by the previous business day.

### **5.1.3 TPC Meeting Agenda Development**

The agenda shall include the time and place of the meeting. The Secretary shall draft the agenda in cooperation with the TPC Chair, or Vice-Chair in the absence of the Chair.

In order to finalize and publish meeting agendas in a timely manner, requests to place an issue on the agenda of a TPC meeting shall be submitted to the Chair and Secretary at least 15 days in advance of the meeting. An issue requested for placement on the TPC agenda must be centered on matter(s) within the TPC's responsibilities, and be

accompanied by documentation that supports or fully informs each question raised or point to be made in the request.

The agenda shall list all proposed action items in sufficient detail so that TPC members can clearly determine what is being proposed. The Secretary shall post the meeting agenda on the MAPP web site, [www.mapp.org](http://www.mapp.org), and send it via the TPC's distribution list at least 10 days prior to the meeting.

All presenters with agenda items and supporting information for the meeting agenda shall provide the materials to be reviewed or referenced at the meeting to the Chair and Secretary at least 15 days prior to the meeting. The Secretary shall post the supporting information on the MAPP website after communicating it via the e-mail distribution list, unless the information has been deemed to fall under the Federal Energy Regulatory Commission's determination as Critical Energy Infrastructure Information (CEII).

#### **5.1.4 TPC Action**

TPC meeting agendas should include the draft wording of any proposed motion. Supporting materials accompanying the agenda shall include a detailed discussion of the rationale for the motion (an exception to this requirement is made for routine administrative actions such as the approval of TPC meeting minutes). The Member of the TPC or other entity sponsoring the motion shall provide the wording of the motion and the discussion points.

Those sponsoring items on a meeting agenda shall have background material, and the action to be voted on, distributed with the meeting agenda in accordance with the ten (10) day notice requirement.

In general, an action may not be brought to a vote of the TPC unless it is noticed on a published agenda at least ten (10) days prior to the meeting date upon which action is to be voted. Section 6.3.1 in the TPC Procedure document "Taking Action on an Item Not Described in the Agenda," addresses potential exceptions to this general rule.

TPC actions are governed by the Second Restated MAPP Agreement. If a quorum is present, the action of two-thirds of the weighted voting shares present and voted by Representatives, including votes cast by proxy, shall be the action of the TPC. A proxy cannot cast a vote in place of the

Representative if the Representative is also physically present and capable of casting a ballot.

#### **5.1.5 TPC Meeting Procedures**

The TPC shall utilize Robert's Rules of Order for guidance regarding conduct of committee meetings. A quorum is necessary to conduct TPC business. A quorum is established when 50 percent or more of TPC Representatives are present as currently stated in the MAPP Restated Agreement. A vacant position on the TPC does not count towards the quorum requirement. All Stakeholders can attend TPC and working group meetings subject to signing a MAPP non-disclosure agreement. A Representative may give its proxy to another TPC Member through a statement authorizing such action that is delivered to the Secretary of the TPC by mail, facsimile transmission or e-mail. A proxy vote may not be cast in any additional or future meeting, if not authorized specifically for that additional meeting by the Representative.

#### **5.1.6 Participation**

Participation in the TPC meetings where discussion of the MAPP Regional Plan is anticipated is open to any TPC Member or Stakeholder subject to such restrictions as the TPC deems necessary to comply with regulatory and confidentiality requirements. Any non-TPC Member may participate in, but not vote at, any such meeting. Meeting notices are posted on the MAPP Calendar at [www.mapp.org](http://www.mapp.org).

#### **5.1.7 TPC Meeting Minutes**

All TPC meetings shall be recorded through accurate and timely meeting minutes. The TPC Secretary shall draft meeting minutes and submit them to the TPC for review.

The Secretary shall maintain a history of TPC actions in sufficient detail to facilitate the establishment of precedent for consideration during TPC deliberations. The Secretary shall make this history available to the TPC at their meetings and other TPC members upon request.

The Secretary shall draft meeting minutes and submit them to the TPC members for review within ten business days following the meeting.

To facilitate the prompt communication of actions taken by the TPC, the Chair and Secretary shall write and publish meeting highlights listing the

actions and decisions taken by the TPC no later than two business days following a meeting of the TPC. The meeting highlights shall be sent to the TPC and published on the MAPP website, [www.mapp.org](http://www.mapp.org).

The TPC shall review their previous meeting's minutes at their next meeting. Once the meeting minutes are approved by the TPC, the minutes shall be sent to the TPC e-mail distribution list and posted on the MAPP website, [www.mapp.org](http://www.mapp.org).

#### **5.1.8 Review of TPC Action**

A TPC Member or Stakeholder may request a review of TPC actions, in accordance with the Second Restated MAPP Agreement.

### **5.2 TPC Responsibilities**

The TPC was established through the Second Restated MAPP Agreement. The Second Restated MAPP Agreement indicates certain responsibilities of the TPC which are described in the TPC Procedures. A summary of the responsibilities includes:

- a) Preparation of the Transmission Planning Committee Budget
- b) Development of Procedures
- c) Development and Preparation of the MAPP Regional Plan
- d) Preparation of Transmission Planning Reports
- e) No Obligation to Build
- e) Other TPC Responsibilities

### **6.0 Regional Planning Group**

The RPG provides a forum for coordination of Member Plans, development of the RPG Roll-up Plan, and development of the MAPP Regional Plan.

#### **6.1 Current RPG(s)**

The TPC has established and recognized a single RPG to carry out the task of developing a MAPP Regional Plan.

## **6.2 Establishment of RPG(s)**

The TPC may establish new or recognize additional RPGs as needed to carry out this task. The TPC may also recognize and coordinate its MAPP Regional Plan with existing or future transmission planning study groups.

## **6.3 RPG Participation**

Participation in any RPG meeting is open to any Stakeholder who has signed the MAPP Non-Disclosure Agreement. A MAPP Non-Disclosure Agreement (NDA) is obtained by contacting the Secretary of the MAPP TPC. Neighboring transmission owning utilities and Stakeholders interested in the development of the RPG plan are also invited to participate in the RPG to promote joint planning between MAPP and its neighbors.

## **6.4 RPG Guidelines**

The Regional Planning Group, to the extent possible, should:

- develop a RPG Roll-up Plan, including alternatives, for the ensuing ten years, for all Bulk Electric System transmission facilities in the region;
- review Member Plan additions and modifications to the regional transmission system;
- integrate Member Plans into the RPG Roll-up Plan and MAPP Regional Plan;
- incorporate new generator interconnections and associated network upgrades into the RPG Roll-up Plan as soon as practicable;
- identify, evaluate with approved metrics, and determine an optimal set of transmission facilities and/or non-transmission alternatives that will meet the needs of the region;
- determine the cost allocation for each project qualified for regional cost allocation;
- coordinate the MAPP Regional Plan with the plans of neighboring systems;
- utilize the annual assessment study as a tool for the near term and longer term planning horizons;



- form technical study task forces as required to carry out the RPG planning responsibilities;
- encourage Stakeholder participation to ensure that the RPG is aware of facility changes outside of the MAPP region so that the impact of parallel path flows can be considered in the planning studies;
- encourage Stakeholder participation to ensure that the RPG may consider and incorporate the appropriate transmission needs and Public Policy Requirements obligations into the MAPP Regional Plan;
- ensure RPG studies meet reliability standards and requirements;
- promote Stakeholder review and comment of the MAPP Regional Plan and its development; and
- develop a MAPP Regional Plan for submission to the TPC.

#### **6.5 Submission of Member Plans to RPG**

Each MAPP Transmission Owning Member shall submit its transmission plan to the RPG in the first year of the biennial planning cycle.

#### **6.6 Network Upgrades Out of Planning Cycle**

When planned transmission upgrades identified by a Transmission Owning Member and/or Stakeholder are outside the timing requirements of the MAPP Regional Plan (including any network upgrades needed for generation interconnection or transmission service):

- The Transmission Owning Member and/or Stakeholder will submit information about the upgrades at the next RPG meeting in an effort to allow for other Stakeholder input before those upgrades go in service.
- The Transmission Owning Member will include those upgrades in their next submission of the Member Plan to the RPG.

#### **6.7 RPG Meetings**

The RPG should meet at least twice annually to review plans and determine what changes, if any, are needed to better facilitate a more efficient and/or cost effective transmission plan for the MAPP Planning Region,

Participation in RPG meetings is open to any Stakeholder who has signed the MAPP Non-Disclosure Agreement. Meeting notices are posted on the MAPP Calendar at [www.mapp.org](http://www.mapp.org).

RPG meetings must be open and transparent to all Stakeholders. When CEII information is discussed at MAPP RPG meetings, Stakeholder attendance will be conditioned upon execution of the MAPP CEII non-disclosure agreement. MAPP RPG meetings that discuss CEII will be closed to all persons that have not executed a MAPP CEII non-disclosure agreement.

The notice of RPG meetings are to be sent out by the RPG Secretary to the RPG via the RPG and TPC email exploder lists. The meeting notice shall be posted on the MAPP website under the calendar of MAPP meetings. The notice shall state the time and place of the meeting and shall include an agenda sufficient to notify Stakeholders of the matters to be considered at the meeting.

#### **6.8 TPC/RPG Communication**

The RPG shall appoint a liaison to the TPC to facilitate communication of the planning process. The liaison person can be any RPG Stakeholder including an elected TPC member. The form of communication the TPC expects from the RPG includes: (a) RPG Meeting Agendas; (b) RPG final approved Meeting Minutes; and (c) RPG Liaison Status reports to the TPC at its scheduled meetings. The RPG meeting agendas and approved minutes shall be electronically sent to the TPC Secretary for posting on the MAPP website in the TPC area. The RPG status reports are given by the TPC liaison at the scheduled TPC meetings.

#### **6.9 RPG Planning Responsibilities**

The RPG shall develop a RPG Roll-up Plan and an efficient and cost effective MAPP Regional Plan. The RPG Roll-up Plan and MAPP Regional Plan shall be submitted to the TPC for approval.

#### **6.10 Planning Criteria**

The MAPP Regional Plan shall be consistent with applicable standards and requirements established by MAPP and by the reliability standards of the North American Electric Reliability Corporation (NERC), the Midwest Reliability Organization (MRO), and the Western Electricity Coordinating Council (WECC), if applicable. The MAPP planning process will meet these Reliability Standards and will fairly evaluate projects on a comparable basis.

## **6.11 RPG Study Models**

Whenever possible, the RPG shall adopt the most current approved regional model series to develop their base case study models. Each series provides near term, five year and ten year models representing summer peak, summer off-peak and winter peak system conditions. The RPG shall determine the appropriate load conditions (summer peak, summer off-peak, winter peak, etc.) and generation schedules for the RPG studies. The RPG shall verify that the load data, new generation data, and all existing firm transactions in the region are included and correct. The TPC will adopt the most current approved regional model series to prepare the MAPP Regional Plan.

In developing the base case load flow models to be used for the RPG studies, the RPG shall document all modifications required to be made to these load flow cases. The RPG may add underlying transmission detail to these models as required. The RPG shall solicit input from Stakeholders including additions or changes to transmission, generation, and demand resources, in developing base-line assumptions and models used in developing the RPG Roll-up Plan.

The RPG may, if appropriate, adopt other models to conduct its studies. However, the RPG shall develop and provide the TPC with appropriate files to facilitate incorporation of the MAPP Regional Plan study data into the next model series that will be used by the TPC.

## **6.12 RPG Studies and Reports**

Using a “bottom up” approach, the RPG shall develop a RPG Roll-up Plan based on a combination of the previously approved MAPP Regional Plan and a roll-up of the Member Plans. Using a regional perspective, the RPG shall consider these projects together with Stakeholder projects generated through the analysis to produce a MAPP Regional Plan.

The MAPP planning process utilizes a biennial planning cycle to develop an efficient and cost-effective MAPP Regional Plan. The MAPP Regional Planning Process goal is to analyze from a regional perspective the RPG Roll-up Plan to define a MAPP Regional Plan that is more efficient and/or cost effective. The resulting MAPP Regional Plan will provide valuable regional insight and information for all Stakeholders to consider and potentially modify their respective plans.

## **7.0 Stakeholder Input Process**

### **7.1 Regional Stakeholder Participation**

In order to facilitate participation in the MAPP Regional Planning Process, Stakeholders may take the following steps:

- 1) Obtain the contact information for MAPPCOR staff from the MAPP website at [www.mapp.org](http://www.mapp.org).
- 2) Contact the TPC Secretary to obtain contact information and to subscribe to the regional transmission planning email lists. The email lists are used to send meeting announcements, agendas for the meetings, and minutes for the meetings.
- 3) Obtain MAPP Transmission Owning Members' local transmission planning contact information included in the description of their local planning processes posted on the MAPP Transmission Owning Members' OASIS website. MAPPCOR does not facilitate local transmission planning processes and therefore does not maintain an email list or web calendar for those planning meetings.
- 4) Sign the MAPP Non-Disclosure Agreements to participate in the regional transmission planning meetings when CEII material is to be discussed.
- 5) Check the MAPP Website ([www.mapp.org](http://www.mapp.org)) calendar for upcoming schedule of regional transmission planning meetings.
- 6) Check the MAPP Website ([www.mapp.org](http://www.mapp.org)) for all posted agendas, minutes, draft minutes and other relevant documentation for the regional transmission planning meetings.

### **7.2 RPG Responsibilities for Stakeholder Participation**

The RPG will post notice publicly and invite Stakeholders registered on the RPG email list to its meetings as part of the public input process into the RPG Roll-up Plan. The RPG shall:

- maintain a list of Stakeholders invited to and involved in the review of the MAPP planning process;
- add Stakeholders to the RPG email list following Stakeholder requests to MAPPCOR staff;

- verify that Stakeholders have signed the NDA for attendance at the meetings where CEII material is to be discussed;
- identify comparable contacts from interconnected NERC Planning Regions;
- coordinate with the regulatory and environmental participants and Stakeholders as to the process required, areas of need, and possible solutions;
- review the solutions with Stakeholders to identify the best options from a transmission and regulatory basis to include in the RPG Roll-up Plan; and
- report to the TPC and include in the RPG Roll-up Plan documentation the public process completed for the RPG Roll-up Plan such as dates of meetings, number of participants, highlights of key comments and RPG consideration of those comments. The RPG shall include in its RPG Roll-up Plan to the TPC a listing of the suggestions for economic planning studies that they received from their Stakeholders during the year.

### **7.3 Stakeholder Submittals**

The deadline by which Stakeholders must submit information in support of a transmission project proposed for consideration in the MAPP Regional Plan in order to be considered in a given transmission planning cycle is April 1.

Stakeholders can submit their requests and input using the following guidelines:

- Stakeholders submit transmission projects in accordance with the individual local transmission planning process of those transmission providers, or to the RPG or TPC in accordance with the MAPP RPG Guidelines (posted at [www.mapp.org](http://www.mapp.org)).
- Stakeholders submit their individual generator-interconnection requests and transmission service requests to individual transmission providers (MAPP Transmission Owning Members) as provided for on the MAPP Transmission Owning Member's OASIS website.
- Stakeholders submit their economic planning study requests for their general future transmission needs to individual transmission providers in accordance with the individual local transmission planning process of those transmission providers or to the TPC in accordance with the MAPP

TPC Procedures (posted at [www.mapp.org](http://www.mapp.org)). Stakeholders may submit economic planning study requests to the chair of the RPG prior to a RPG Meeting for discussion at that meeting and to be forwarded to the TPC to be considered in the MAPP Regional Plan or update for the next planning cycle. Stakeholders may also submit their requests for economic planning studies at any time during the MAPP Regional Planning Process for consideration at the next TPC meeting.

- Stakeholders may submit their input on plans and transmission needs driven by Public Policy Requirements to individual Transmission Providers, the RPG, or the TPC as provided for in this document, the TPC Procedures, or the individual Transmission Providers local planning process.

## **8.0 Interregional Planning Coordination**

The TPC shall coordinate on planning issues with: (1) the subcommittees of the RPCC; (2) the MRO/WECC; (3) relevant non-MAPP neighboring transmission owning utilities and Regional Transmission Organizations (RTOs).

The TPC will select a TPC member who will be responsible for reporting on the relevant activities of the MAPP TPC, MRO, WECC, and RTO subcommittees at each TPC meeting. The TPC liaison may attend the MAPP TPC, MRO, WECC, and neighboring RTO subcommittee meetings or employ other effective means to obtain the required information.

### **8.1 Coordination Principles**

The MAPP Regional Plan shall be developed in accordance with the principles of interregional coordination through collaboration with representatives from neighboring regions, or their applicable sub-regions, including adjacent transmission providers or regional transmission organizations, or their designated regional planning organization(s).

### **8.2 Joint Planning Committee**

MAPP shall participate in a Joint Planning Committee (JPC) with representatives of adjacent transmission providers or regional transmission organizations, or their designated regional planning organizations(s) (Regional Planning Coordination Entities or RPCEs). The JPC shall be comprised of representatives of MAPP and the RPCE(s) in numbers and functions to be identified from time to time. The JPC may combine with or participate in similarly established joint planning

committees amongst multiple RPCEs or established under joint agreements to which MAPP is a signatory, for the purpose of providing for broader and more effective interregional planning coordination. The JPC shall have a Chairman. The Chairman shall be responsible for: the scheduling of meetings; the preparation of agendas for meetings; the production of minutes of meetings; and for chairing JPC meetings. The Chairmanship shall rotate amongst MAPP and the RPCEs on a mutually agreed to schedule, with each party responsible for the Chairmanship for no more than one planning study cycle in succession. The JPC shall coordinate planning of the systems of the Transmission Provider and the RPCEs, including the following:

- Coordinate the development of common power system analysis models to perform coordinated system planning studies including power flow analyses and stability analyses. For studies of interconnections in close electrical proximity at the boundaries among the systems of MAPP and the RPCEs, the JPC or its designated working group will coordinate the performance of a detailed review of the appropriateness of applicable power system models.
- Conduct, on a regular basis, a Coordinated Regional Transmission Planning Study (CRTPS), which shall be reviewed by Stakeholders, as set forth in Section 7.4.1.
- Coordinate planning activities under this Section 8, including the exchange of data and developing necessary report and study protocols.
- Maintain an Internet site and e-mail or other electronic lists for the communication of information related to the coordinated planning process. Such sites and lists may be integrated with those existing for the purpose of communicating the open and transparent planning processes of MAPP.
- Meet at least semi-annually to review and coordinate transmission planning activities.
- Establish working groups as necessary to address specific issues, such as the review and development of the regional plans of the RPCE and MAPP, and localized seams issues.
- Establish a schedule for the rotation of responsibility for data management, coordination of analysis activities, report preparation, and other activities.

### 8.3 Data and Information Exchange

MAPP shall make available to each RPCE the following planning data and information. Unless otherwise indicated, such data and information shall be provided annually. MAPP shall provide the following data in accordance with the applicable CEII policy, and maintain data and information received from each RPCE in accordance with their applicable confidentiality policies.

- Data required for the development of power flow cases, and stability cases, incorporating up to a ten year load forecasts as may be requested, including all critical assumptions that are used in the development of these cases.
- Fully detailed planning models (up to the next ten (10) years as requested) on an annual basis and updates as necessary to perform coordinated studies that reflect system enhancement changes or other changes.
- The regional plan documents, any long-term or short-term reliability assessment documents, and any operating assessment reports produced by MAPP and the RPCE.
- The status of expansion studies, system impact studies and generation interconnection studies, such that MAPP and the RPCE have knowledge that a commitment has been made to a system enhancement as a result of any such studies.
- Transmission system maps for MAPP and the RPCE bulk transmission systems and lower voltage transmission system maps that are relevant to the coordination of planning between or among the systems.
- Contingency lists for use in load flow and stability analyses, including lists of all contingency events required by applicable reliability standards, as well as breaker diagrams, as readily available, for the portions of the MAPP and the RPCE transmission systems that are relevant to the coordination of planning between or among the systems. Breaker diagrams to be provided on an as requested basis.
- The timing of each planned enhancement, including estimated completion dates, and indications of the likelihood that a system enhancement will be completed and whether the system enhancement should be included in system expansion studies, system impact studies and generation interconnection studies, and as requested the status of related applications



for regulatory approval. This information shall be provided at the completion of each planning cycle of MAPP, and more frequently as necessary to indicate changes in status that may be important to the RPCE system.

- Quarterly identification of interconnection requests that have been received and any long-term firm transmission services that have been approved, that may impact the operation of MAPP or the RPCE system.
- Quarterly, the status of all interconnection requests that have been identified.
- Information regarding long-term firm transmission services on all interfaces relevant to the coordination of planning between or among the systems.
- Load flow data initially will be exchanged in PSS/E format. To the extent practical, the maintenance and exchange of power system modeling data will be implemented through databases. When feasible, transmission maps and breaker diagrams will be provided in an electronic format agreed upon by the Transmission Provider and the RPCE. Formats for the exchange of other data will be agreed upon by MAPP and the RPCE.

## **8.4 Coordinated System Planning**

MAPP shall agree to coordinate with the RPCEs studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan. MAPP shall agree to conduct with the RPCEs such coordinated planning as set forth below.

### **8.4.1 Stakeholder Review Processes.**

MAPP, in coordination with coordinating RPCEs shall review the scope, key modeling assumptions, and preliminary and final results of the CRTPS with impacted Stakeholders, and shall modify the study scope as deemed appropriate by MAPP in agreement with the coordinating RPCEs, after receiving Stakeholder input. Such reviews will utilize the existing planning Stakeholder forums of the coordinating parties including as applicable joint Sub Regional Planning Meetings.

#### **8.4.2 Single Entity Planning**

MAPP shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as necessary to fulfill its obligations under the Second Restated MAPP Agreement and any other MAPP transmission planning procedures. Such planning shall conform to applicable reliability standards. Such planning shall also conform to any and all applicable requirements of Federal or State regulatory authorities. MAPP will prepare a regional transmission planning report that documents the procedures, methodologies, and business rules utilized in preparing and completing the report. MAPP shall agree to share the transmission planning reports and assessments with each RPCE, as well as any information that arises in the performance of its individual planning activities as is necessary or appropriate for effective coordination among MAPP and the RPCEs on an ongoing basis. MAPP shall provide such information to the RPCEs in accordance with the applicable CEII policy and shall maintain such information received from the RPCEs in accordance with their applicable confidentiality policies.

#### **8.4.3 Analysis of Interconnection Requests**

In accordance with the procedures under which a MAPP Transmission Provider provides interconnection service, MAPP will agree to coordinate with each RPCE the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies shall include the following:

- When a MAPP Transmission Provider receives a request under its interconnection procedures for interconnection, it will determine whether the interconnection potentially impacts the system of a RPCE. In that event, the MAPP Transmission Provider will notify the RPCE and convey the information provided in the interconnection queue posting. The MAPP Transmission Provider will provide the study agreement to the interconnection customer in accordance with applicable procedures.
- If the RPCE determines that it may be materially impacted by an interconnection on the MAPP Transmission Provider System, the RPCE may request participation in the applicable interconnection

studies. The MAPP Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the interconnection on the RPCE System, and who will perform the studies. The MAPP Transmission Provider will strive to minimize the costs associated with the coordinated study process undertaken by agreement with the RPCE.

- Any coordinated studies associated with requests for interconnection to the MAPP Transmission Provider's system will be performed in accordance with the study timeline requirements and scope of the applicable generation interconnection procedures of the MAPP Transmission Provider.
- The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the MAPP Transmission Provider, or by providing input to the studies to be performed by the MAPP Transmission Provider. The study cost estimates indicated in the study agreement between the MAPP Transmission Provider and the interconnection customer, will reflect the costs, and the associated roles of the study participants including the RPCE. The MAPP Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation, and responsibilities in the study. If the RPCE agrees to perform any aspects of the study, the RPCE must comply with the timelines and schedule of the MAPP Transmission Provider's interconnection procedures.
- The MAPP Transmission Provider will collect from the interconnection customer the costs incurred by the RPCE associated with the performance of such studies and forward collected amounts, no later than thirty (30) days after receipt thereof, to the RPCE. Upon the reasonable request of the RPCE, the MAPP Transmission Provider will make their books and records available to the requestor pertaining to such requests for collection and receipt of collected amounts.
- The MAPP Transmission Provider will report the combined list of any transmission infrastructure improvements on either the RPCE and/or the MAPP Transmission Provider's system required as a result of the proposed interconnection.

- Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the proposed interconnection shall be accomplished under the terms of the applicable tariff under which transmission service is provided, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.
- Each transmission provider will maintain separate interconnection queues. The JPC will maintain a composite listing of interconnection requests for all interconnection projects that have been identified as potentially impacting the systems of MAPP and coordinating RPCEs. The JPC will post this listing on the Internet site maintained for the communication of information related to the coordinated system planning process.

#### **8.4.4 Analysis of Long-Term Firm Transmission Service Requests**

In accordance with applicable procedures under which the MAPP Transmission Providers provide long-term firm transmission service, the MAPP Transmission Provider will coordinate the conduct of any studies required to determine the impact of a request for such service. Results of such coordinated studies will be included in the impacts reported to the transmission service customers as appropriate. Coordination of studies will include the following:

- The MAPP Transmission Provider will coordinate the calculation of ATC values, if any, associated with the service, based on contingencies on their systems that may be impacted by the granting of the service.
- When a MAPP Transmission Provider receives a request for long-term firm transmission service, it will determine whether the request potentially impacts the system of the RPCE. If the MAPP Transmission Provider determines that the RPCE system is potentially impacted, and that the RPCE would not receive a transmission service request to complete the service path, the MAPP transmission provider will notify the RPCE and convey the information provided in the posting.
- If the RPCE determines that its system may be materially impacted by granting the service, it may contact the MAPP Transmission

Provider that received the request and request participation in the applicable studies. The MAPP Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the requested service on the RPCE system, and will strive to minimize the costs associated with the coordinated study process. The JPC will develop screening procedures to assist in the identification of service requests that may impact systems of the JPC members other than the transmission provider receiving the request.

- Any coordinated studies for request on a MAPP Transmission Provider's system will be performed in accordance with the study timeline and scope requirements of the applicable transmission service procedures of the MAPP Transmission Provider.
- The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the MAPP Transmission Provider or by providing input to the studies to be performed by the MAPP Transmission Provider. The study cost estimates indicated in the study agreement between the MAPP Transmission Provider and the transmission service customer will reflect the costs and the associated roles of the study participants. The MAPP Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation and responsibilities in the study.
- The MAPP Transmission Provider will collect from the transmission service customer, and forward to the RPCE, the costs incurred by the RPCE with the performance of such studies.
- The MAPP Transmission Provider receiving the request will identify any transmission infrastructure improvements required as a result of the transmission service request.
- Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the transmission service request shall be accomplished under the terms of the applicable the applicable tariff under which transmission service is provided, Transmission Service Guidelines,

controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

#### **8.4.5 Coordinated Transmission Planning**

MAPP agrees to participate in the conduct of a periodic Coordinated Regional Transmission Planning Study (CRTPS). The CRTPS shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing service requests in accordance with Sections 7.4.3 and 7.4.4. MAPP, in coordination with coordinating RPCEs, shall review the scope, preliminary results and final results of the CRTPS with impacted Stakeholders, in accordance with Section 7.4.1 and this Section. The results of the CRTPS shall be an integral part of the expansion plans of each Party. Construction of upgrades on the Transmission System of the MAPP Transmission Providers that are identified as necessary in the CRTSP shall be under the terms of the applicable MAPP or MAPP Transmission Provider documentation applicable to the construction of upgrades identified in the expansion planning process. Coordination of studies required for the development of the Coordinated System Plan will include the following:

- Every three years, MAPP shall participate in the performance of a CRTPS. Sensitivity analyses will be performed, as required, during the off years based on a review by the JPC of discrete reliability problems or operability issues that arise due to changing system conditions.
- The CRTPS shall identify all reliability and expansion issues, and shall propose potential resolutions to be considered by MAPP and the coordinating RPCEs.
- As a result of participation in the CRTPS, neither MAPP nor its members are obligated in any way to construct, finance, operate, or otherwise support any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS. Any decision to proceed with any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS shall be based on the applicable reliability, operational and economic planning criteria established for MAPP as applicable to the development of the MAPP Regional Plan and set forth in this Attachment K.

- As a result of participation in the CRTPS, the RPCEs are not entitled to any rights to financial compensation due to the impact of the transmission plans of MAPP upon the RPCE system, including but not limited to its decisions whether or not to construct any transmission infrastructure improvements or other transmission-related projects identified in the CRTPS.
- The JPC will develop the scope and procedure for the CRTPS. The scope of the CRTPSs performed over time will include evaluations of the transmission systems against reliability criteria, operational performance criteria, and economic performance criteria applicable to MAPP and the RPCEs.
- In the conduct of the CRTPS, MAPP and the coordinating RPCEs will use planning models that are developed in accordance with the procedures to be established by the JPC. Exchange of power flow models will be in a format that is acceptable to the coordinating parties.

## **9.0 Member Plans**

The procedures, standards, and requirements for making available Member Plans and the information on which the Member Plans are based as required by the Second Restated MAPP Agreement. Members may submit information directly to the TPC, but submittal to the RPG is preferred. The RPG provides a forum for Members to continue their long-term joint planning relationships with their neighbors and to involve other Stakeholders. The Member Plans will be integrated into the RPG Roll-up Plan.

The Member Plans and subsequent updates are submitted to the TPC as part of the MAPP Regional Planning Process.

## **10.0 Dispute Resolution**

All substantive and procedural disputes related to the MAPP Regional Planning Process shall be resolved in accordance with the dispute resolution procedures set forth in the Second Restated MAPP Agreement.

## **11.0 Economic Planning Studies**

Stakeholders, through the TPC, may request that the Economic Planning Group (EPG) perform economic planning studies to evaluate potential upgrades or other investments that could reduce congestion or integrate new transmission, generation or demand

resources and loads on an aggregated or regional basis. The TPC shall review such proposals and select a certain number for study each year.

The TPC may cluster or batch requests for economic planning studies so the EPG can perform the studies in the most efficient manner. Requests for studies shall be submitted to the chairman of the TPC. All such requests will be collected over a 12 month period ending January 1 of each year. The TPC, with Stakeholder input, will commit and engage to address up to five requests per year. The TPC will attempt to combine the scope of such requests such that the scope of actual study work will adequately address multiple requests, so as not to exceed three studies. Requesting parties would be required to submit essential data for their requested study.

As part of this process, the TPC may also consider economic studies of upgrades to MAPP flowgates. The flowgates studied will be selected among those determined to have recurring congestion, as evidenced by a high number of hours per year with no available firm Available Flowgate Capacity (AFC) or a high number of historical hours per year under Transmission Loading Relief (TLR). Along with Stakeholder input, the TPC will use these or similar metrics to determine which MAPP flowgates are most congested and warrant study of the economic benefits of proposed flowgate upgrades. Any economic planning study, which identifies a new MAPP region transmission facility or the upgrade of an existing transmission facility as a proposed Economic Network Upgrade, shall identify the proposed upgrade subject to the cost allocation principles set forth in Section 12 of this Attachment K. Such economic study shall also include a benefit allocation analysis based on one or more of the following principles: (a) reductions in projected congestion costs; (b) reductions in projected energy costs; or (c) reductions in projected transmission losses.

The economic planning studies performed by the EPG shall include sensitivity analyses representing various generation price scenarios; however, the EPG shall study the cost of congestion only to the extent it has information to do so. If a Stakeholder requests that a particular congested area be studied, it must supply relevant data within its possession to enable the EPG to calculate the level of congestion costs that is occurring or is likely to occur in the near future.

## **12.0 Cost Allocation**

MAPP has established a regional cost allocation methodology that follows the six regional cost allocation principles as defined in FERC Order No. 1000 for new regional transmission facilities selected in a regional transmission plan for purposes of cost allocation.

The six principles are:



- Costs should be allocated “roughly commensurate” with estimated benefits.
- Those who do not benefit from transmission do not have to pay for it.
- Benefit-to-cost thresholds must not exclude projects with significant net benefits.
- Costs cannot be allocated outside a region unless the other region agrees.
- Cost allocation methods and identification of beneficiaries must be transparent.
- Different allocation methods can apply to different types of transmission facilities.

### **12.1 Regionally Beneficial Projects**

The TPC will determine regional cost allocation for eligible new Regionally Beneficial Projects (RBP) identified in the MAPP Regional Plan. RBPs may include reliability, economic, and Public Policy Requirements projects proposed in the RPG Roll-up Plan. A RBP is a project that:

- a) has been proposed in accordance with the MAPP Planning Process;
- b) is eligible for inclusion in the MAPP Regional Plan; and
- c) has regional benefits since it replaces a project(s) in the RPG Roll-up Plan by solving the need(s) at a lower cost.

### **12.2 Applicability and Qualification Criteria**

#### **12.2.1 Project Sponsor Criteria**

The TPC will review the qualifications of the selected project sponsor, which requires the project sponsor to demonstrate that it has the necessary financial resources and technical expertise to develop, construct, own, operate, and maintain the RBP.

In order to sponsor a RBP for regional cost allocation, the project sponsor must meet the following requirements:

- a) the project sponsor and its team is technically and financially capable of (i) completing the project in a timely and competent manner; and (ii) operating and maintaining the facilities consistent with Good Utility Practice and applicable reliability criteria for the life of the project; and

- b) the project sponsor meets any additional requirements per TPC Procedures.

An existing project sponsor may already meet these criteria and may demonstrate qualification by referring to a recent TPC eligibility ruling. The TPC may require the project sponsor to demonstrate eligibility for each proposed project. Should an entity be found deficient, the TPC may allow it time to remedy any deficiency.

### **12.2.2 Project Criteria**

To qualify for regional cost allocation consideration, a proposed RBP must meet the following requirements:

- a) the proposed RBP would replace a project(s) in the RPG Roll-up Plan by solving the need(s) at a lower cost; and
- b) the proposed RBP satisfies applicable reliability criteria; and
- c) the proposed RBP meets any additional contract or technical requirements per TPC Procedures.

### **12.3 Regional Cost Allocation – Project Selection**

MAPP administers a transparent and not unduly discriminatory process for evaluating whether to select a RBP in the MAPP Regional Plan for purposes of cost allocation.

RBPs will be considered for regional cost allocation under the following circumstances, per TPC Procedures.

- a) A project sponsor (qualified under 12.2.1) request to the MAPP TPC for consideration.
- b) A RBP suggested through the process of regional evaluation of the Member Plans into the RPG Roll-up Plan and requested for consideration by a project sponsor (qualified under 12.2.1).
- c) If multiple project sponsors bid to sponsor the same RBP, the TPC will select the project sponsor per TPC Procedures.

RBPs will be selected for regional cost allocation consideration through an analysis of the following metrics:

- Technical sufficiency
- Cost-effectiveness
- Other benefit metrics as defined in the TPC Procedures

### **12.3.1 Technical Sufficiency**

The primary focus of the technical sufficiency analysis is to ensure a proposed RBP meets the needs and requirements of the original project(s) in the RPG Roll-up Plan. The analysis for technical sufficiency will include the following general steps, further detailed in the TPC Procedures.

- a) Remove displaced project(s) from the model.
- b) Place the RBP in the model and verify that the needs and requirements of the original projects are met and that no new reliability violations have been created.
- c) Verify that the new plan does not accelerate a future problem into the 10 year planning horizon unless total cost plus the mitigation cost for fixing the accelerated problem is no greater than the original plan, and there is sufficient time to mitigate the accelerated problem.

### **12.3.2 Cost-effectiveness**

A more cost effective MAPP Regional Plan will be accomplished if the total incremental capital cost and applicable annual cost of the RBP is less than the total incremental capital cost and applicable annual cost of the original RPG Roll-up Plan projects. Each beneficiary's share of the RBP cost must be less than the cost of its original project(s). The analysis for cost-effectiveness will include the following steps:

- a) Calculate the total capital and applicable annual costs of the original project(s) in the RPG Roll-up Plan proposed to be replaced by the RBP per TPC Procedures;
- b) Calculate the total capital and applicable annual costs of the RBP per TPC Procedures;
- c) Calculate each beneficiary's share of the RBP cost.

- d) The RBP total capital and applicable annual costs must be less than the original project(s) total capital and applicable annual costs. Each beneficiary's share of the RBP cost must be less than the cost of its original project(s).
- e) To address uncertainty, the benefit-to-cost ratio must be 1.25 or greater in total and individually to require participation in regional cost allocation.

## **12.4 Regional Cost Allocation Procedures**

MAPP administers a transparent and not unduly discriminatory process for allocating the cost of projects selected for regional cost allocation. MAPP cost allocation procedures are intended to allocate costs "roughly commensurate" with estimated benefits. Those who are not identified as a beneficiary of the transmission project do not have to pay for it. All projects selected for regional cost allocation will utilize the following regional cost allocation method.

### **12.4.1 Aggregate Benefits Method**

The aggregate benefits method is the regional cost allocation method, which will be implemented as follows, and defined further in the TPC Procedures:

- a) Quantify the benefits as the total capital and applicable annual costs of each of the original projects in the RPG Roll-up Plan, per TPC Procedures, for each MAPP Transmission Owning Member for their project(s) that could be replaced by a RBP.
- b) Allocate the capital and applicable annual costs of the RBP, per TPC Procedures, to each MAPP Transmission Owning Member based on their respective share of the sum of all benefits quantified above.

## **12.5 Subscription Rights Option**

The subscription rights option, although not a regional cost allocation method, is a participant funding option for project sponsors to consider. This method uses an auction procedure and is available to MAPP Transmission Owning Members and Eligible Transmission Customers, including but not limited to Affected Generators and MAPP Load-Serving Entities, collectively referred to as Eligible Participants.

The MAPP Regional Plan shall classify transmission projects as described above. Any economic planning study authorized by the MAPP TPC for a RBP and performed in compliance with Section 11 of this Attachment K, which identifies the need for a new MAPP region transmission facility or the upgrade of an existing transmission facility as a proposed Economic Network Upgrade, shall treat such proposed facility upgrade(s) as commercial transmission.

This procedure describes the process by which the MAPP Transmission Owning Member on whose transmission system the Economic Network Upgrade is located (Host TO) may solicit participation for the proposed Economic Network Upgrade. The MAPP Transmission Owning Member shall have the right to elect to be an Affected System and not serve as the Host TO. A transmission owner that has protested a project as causing undue burden, which has not been satisfactorily resolved, has the option to decline participation.

#### **12.5.1 First Call Offer of Subscription Rights**

An offer to participate in the Economic Network Upgrade will be sent to all Eligible Participants and to any Affected System Operators participating on a reciprocal basis in accordance with the benefit allocation defined on a cost causation basis in the economic planning studies performed in compliance with Section 11 of this Attachment K, in exchange for Subscription Rights to the new transmission capacity.

All Eligible Participants will be offered the opportunity to participate in the Economic Network Upgrade by purchasing a portion of the Subscription Rights made available by such Auction Procedure. If an Eligible Participant accepts the subscription offer for participation in the Economic Network Upgrade, the subscription shall be granted to such Eligible Participant as a Subscription Rights buyer. If demand for the Subscription Rights offered exceeds the number of Subscription Rights available, Subscription Rights will be offered to the interested Eligible Participants on a pro rata basis, based on each Eligible Participant's designated level of transmission capacity megawatts requested in its submitted offer to participate to the total transmission capacity megawatts requested. Each participating interested Eligible Participant shall have 60 days to accept such an offer for pro rata Subscription Rights.

#### **12.5.2 Second Round Offer of Subscription Rights**

Within 30 days following the close of the above first call offer of Subscription Rights, any Subscription Rights that remain unsubscribed

shall be released to all Eligible Participants. Thirty (30) days will be allowed for recipients of the second round offer to indicate interest in acquiring the residual Subscription Rights. If the Subscription Rights offered are acquired by an Affected System Operator's transmission business unit, the revenue requirements will be rolled into the Affected System Operator's rate structure and the acquired transmission capacity shall be available under the Affected System Operator's open access transmission tariff (OATT). The Affected System Operator, including the Host TO, shall adjust the point-to-point and network service charges to reflect the addition of any revenue requirements to the Affected System Operator's OATT embedded cost rates, provided that any such Affected System Operator subject to the jurisdiction of the Commission shall obtain approval of the Commission prior to causing such rate adjustment to be effective. Furthermore, any subscribing Eligible Participant may roll the revenue requirements associated with the acquired Subscription Rights into the Affected System Operator's rate structure, as approved by the Commission, if the subscribing Eligible Participant makes the acquired transmission capacity available under the Affected System Operator's OATT.

### **12.5.3 Resale and Reassignment of Subscription Rights**

The MAPP transmission providers shall provide resale and reassignment provisions for Subscription Rights on the same basis as provided in the *pro forma* OATT for firm point-to-point transmission service.

### **12.5.4 Failure to Obtain Subscriptions**

If, after the first and second rounds of the Auction Procedure have concluded, Subscription Rights sufficient to cover the total cost of the Economic Network Upgrade project have not been successfully subscribed, subscribing Eligible Participants will be notified of the Subscription Rights shortfall. Such notice shall be in writing, include the amount of available Subscription Rights and provide thirty (30) days for such subscribing Eligible Participant to increase its Subscription Rights election. At the end of the expiration of the thirty (30) day notice period, the proposed project may be cancelled if it is still not fully subscribed. The Host TO or another Affected System Operator may choose to fund the remaining portion of the necessary subscription rights and roll those costs into their transmission revenue requirements. If a project is cancelled under such circumstances, all of the subscribers will be notified in writing

within thirty (30) days of its decision to terminate. If an Economic Network Upgrade is terminated for lack of subscriptions or for defaults on subscriptions, the project shall be deemed to have insufficient economic benefit to market participants, and the project shall not qualify for reconsideration as an Economic Network Upgrade until the latter of a) the next biennial MAPP Regional Planning cycle, or b) two years from the date of notice of cancellation.

#### **12.5.5 Facilities Agreement**

If the Economic Network Upgrade is fully subscribed, the Host TO shall offer the subscribers a Facilities Agreement within sixty (60) days of full subscription.

#### **12.5.6 Defaulting Subscribers**

If any of the subscribers fail to execute the Facilities Agreement within thirty (30) days of receipt of such agreement, the non-signing subscriber's Subscription Rights will be awarded to all Eligible Participants. If an alternative subscriber is not secured, the Host TO shall pursue resolution with the non-signing/defaulting subscriber(s) pursuant to Article 9, Dispute Resolution, of the Second Restated MAPP Agreement. Any dispute that has not been resolved through the MAPP Dispute Resolution process shall be resolved through the appropriate regulatory or jurisdictional dispute resolution proceedings. A party seeking to invoke FERC jurisdiction over a dispute shall file with the Commission the Facilities Agreement unexecuted by the non-signing/defaulting subscriber. The Commission shall determine the obligations of the non-signing/defaulting subscriber. If, as a result of the dispute resolution process the non-signing/defaulting subscriber is relieved of its obligations, the Host TO may cancel the project with no further obligations to the remaining subscribers, except to notify all of the subscribers in writing within thirty (30) days of its decision to terminate.

#### **12.5.7 Post-Auction Host Owner Option**

In the event the defined Economic Network Upgrade is not fully subscribed after the Auction Procedure is exhausted, the Host TO may, of its own accord, elect to perform such Economic Network Upgrade, and roll the upgrade costs into the next update of its transmission revenue requirements.

### **12.5.8 Conversion of Subscription Rights to Physical Transmission Rights**

The Facilities Agreement associated with an Economic Network Upgrade shall convert the Subscription Rights allocated to Physical Transmission Rights. Subscription Rights and Physical Rights shall be the same transmission capability rights with the principal distinction merely being the stage of project commitment. Subscription Rights shall be associated with a good faith expression of intent, albeit still based on non-binding estimated planning costs, to invest in the Economic Network Upgrade. Upon signing a Facilities Agreement, the Eligible Participant's expression of intent to invest as a holder of Subscription Rights becomes a binding contractual commitment with the prescribed Physical Rights to the discrete transmission capability defined in the Facilities Agreement. The additional transmission capability achieved by the project shall be allocated to the Subscription Rights holders as Physical Transmission Rights in proportion to their respective payment for the network upgrade. The Physical Transmission Rights do not in themselves convey a form of transmission service under Part II or Part III of the Tariff. The holder of the Physical Transmission Rights may use those rights in conjunction with a specific application of transmission service under Part II or Part III of the Tariff of the Host TO, or the holder may sell or assign the Physical Transmission Rights to another party. Physical Transmission Rights may be used by a generator owner to secure firm transmission service and/or provide a hedge against potential congestion charges.

### **12.5.9 Completion of Economic Network Upgrades**

Once an Economic Network Upgrade is fully subscribed and Facilities Agreements are in place for all subscribers, the Host TO shall apply good faith efforts to obtain approvals for, design, construct, own, operate and maintain the proposed Economic Network Upgrade facilities under the terms and conditions set forth in the Facilities Agreement(s).

### **12.5.10 Interregional Coordination**

This Procedure may be applied for interregional Economic Network Upgrades demonstrating interregional economic benefits. MAPP Transmission Owning Members may use this Procedure to fulfill any requirements of reciprocal obligations for interregional transmission upgrades identified by the planning processes of adjacent regional entities, including but not limited to the Midwest ISO Transmission Expansion Plan. This Procedure shall also be available to transmission owners in



adjacent regions that may be invited to participate in a subscription rights offering from a MAPP Transmission Owning Member, based on demonstrations of benefits under Section 11 of this Attachment K.

#### **12.5.11 Transmission Projects for Renewable Energy Zones**

The Subscription Rights procedures may also be applied to a regional transmission project that is designed to develop deliverability from Renewable Energy Zones to a market in the same manner that the Subscription Rights procedures are applied for Economic Network Upgrades. However, this procedure shall not be an alternative for requirements of Transmission Access Projects under Parts II and III of the Tariff, or for the obligations of Attachment I, “Standard Large Generator Interconnection Procedures (LGIP)”. The Renewable Energy Zone transmission project must be included in the MAPP Regional Plan or in the transmission plan of an adjacent region that has been coordinated with the MAPP Regional Plan.

### **13.0 NorthWestern South Dakota Local Planning Process**

#### **13.1 Introduction**

This section of NorthWestern’s South Dakota Attachment K provides NorthWestern’s local transmission planning process that will allow for NorthWestern’s Transmission Customers to participate in its local transmission planning process that meets the nine planning principles set forth in the FERC Order No. 890 and Order No. 1000.

NorthWestern is a network customer of the Western Area Power Administration Upper Great Plains Region (WAPA-UGPR). NorthWestern and WAPA-UGPR jointly plan the NorthWestern transmission network that is part of the Integrated System for WAPA-UGPR’s member transmission plan. The following process will allow for NorthWestern’s Transmission Customers and stakeholders to participate in NorthWestern’s local transmission planning process and WAPA-UGPR’s local area transmission planning process.

#### **13.2 Scope of NorthWestern’s Local Transmission Planning Process**

The NorthWestern local transmission planning process described in this Section 13 covers transmission facilities under the Tariff. The purpose of the NorthWestern local transmission planning process is to see that long-term local planning for transmission facilities to serve NorthWestern native end-use load and firm transmission commitments is conducted. The process provides long-term

reliability and economic planning of transmission facilities for the NorthWestern Transmission System for firm commitments and Network Customers served from the NorthWestern Transmission System that is comparable to the long-term planning of NorthWestern's native end-use load served from the NorthWestern Transmission System.

### **13.3 NorthWestern Local Planning Process Responsibilities**

NorthWestern will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Orders 890 and 1000. NorthWestern in concert with WAPA-UGPR's will be responsible for the development of the WAPA-UGPR transmission plan that includes NorthWestern's transmission planning needs and results from this local planning process. The local transmission planning process will allow timely and meaningful stakeholder input and participation in the development of these transmission plans. The NorthWestern local transmission planning process will follow MAPP's regional planning procedures provided in Sections 1 through 12 and WAPA-UGPR planning information provided in Section 14 of this Attachment K. Transmission plans resulting from this process to be included in the MAPP Regional Plans will be submitted to the MAPP RPG, to their successor regional or subregional committees, and/or to the successor regional transmission organization, independent transmission coordinator, or independent system operator, as appropriate.

NorthWestern will maintain a website to post appropriate Attachment K documents described within this Section 13 at URL:

[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16-](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16-) <http://www.northwesternenergy.com/our-company/about-us/operations>

In addition to other posted documents described within Section 13 of this Attachment K, NorthWestern will post the following information on its website:

**13.3.1** A document describing NorthWestern's process for amending an existing NorthWestern's posted planning documents the posted on its website.

**13.3.2** A document describing the extent that NorthWestern has undertaken a commitment to build a transmission facility included in the MAPP Regional Plan.

**13.3.3** A document with NorthWestern's South Dakota Planning Process Technical Contact information.

**13.3.4** A summary list of Critical Energy Infrastructure Information submitted

during the planning process.

#### **13.4 NorthWestern Local Transmission Planning Stakeholder Process and Procedures**

NorthWestern is a network customer of the WAPA-UGPR and jointly plan the NorthWestern transmission network that is part of the Integrated System for WAPA-UGPR's member transmission plan. NorthWestern's local transmission planning process and timeline is consistent with the needs of the WAPA-UGPR eight quarter planning process. WAPA-UGPR eight quarter planning cycle begins on an even year (i.e., 2012) and ends the following year (i.e., 2013). An example of WAPA-UGPR eight quarter planning cycle is shown in Appendix B.

NorthWestern will hold at least one conference call or face-to-face stakeholder annual meeting to discuss local transmission planning, including local transmission needs and Public Policy Requirements and Public Policy Requirements Projects to be used in the local transmission plan. This public stakeholder meeting will be held in quarter one of the eight quarter planning cycle and will be scheduled to precede WAPA-UGPR's stakeholder meeting to allow the NorthWestern stakeholders the opportunity to provide input into the WAPA-UGPR and MAPP processes. NorthWestern's public stakeholder meeting in the following year (i.e., during quarter five of the eight quarter planning cycle) will be held during the first quarter of that year.

If there are studies that result from the quarter one meeting, a follow up meeting will be held to allow review of the studies and preparation for these studies to be included in the WAPA-UGPR local transmission plan and in the MAPP regional plan. Additional meetings will be held as needed. These stakeholder meetings will be open to all interested stakeholders, including but not limited to NorthWestern's transmission service customers, generation interconnection customers, neighboring transmission owners, neighboring transmission providers, MAPP staff and members, affected state authorities, and regional planning groups.

NorthWestern will hold an additional stakeholder meeting within 60 days after receipt of a written request from stakeholders from three or more different organizations. However, NorthWestern is not required to hold more than two additional stakeholder meetings per year as a result of stakeholder requests.

To ensure meaningful dialogue at the stakeholder meetings, available information related to the proposed draft agenda will be distributed with the meeting notices.

Stakeholders may submit questions or comments in advance of the meeting or up to 30 days after such meeting.

Email notifications will be sent to the designated contact or signatory specified in a service agreement under this Tariff, attendees of prior meetings, and to other key stakeholders. A notice for the stakeholder meetings will be posted on NorthWestern's South Dakota website at URL

[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16) <http://www.northwesternenergy.com/our-company/about-us/operations>

NorthWestern will develop and maintain an updated email list of stakeholders that have attended prior meetings, as well as key participants that should be invited regardless of attendance at prior meetings. Stakeholders wishing to be removed from the stakeholder list may do so through email or written notification to the NorthWestern Planning Process Technical Contact as provided on NWE's website.

### **13.5 Transparency of NorthWestern Local Transmission Planning Stakeholder Process and Procedures**

The NorthWestern local transmission planning process will be open and transparent to facilitate comment and exchange of information, as described below:

**13.5.1** NorthWestern will make available the basic criteria that underlie its transmission system plans by posting the basic criteria methodology and timeline document for facilities covered by this Attachment K on the NorthWestern website at URL

[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16), <http://www.northwesternenergy.com/our-company/about-us/operations>

**13.5.1.1** NorthWestern does not have any criteria more stringent WAPA-UGPR or MAPP.

**13.5.2** NorthWestern will make available to stakeholders (subject to CEII, cyber security, and Standards of Conduct requirements) the basic criteria, assumptions, and **data** that underlie its transmission system plans. For this purpose, NorthWestern will make the following documents available, upon request, in a way that maintains confidentiality and complies with CEII and cyber security requirements:

**13.5.2.1** NorthWestern's FERC Form 714

**13.5.2.2** NorthWestern's FERC Form 715

**13.5.3** Limitations on Disclosure: While the Transmission Provider's Local Transmission Planning process will be conducted in the most open manner possible, Transmission Provider has an obligation to protect sensitive information such as, but not limited to, Critical Energy Information and the proprietary materials of third parties. Nothing in this Attachment K shall be construed as compelling the Transmission Provider to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental agency of competent jurisdiction. Transmission Provider may employ mechanisms such as confidentiality agreements, protective orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.

**13.5.4** NorthWestern will provide information on the location of applicable NERC/MAPP/Midwest Reliability Organization ("MRO") planning criteria, reliability standards, regional power flow models, or other pertinent information, as available. See NorthWestern's basic criteria methodology and timeline document posted on NorthWestern's website at URL

[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16); <http://www.northwesternenergy.com/our-company/about-us/operations>

**13.5.5** NorthWestern will set its planning horizons and study frequencies considering NERC and/or regional entity standards and the MAPP TPC planning cycle, and consistent with the needs of the WAPA-UGPR eight quarter planning process.

**13.5.5.1** The data, including Public Policy Requirements and Public Policy Requirements Projects, for WAPA-UGPR and the regional models are collected during the first quarter of WAPA-UGPR eight quarter planning cycle. NorthWestern will notify by email (see 13.4) its stakeholders of the WAPA-UGPR and regional schedules and will set its data submission schedule to precede the needs of these schedules by one month or more by posting its data collection schedule in its basic

criteria methodology and timeline document on its website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16).

## **13.6 Information Exchange**

Certain information exchanges associated with the stakeholder process and the local study process are described in Section 13.5 of this Attachment K. In addition, information exchange for the base regional model development will take place as follows:

**13.6.1** NorthWestern participates in the development of the MAPP regional base case power flow and stability models, currently for the PSSE<sup>TM</sup> computer application, through WAPA-UGPR. These regional models provide the basis for studies of transmission service requests, generation interconnection requests, local planning studies and regional planning studies. To assist in the development of accurate base case regional models and thereby develop appropriate local transmission plans for the NorthWestern system, NorthWestern will request as required by the WAPA-UGPR and MAPP TPC, at a minimum, the following data of its Transmission Customers:

**13.6.1.1** Network Customers and other load serving entities including the transmission provider for its native end-use load within the NorthWestern Transmission System will be requested to submit existing loads and future loads for the horizon of the regional base case models (typically ten years) for each of its load points. Information for firm loads will be separated from information for interruptible loads.

**13.6.1.2** Point-to-point customers will be requested to submit projections of their quantifiable transmission service needs over the planning horizon, including applicable receipt and delivery points and the transmission service reservations anticipated to be scheduled.

**13.6.1.3** Public Policy Requirements and Public Policy Requirements Projects for consideration in the base case model.

**13.6.1.4** Additional modeling data will be requested as necessary to conform to the requirements of the NERC MOD standards.

**13.6.1.5** Sponsors of transmission, generation, Public Policy Requirements Projects and demand resources can provide information for use in developing base-line assumptions and models.

**13.6.1.6** Any stakeholder can provide alternate solutions to any transmission needs identified in the local transmission plan as part of the planning process.

### **13.6.2 Public Policy Requirements**

**13.6.2.1** The NorthWestern shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements during its quarter one open stakeholder meeting.

**13.6.2.2** NorthWestern, after consultation with stakeholders during the annual stakeholder meeting, will select the Public Policy Requirements and Public Policy Requirements Projects to be evaluated in the local area transmission plan.

**13.6.2.3** NorthWestern will post, on its website at

<http://www.northwesternenergy.com/our-company/about-us/operations>[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16)

a list of Public Policy Requirements and Public Policy Requirements Projects that will be evaluated in the transmission planning process and why other suggested Public Policy Requirements and Public Policy Requirements Projects will not be evaluated.

**13.6.2.4** The evaluation process and selection criteria for inclusion of Public Policy Requirements Projects in the local transmission plan will be the same as those used for any other local project in the local transmission plan.

### **13.6.3 Comparability Between Resources**

Comparability between resources, including similarly situated customer-identified projects, will be accomplished in the following manner.

- 13.6.3.1** Comparability between resources will be achieved in NorthWestern's Local Transmission Plan by including all valid data received from stakeholders, generators and customers (including load forecast data, generation data, Public Policy Requirements Projects, and Demand Resource data) in the Local Transmission Plan development.
- 13.6.3.2** Combining the forecast load and generation, including Public Policy Requirements and Public Policy Requirements Projects, information received from the customers with NorthWestern's transmission line and equipment data for the desired year to be studied develops the base case used in the technical reliability assessment. The load forecast and/or generation dispatch patterns are varied independently, within appropriate ranges, to depict a specific operating condition such as the summer peak period. Varying the load and generation dispatch patterns in this manner causes the flows across the transmission lines to vary. Because this assessment is reliability based, which is focused on identifying load and generation dispatch patterns that stress the system, there is no discrimination to customer type or generation dispatch pattern analyzed. By following this process, the resulting plan will have treated similarly situated generators and customers in a comparable manner.
- 13.6.3.3** NorthWestern's projects and similarly situated customer-identified projects (e.g., transmission solutions, Public Policy Requirements Projects, and solutions utilizing Demand Resource load adjustment) will be treated on a comparable basis and given comparable consideration in the transmission planning process. Comparability will be achieved by allowing customer-defined projects sponsor participation throughout the transmission planning process and by considering customer-defined projects (transmission solutions and solutions utilizing Demand Resources load modeled as a load adjustment) in the Local Transmission Plan development. NorthWestern retains discretion as to which solutions to pursue and is not required to include all customer-identified projects in its plan.



**13.6.3.4** NorthWestern's annual stakeholder meeting will be the process by which stakeholders can discuss, question, or propose alternatives for input assumptions and upgrades identified by the Transmission Provider.

**13.6.4** The data submitted by Transmission Customers will be included to the extent appropriate in the base case model.

**13.6.5** The NorthWestern data request will be sent in coordination with the WAPA-UGPR and MAPP regional data requests. NorthWestern will send a data request to its Transmission Customers and other stakeholders typically prior to expected transmittal of the regional data request. Transmission Customers will be expected to respond to the NorthWestern data request in a timely fashion.

**13.6.5.1** Email notifications will be sent to the designated contact or signatory specified in a service agreement under this Tariff, attendees of prior meetings, and to other key stakeholders. NorthWestern will develop and maintain an updated email list of stakeholders that have attended prior meetings, as well as key participants that should be invited regardless of attendance at prior meetings. Stakeholders wishing to be removed from the stakeholder list may do so through email or written notification to the NorthWestern Planning Process Technical Contact.

**13.6.6** Responses to the data request will be accepted in forms such as PSS<sup>TM</sup>E raw data format or in spreadsheet format with appropriately labeled headings.

**13.6.7** Each Transmission Customer using the NorthWestern Transmission System will be responsible for providing NorthWestern with an email address for its data modeling contact. NorthWestern will send the annual data request to these contacts via email.

## **13.7 Economic Studies**

Stakeholders may request directly through the MAPP TPC that the Economic Planning Group (EPG) perform economic planning studies to evaluate potential upgrades or other investments that could reduce congestion or integrate new transmission, generation or demand resources and loads on an aggregated or

regional basis. See Section 11 of this Attachment K. The time horizon for these studies is typically 10 years.

Stakeholders may request an Economic Planning study directly through the WAPA-UGPR's Local Economic Planning Study process is described in section 13.7 of WAPA-UGPR, Attachment P of their OATT.

See <http://www.oatioasis.com/WAPA/WAPAdocs/WAPA-AttachmentP.pdf>.

Stakeholders may also request, as describe below, an Economic Study through NorthWestern's local transmission planning process.

**13.7.1** NorthWestern will accept economic study request from its stakeholders through November 1 of each year. The requests received will be forwarded to WAPA-UGPR or the MAPP TPC for inclusion in their economic study processes for the following year. NorthWestern's form for submitting an Economic Study Request is posted on NorthWestern's website at URL

[http://www.northwesternenergy.com/display.aspx?Page=Electric\\_Transmission&Item=16](http://www.northwesternenergy.com/display.aspx?Page=Electric_Transmission&Item=16) <http://www.northwesternenergy.com/our-company/about-us/operations>.

**13.7.2** When the MAPP TPC and WAPA-UGPR have set their schedules for their economic studies, NorthWestern will inform its stakeholders through its website about when they can become involved in the economic study process.

**13.7.3** If any stakeholder requests are not selected by WAPA-UGPR or the MAPP TPC for study, NorthWestern will combine requests when appropriate and conduct one economic study per year. A stakeholder has the option of performing its own economic study.

## **13.8 Cost Allocation for New Projects**

NorthWestern will coordinate assignment of cost responsibility for identified Network Upgrades within the NorthWestern Transmission System that provide reliability and economic benefits to NorthWestern and other entities. In accordance with Section 12 above, Network Upgrades through the joint planning process with WAPA-UGPR will be allocated under traditional cost allocation procedures: (i) the cost of Direct Assignment Facilities will be charged to the Transmission Customer, and (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades will be charged to the Transmission Customer.

**13.8.1** Economic system additions that are within the NorthWestern System that do not meet the definition of Regionally Beneficial Projects (RBP) as defined in section 12.1 of this Attachment K will be allocated on basis that cost causers should bear costs and that beneficiaries should pay in an amount that is reflective of the direct demonstrable benefits received. The costs will be allocated a pro rata based on the capacity (MW) requested or benefits received, unless a mutually agreeable cost allocation method can be reached between the Transmission Provider and the project participants or sponsors, which will be subject to FERC approval of the participation agreement. Those economic additions that do meet the definition of an RBP will be allocated per the provisions of Section 12 of this Attachment K.

**13.9 Dispute Resolution** (Compliance with Attachment K and Local Transmission Plan)

**13.9.1** Process: The following process shall be utilized to address procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and related transmission business practices.

**13.9.1.1** Step 1 - Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider that describes the dispute. Upon receipt of such letter, the Transmission Provider shall set a meeting for the senior representatives for each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of the disputed matter, or (iii) after 60 days, the parties remain at an impasse.

**13.9.1.2** Step 2 - If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation among those parties involved in the dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the

Commission's Dispute Resolution Service serve as the mediator of the dispute.

**13.9.2** 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.

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

**13.9.4** Timeline. Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under Section 13.9.1 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.

**13.9.5** Rights. Nothing contained in this Section 13.9 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.

#### **13.10 Recovery of Planning Costs**

Unless Transmission Provider allocates planning-related costs to an individual stakeholder, or as part of a generation interconnection or transmission service request, all costs of the Transmission Provider related to the Local Transmission Plan process or as part of sub-regional or regional planning process shall be included in the Transmission Provider's transmission rate base. Transmission Provider will capture the planning costs for the OATT using traditional test period requirements in the next FERC tariff filing.

#### **14.0 WAPA Upper Great Plains Planning Process**

NorthWestern relies on the WAPA-UGPR planning process to help meet the requirements under this Attachment K. Following are WAPA-UGPR's Open Planning, Study, Information Exchange and local Economic Planning processes. WAPA-UGPR's Transmission Planning process can be found at

<http://www.oatioasis.com/WAPA/WAPAdocs/Planning-Process.htm>.

##### **14.1 Open Planning Process**

**14.1.1** Openness: WAPA-UGPR Local Planning Process will be open to all stakeholders during the development of the Local Transmission Plan

(“LTP”). All meetings related to the LTP process shall be: (1) noticed by the Transmission Provider, WAPA-UGPR, via the OASIS; and (2) provide for alternate means of participation, to the extent practical and economical, such as teleconference, video conference or other similar means. The mode, method, schedule, process, and instructions for participation in WAPA-UGPR’s Local Planning Process shall be posted and maintained on the OASIS.

**14.1.2** Limitations on Disclosure: While WAPA-UGPR Local Planning Process will be conducted in the most open manner possible, Transmission Provider pursuant to Attachment P has an obligation to protect sensitive information such as, but not limited to, Critical Energy Information and the proprietary materials of third parties. Nothing in this Attachment P shall be construed as compelling the Transmission Provider, WAPA-UGPR, to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental agency of competent jurisdiction. Transmission Provider may employ mechanisms such as confidentiality agreements, protective orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.

**14.1.3** Compliance: Transmission Provider, WAPA-UGPR, will adhere to all applicable regulations in preparing the LTP, including but not limited to the Standards of Conduct for Transmission Providers and Critical Information Energy Information.

## **14.2 Study Process**

A local study group process will be instituted in addition to the open planning process described in Section 13.3 and 13.4. The purpose of the local study group process is to expand stakeholder participation in Western’s UGPR Local Planning Process as provided in the following:

- a) A working group will be formed at the first semi-annual stakeholder meeting to receive information and provide comment on planning issues that are the subject of Western’s UGPR Local Planning Process that arise between stakeholder meetings. Western UGPR will provide (subject to confidentiality, CEII, cyber security and Standards of Conduct requirements):
  - 1) The initial assumptions used in developing the annual local process transmission assessment and will provide an opportunity for

feedback.

- 2) The models used for local process transmission planning.
  - 3) Information regarding the status of local process transmission upgrades and how such upgrades are reflected in future local process transmission plan development.
  - 4) The draft study scope for those studies conducted by the working group as part of the local process, which will include or provide references to the basic assumptions for the study, the model or models used in the working group study including information regarding significant changes in the model.
  - 5) The draft transmission report for those studies conducted by the working group as part of the local process, as prepared by Western Attachment P UGPR or Western UGPR's designate. Stakeholders who do not participate on the working group will be given the opportunity to comment on the draft report after Western UGPR has considered the comments of the working group. The report will include an executive summary that is brief and is designed to be understandable to stakeholders.
  - 6) Draft transmission plans that result from Western's UGPR Local Planning Process before they are distributed to stakeholders pursuant to the open planning process described in Section 13.3 above.
- b) The working group meetings will be established by Western UGPR on an as needed basis. Working group meetings will also be established if need is expressed by 10 members of the respective working group; however, Western UGPR will not be required to hold meetings of the working group more than on a semi-annual basis. Meetings will typically be conference calls and/or web casts, but face-to-face meetings may be called if necessary. Meeting notices will be distributed via email to the respective study group mailing list. Meeting materials may be distributed via email respecting email size limitations and CEII, cyber security, and Standards of Conduct requirements. A password protected FTP site or internet may be used to transmit study models or large amounts of data.
- (c) Western UGPR will chair and provide leadership to the working group, including facilitating the group meetings.
- (d) Input from the working group members will be considered in the local planning process. Comments will generally be expected via email or

during working group meetings. Comments will be solicited within the defined comment periods of the study group process.

### **14.3 Information Exchange**

Certain information exchanges associated with the open planning process and the local study group process are described in Sections 14.1 and 14.2 in this Attachment K. In addition, information exchange for base regional model development will take place as follows:

- a) Western participates in the annual development of the regional base case power flow and stability models currently for the PSSE computer application. These regional models provide the basis for studies of transmission service requests, generator interconnection requests, local planning studies and regional planning studies. To assist in the development of accurate base case regional models and thereby develop Attachment P appropriate local transmission plans for the Western UGPR system, Western will request at a minimum the following data of its Transmission Customers:
  - 1) Network Customers and other Load Serving Entities (LSE) within the Western UGPR Control Area will be requested annually to submit existing loads and future loads for the horizon of the regional base case models (typically 10 years) for each of its load points. Information for firm loads will be separated from information for interruptible loads.
  - 2) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to provide a list of all existing and proposed new demand response resources including behind the meter generation or load curtailment; the MW impact on peak load; the historical and expected future operating practice of the demand response resources such as the conditions under which the customer intends to initiate each resource, and whether each resource is available for use in providing measurable transmission system support to correct problems assessed in Western's UGPR Local Planning Process, as well as, other information required to consider such resources as provided in Section 13.6.1.1. Network Customers and other LSEs will be requested to provide updates of this information when substantive changes occur.
  - 3) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to provide a list of existing and proposed new generation resources and historical and

expected future dispatch practices such as the load level at which the customer plans to start each generating unit and plant, and whether each generation resource is available for use in providing measurable transmission system support to correct problems assessed in Western's UGPR Local Planning Process, as well as, other information required to consider such resources. Network Customers and other LSEs will be requested to provide updates of this information when substantive changes occur.

- 4) Registered point-to-point customers including Western UGPR's marketing and energy affiliates, as appropriate, will be requested annually to submit projections of their quantifiable transmission service needs over the planning horizon, including applicable receipt and delivery points and the transmission service reservations anticipated to be scheduled.
  - 5) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to submit existing and expected future generation for the horizon of the regional base case models (typically 10 years).
  - 6) Additional modeling data will be requested as necessary to conform to the requirements of the NERC MOD standards.
- b) The data submitted by Transmission Customers will be included to the extent appropriate in the base case model.
  - c) The Western UGPR data request will be sent annually in coordination with the regional data request. Western UGPR will send a data request to its Transmission Customers typically prior to expected transmittal of the regional data request. Transmission Customers will be expected to respond to the Western UGPR data request in a timely fashion.
  - d) Responses to the data request will be accepted in forms such as PSS<sup>TM</sup>E raw data format or in spreadsheet format with appropriately labeled headings.
  - e) Each Transmission Customer and LSE within the Western UGPR control area will be responsible for providing Western with an email address of its data modeling contact. Western will send the annual data request to these contacts via email.
  - f) The Western data response will be made available subject to CEII, cyber security and Standards of Conduct restrictions upon request to registered stakeholders.



#### **14.4 Public Policy Requirements**

Western UGPR shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements. Western will:

- a) Post a list of transmission needs driven by Public Policy Requirements which will be evaluated for potential solutions in the local transmission planning process, as well as an explanation of why other suggested transmission needs will not be evaluated (if any).
- b) After consultation with stakeholders during the annual stakeholder meeting(s), select the Public Policy Requirements and Public Policy Requirements Projects to be evaluated in the local area transmission plan.
- c) Post a list of Public Policy Requirements and Public Policy Requirements Projects that will be evaluated in the transmission planning process and why other suggested Public Policy Requirements and Public Policy Requirements Projects will not be evaluated.
- d) Will ensure that the evaluation process and selection criteria for inclusion of transmission needs driven by Public Policy Requirements in the local transmission plan will be the same as those used for any other local project in the local transmission plan.

#### **14.5 Economic Planning Studies**

Western's UGPR Local Economic Planning Studies. Local economic planning studies are performed to identify significant and recurring congestion on the transmission system and/or address the integration of new resources and loads. Such studies may analyze any, or all, of the following: (i) the location and magnitude of the congestion, (ii) possible remedies for the elimination of the congestion, in whole or in part, including transmission solutions, generation solutions and solutions utilizing demand response resources, (iii) the associated costs of congestion (iv) the costs associated with relieving congestion through system enhancements (or other means), and, as appropriate, (v) the economic impacts of integrating new resources and loads. All local economic planning studies will be performed through Western UGPR's participation in the regional economic planning studies.

- a) Any Transmission Customers, Affected Generators, or other relevant stakeholders ("Requester") may submit a study request for an economic planning study directly to Western, the MAPP TPSC, or the WECC

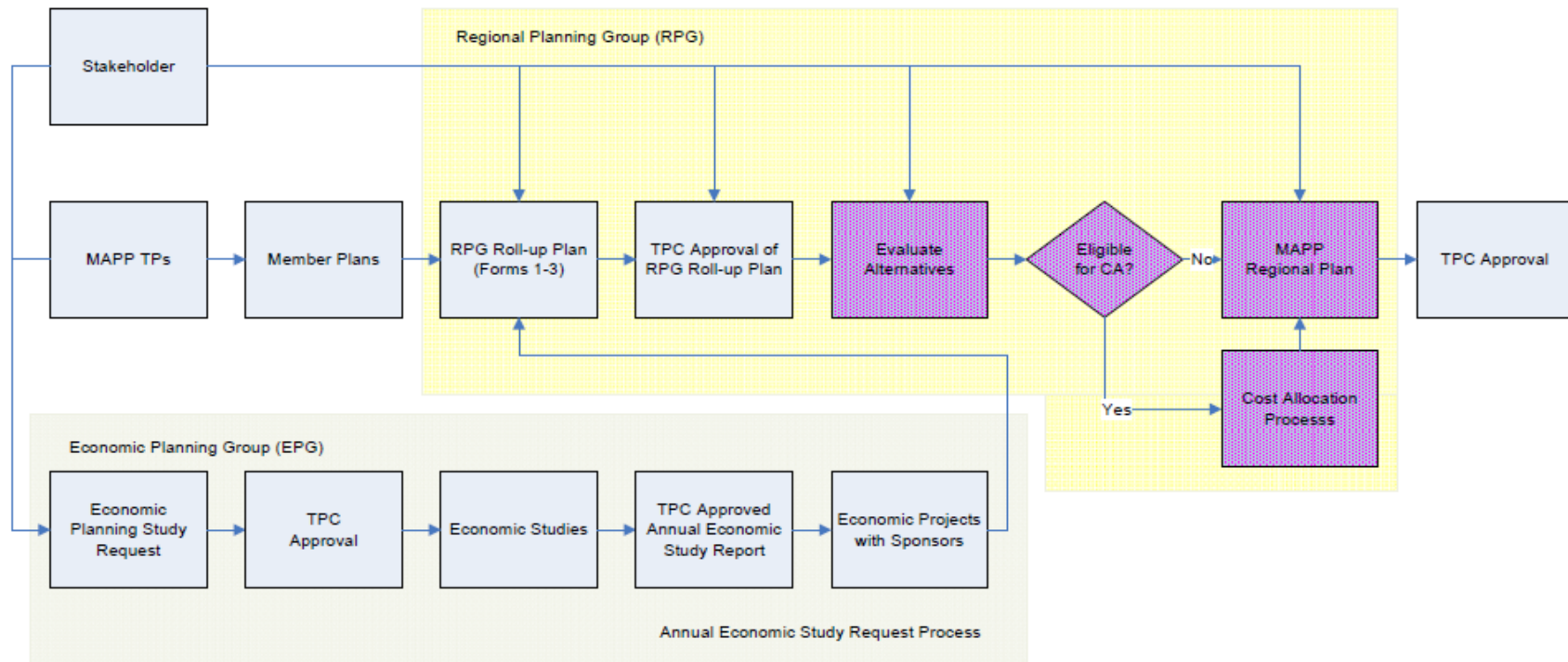
TEPPC. All requests must be electronically submitted to Western's Regional Office Contact e-mail Address as posted on the Transmission Providers OASIS. Western will not perform local economic planning studies but will coordinate the performance of such studies with the MAPP TPSC or the WECC TEPPC. The economic planning study cycle will be that of the MAPP TPSC process.

- b) Western shall ensure that any economic planning study requests submitted to Western are properly handled by forwarding the Requestor to MAPP TPSC for inclusion in the regional economic planning.
- c) If the MAPP TPSC or WECC TEPPC determines, after reviewing through an open stakeholder process, that the requested economic planning study as forwarded by Western is not a high priority study, the Requester may perform the economic planning analysis at the Requester's expense. Western will support the Requester in ensuring that the study is coordinated as necessary through local, subregional or regional planning groups.
- d) Western cannot fund any high priority and other local economic planning studies due to its spending authorization being contingent upon Congressional Appropriations. In the event that Western is requested to perform a local economic planning study, Western will, at the Requester's expense, provide its assistance in having a third party perform the local economic planning study. Western will support the Requester in ensuring that the study is coordinated as necessary through local, subregional or regional planning groups.

## Appendix A

### MAPP Regional Planning Process Diagram

# MAPP Regional Planning Process Diagram



## Appendix B

### Example of WAPA-UGPR Eight Quarter Local Transmission Plan Study Cycle

# 2012/13 LTP Study Cycle

## Study Cycle - 8 Quarters starting in January 2012

- Quarter #1: Scenario Definitions and Build Base Cases
- Quarter #2: Conduct technical studies for the existing system
- Quarter #3: Build mitigation change cases
- Quarter #4: Conduct study with mitigation
- End of Quarter #4: Finalize Baseline Steady State LTP Report
- Quarter #5: Build prior outage cases using mitigation case
- Quarter #6: Conduct study with prior outages
- End of Quarter #6: Finalize Baseline Prior Outage LTP Report
- Quarter #7: Build dynamics cases/models
- Quarter #8: Conduct dynamic study
- End of Quarter #8: Finalize Baseline Stability LTP Report



Attachment 2

# **Attachment K**

NorthWestern Energy South Dakota  
Transmission Planning Process

*Clean Tariff Record*

NorthWestern Corporation  
(South Dakota)

FERC Open Access Transmission Tariff  
Volume No. 2

## ATTACHMENT K

### NORTHWESTERN ENERGY SOUTH DAKOTA TRANSMISSION PLANNING PROCESS

#### 1.0 Introduction

NorthWestern Energy (“NorthWestern”) is a member of the Mid-Continent Area Power Pool (“MAPP”). Based on the Federal Energy Regulatory Commission’s order accepting the Southwest Power Pool’s (“SPP”) proposal to integrate Western Area Power Administration – Upper Great Plains Region, Basin Electric Power Cooperative, and Heartland Consumers Power District (the “Integrated System”) into SPP, 149 FERC ¶ 61,113 (Nov. 20, 2014), MAPP is beginning its termination process. MAPP plans to terminate coterminous with the Integrated System joining SPP on October 1, 2015.

NorthWestern is pursuing membership with SPP with the intent to integrate coterminous with the Integrated System. At that time, NorthWestern will participate in the SPP planning process pursuant to Attachment O (Transmission Planning Process) of the SPP tariff. This Attachment K and other relevant provisions of NorthWestern’s OATT will remain in effect until that date.

As a member of the Mid-Continent Area Power Pool, NorthWestern Energy’s (“NorthWestern”) South Dakota Attachment K addresses the rights and obligations of Transmission Customers, Affected Generators, other relevant stakeholders and NorthWestern as the Transmission Provider related to transmission planning in NorthWestern-SD jurisdictional area in South Dakota. Specifically, NorthWestern’s South Dakota Attachment K addresses: (a) the Mid-Continent Area Power Pool (“MAPP”) regional planning process in sections 1-12 that are adopted by the Transmission Planning Committee (“TPC”) Members of MAPP in the TPC Region, as those terms are defined by the MAPP Restated Agreement; (b) NorthWestern’s (i.e., the Transmission Provider’s) local planning process for local facilities not covered by the MAPP regional planning process in section 13; and (c) section 14 presents information on the WAPA Upper Great Plains Region (“WAPA-UGPR”) planning process since NorthWestern and WAPA-UGPR jointly plan NorthWestern’s local transmission network as part of the Integrated System.

The MAPP Regional Plan integrates the transmission plans developed by the individual MAPP Transmission Owning Members and the Regional Planning Group (“RPG”) to meet the transmission needs in the MAPP Region of the Members and other Stakeholders on a consistent, reliable, environmentally acceptable, and economic basis. Additional details on the MAPP Regional and RPG processes are provided in the “MAPP Transmission Planning Committee Procedures” and the “MAPP RPG Guidelines” documents.

The MAPP Regional Plan shall be consistent with applicable standards and requirements established by MAPP and by the reliability standards of the North American Electric

Reliability Corporation (NERC), the Midwest Reliability Organization (MRO), and the Western Electricity Coordinating Council (WECC), if applicable.

## **2.0 Definitions**

### **2.1 Affected Generator**

A generator owner whose existing or proposed generating unit(s) is directly affected by a proposed Economic Network Upgrade as demonstrated in the study analysis performed in conjunction with Section 11, Economic Planning Studies.

### **2.2 Affected System**

The transmission owner's system, including the Host TO, that is affected by the allocations in an economic benefits study performed by the TPC in accordance with Section 11 of this Attachment K.

### **2.3 Affected System Operator**

The transmission owner/operator that operates an Affected System.

### **2.4 Economic Network Upgrade**

A project, or set of projects, that is designed to relieve a constrained facility by providing additional transmission capacity, having project benefits exceeding project costs.

### **2.5 Host Transmission Owner (Host TO)**

The transmission owner on whose transmission system a proposed Economic Network Upgrade is to be located. The Host TO shall conduct all related project management activities associated with the Economic Network Upgrade. If facility upgrades are required on more than one transmission owner's transmission system for a given set of transmission facilities comprising an Economic Network Upgrade, the affected Host TOs shall provide a single joint Facilities Agreement to the Subscription Rights buyers.

### **2.6 Incumbent Transmission Developer**

An entity that develops a transmission project within its own retail distribution service territory or footprint.

## **2.7 Interregional Transmission Facilities**

Interregional transmission facilities are located within two or more neighboring transmission planning regions and are determined by each of those regions to be a more efficient or cost effective solution to a regional transmission need.

## **2.8 Merchant Transmission Project**

Merchant transmission projects are defined as those for which the costs of constructing the proposed transmission facilities will be recovered through negotiated rates instead of cost-based rates.

## **2.9 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.

## **2.10 Physical Transmission Rights**

Rights held by a party to a Facilities Agreement to schedule transmission service across a defined portion of a NERC flowgate or other transmission facility and/or to collect revenue credits, if applicable, against transmission service charges. Physical Transmission Rights will exist for the life of the facility if the holder is an owner, or for the term stated in the Facilities Agreement. The facility's capabilities that are to be allocated as Physical Transmission Rights, shall be consistent with the owner's or joint-owners' methodologies for determining facility ratings, system operating limits and, if applicable, TTC and ATC in accordance with reliability standards.

## **2.11 Public Policy Requirements**

Transmission needs driven by requirements established by state or federal laws or regulations.

## **2.12 Public Policy Requirements Projects**

Public Policy Requirements Projects address transmission needs driven by requirements established by state or federal laws or regulations and may consist of a number of individual facilities that constitutes a single project for cost allocation purposes.



### **2.13 Regional Transmission Facilities**

Regional transmission facilities are located solely within a single transmission planning region.

### **2.14 Regulatory Agency**

A state agency exercising regulatory authority over the rates, terms or conditions of electric service of an entity other than itself within the MAPP Region or the planning, siting, construction, or operation of electric facilities of an entity other than itself within the MAPP Region.

### **2.15 Regulatory Participant**

A Regulatory Agency which elects to participate in the MAPP Regional Planning Process.

### **2.16 Reliability Projects**

Reliability Projects are network upgrades required to ensure that the Transmission System is in compliance with applicable reliability standards.

### **2.17 Renewable Energy Zone**

A geographic region recognized by the TPC that has limited or constrained ability to transport electric energy from generating units that had such units been in production they would have utilized renewable resources for the production of electric energy.

### **2.18 Stakeholder**

Stakeholder is any interested party in the MAPP Regional Planning Process, including, but not limited to, TPC Members, Merchant Transmission Project developers, Regulatory Participants, Incumbent Transmission Developers, and Nonincumbent Transmission Developers.

### **2.19 Subscription Rights**

Contractual rights to use the transmission capacity associated with an Economic Network Upgrade defined in a Facilities Agreement with the Host TO in exchange for payments to the Host TO for facility charges and continuing operation and maintenance charges.

## **2.20 Other Defined Terms**

All other terms will have the meanings set forth in the [Second Restated MAPP Agreement](#) (April 1, 2011), the TPC Procedures, and the RPG guidelines.

## **3.0 MAPP Transmission Owning Member Plans**

The procedures, standards, and requirements for making available MAPP Transmission Owning Members' transmission plans (Member Plans) and the information on which the Member Plans are based are required by the Second Restated MAPP Agreement. MAPP Transmission Owning Members may submit their Plans, subsequent updates, and other information directly to the TPC, but submittals to the RPG are preferred. The RPG provides a forum for MAPP Transmission Owning Members to continue their long-term joint planning relationships with their neighbors and to encourage involvement by other Stakeholders. Member Plans will be integrated into the RPG Roll-up Plan.

The MAPP Regional Plan will be available on the MAPP website at [www.mapp.org](http://www.mapp.org), consistent with CEII requirements and regulations.

### **3.1 Member Plan Requirements**

Each MAPP Transmission Owning Member shall prepare and maintain a plan for its transmission facilities. Such plans shall be: (i) conformed to applicable methods and assessment practices and other transmission planning standards and requirements established by the TPC; (ii) consistent with applicable reliability standards and requirements established by the FERC, NERC, and the applicable Regional Entity; and (iii) coordinated with the plans of other TPC Members.

Each Member Plan shall adhere to its local transmission planning process set forth in Section 13 of its Attachment K. Plans shall take into account:

- (a) the MAPP Transmission Owning Member's current and anticipated requirements for transmission to provide all-requirements and partial requirements service and service to its end-use loads;
- (b) the current and anticipated requirements for transmission to provide network transmission service to those entities for which the MAPP Transmission Owning Member provides such service;
- (c) the MAPP Transmission Owning Member's other contractual and tariff obligations to provide firm transmission service;

- (d) any other contractual obligations of the MAPP Transmission Owning Member affecting the use of its transmission facilities;
- (e) any requirements for future transmission service of a Member or Stakeholder communicated to the MAPP Transmission Owning Member under procedures, standards and requirements established by the TPC;
- (f) the coordination of the Member Plan with the transmission plans of neighboring systems, and in particular any coordination parameters or requirements identified by the RPG; and
- (g) the obligation of the MAPP Transmission Owning Member under FERC requirements to provide transmission service to other entities;
- (h) the consideration of Member's transmission needs driven by its Public Policy Requirements.

### **3.2 Availability of Plans and Information**

Member Plans, along with the criteria, assumptions, and data underlying the transmission plans, shall be made available to the TPC on a regular basis as established by the TPC. Such information shall be provided in accordance with the MAPP Critical Energy Infrastructure Information (CEII) policy and the Commission's Standards of Conduct regulations.

### **3.3 Member Planning Procedures and Requirements**

The TPC shall establish procedures, standards, and requirements for:

- (a) The submission of the Member Plans, and the underlying criteria, assumptions, and data utilized in developing those transmission plans.
- (b) The development of integrated transmission plans by the RPG including consideration of the MAPP Transmission Owning Members' Public Policy Requirements.
- (c) The integration of Member Plans by the RPG and the resolution of any Member transmission planning issues on an informal, collaborative basis.

## **4.0 MAPP Regional Planning Process**

The Second Restated MAPP Agreement requires each MAPP Transmission Owning Member that has facilities under the Second Restated MAPP Agreement prepare and maintain a plan for its transmission facilities.

#### **4.1 General**

The TPC shall develop and approve a coordinated transmission plan, including alternatives, for the ensuing 10 years, or other planning periods specified by NERC, for all transmission facilities in the MAPP Planning Region, including economic and reliability components and needs driven by the MAPP Transmission Owning Members' Public Policy Requirements. The MAPP Regional Plan integrates the transmission plans developed by individual MAPP Transmission Owning Members, the RPG, and other Stakeholders to insure that the transmission needs of the MAPP Planning Region will be met in a consistent, reliable, environmentally acceptable, and economic manner. Appendix A, at the end of this Attachment K, contains the MAPP Regional Planning Process Diagram.

#### **4.2 MAPP Regional Planning Process Enrollment Requirements**

MAPP has commenced planning for the termination of the MAPP Second Restated Agreement effective simultaneously with the entry of the Integrated System members into the Southwest Power Pool.

#### **4.3 MAPP Regional Plan Development Process**

The TPC process for developing the MAPP Regional Plan begins with the submittal of the Member Plans to the TPC through the RPG. Next, the RPG shall: (i) integrate the Member Plans into the RPG Roll-up Plan; (ii) coordinate the RPG Roll-up Plan with the plans of other Stakeholders; (iii) evaluate alternative projects submitted by Stakeholders or determined through analysis that are potentially more efficient or cost-effective or provide greater benefits; (iv) evaluate projects eligible for regional cost allocation; and (v) cooperate, as necessary, in planning with neighboring transmission systems.

The RPG Roll-up Plan primarily addresses the local load serving and Public Policy Requirement needs of the MAPP Transmission Owning Members, but is not precluded from addressing regional transmission needs.

All projects determined to be eligible for regional cost allocation will go through the regional cost allocation process (Section 12). All projects, including alternatives that were not selected and projects not eligible for regional cost allocation are documented in the MAPP Regional Plan.

The MAPP Regional Planning Process utilizes a biennial planning cycle to develop an efficient and cost-effective MAPP Regional Plan. The biennial cycle includes collection of planning input data, preparation of study models,

integration of Member Plans, collaboration with Stakeholders, and creation of procedures to study and evaluate the effectiveness and efficiency of proposed projects in addressing regional and interregional needs. These activities are described below.

**4.3.1 TPC Data Collection:**

- a) RPG and Economic Planning Group (EPG) studies.
- b) Local plans of the MAPP Transmission Owning Members as submitted in MAPP Forms 1-3.

**4.3.2 TPC Data Analysis:**

- a) Analyze history of constrained interface performance.
- b) Analyze history of transmission loading relief requests.
- c) Review of reliability assessment studies and reports.

The TPC shall evaluate limitations on MAPP transfer capability through historical Transmission Loading Relief (TLR) analysis associated with the defined flowgates in the MAPP region. The TPC shall utilize these comprehensive reviews to determine transmission constraints in the region. The TPC shall also support economic studies necessary to review the integration of large proposed generation facilities into the regional grid and shall develop concept plans as part of regional study efforts.

The TPC may also commission the RPG to address highly constrained regional flowgates and to develop proposed plans for increasing interregional transfer capability. The RPG may also perform regional transfer capability analysis and develop exploratory transmission expansion plans to address the most limiting flowgates within the RPG region. The TPC may also coordinate and support other joint exploratory economic planning efforts within and adjacent to the MAPP Planning Region.

**4.3.3 TPC Model Preparation**

- a) Select base case models from appropriate MRO/WECC Model Series.

- b) Add MAPP Transmission Owning Members' and RPG plans to models.
- c) Solicit input from Stakeholders including additions or changes to transmission, generation, and demand resources, in developing base-line assumptions and models.
- d) Validate firm transactions, major new loads, and new generation.

#### **4.3.4 TPC Study Procedures**

The MAPP Regional Plan procedures and processes are outlined in the following documents.

**TPC Procedures:** The TPC has adopted the procedures contained in this document to facilitate the development of the MAPP Regional Plan.

**RPG Guidelines:** The TPC has established a RPG to facilitate the MAPP Regional Planning Process and the development of the RPG Roll-up Plan and the MAPP Regional Plan. This document outlines the procedures utilized in the development of the RPG Roll-up Plan and MAPP Regional Plan.

The MAPP Regional Planning Process may include the following study procedures:

- a) Analyze projects submitted into the planning process that address reliability or load service requirements that were not included in the roll-up process, address economic considerations, and/or address transmission needs driven by the Members' Public Policy Requirements.
- b) Integrate the transmission projects submitted by the TPC Transmission Owners and the other Stakeholders (RPG Roll-up Plan). Transmission needs driven by the Members' Public Policy Requirements will be rolled up with the Member Plans and may be evaluated for potential regional solutions in the regional transmission planning process. Explanations of why other suggested transmission needs were not evaluated (if any) will be documented in the MAPP Regional Plan.
- c) Identify and evaluate alternative projects to meet regional and interregional reliability, public policy, and economic needs (assess

impacts on Member Plans). Project delays shall be taken into consideration during this process and to the extent a delay in a project creates a need for additional mitigation solutions, the project sponsor shall identify those needs. Alternative solutions required because of delays in the development of a transmission facility that was selected in the MAPP Regional Plan for cost allocation shall be included in the MAPP Regional Plan.

- d) Document in the MAPP Regional Plan the projects eligible for cost allocation including any unsponsored projects that were identified through the regional planning process.
- e) Determine cost allocation for projects eligible for cost allocation selected through the criteria detailed in Section 12.

#### **4.3.5 Stakeholder Collaboration**

The MAPP Regional Planning Process allows for Stakeholder participation in the following:

- a) Stakeholder participation at Economic Planning Group (EPG), RPG, and TPC meetings.
- b) Stakeholder input throughout all planning stages.
- c) Stakeholder input on transmission needs which are driven by Public Policy Requirements.

#### **4.3.6 MAPP RPG Roll-up Plan and Regional Plan Approval Timelines**

The TPC will approve the RPG Roll-up Plan at the end of the first year in the biennial cycle and approve the MAPP Regional Plan at the end of the biennial cycle.

#### **4.3.7 Availability of the MAPP Regional Plan**

The MAPP Regional Plan, along with the underlying criteria, assumptions, and data, shall be made available on the MAPP website at [www.mapp.org](http://www.mapp.org). Sufficient additional information will be available to enable the requesting entity to perform planning analyses on the same basis as the TPC. Such information shall be provided in accordance with the MAPP Critical Energy Infrastructure Information (CEII) policy and the Commission's Standards of Conduct regulations.

#### **4.4 Identification of Transmission Requirements**

The following process is used to communicate to the TPC the transmission requirements identified by the MAPP Transmission Owning Members and Stakeholders:

- a) The RPG shall prepare a integrated plan incorporating the MAPP Transmission Owning Members' and Stakeholders' needs.
- b) The TPC shall develop the MAPP Regional Plan addressing Member Plans, Public Policy Requirements, and regional and interregional needs.
- c) The TPC shall establish liaisons with existing neighboring regional planning entities to facilitate addressing interregional transmission issues.

#### **5.0 The Transmission Planning Committee**

The TPC shall develop the MAPP Regional Plan. The following procedures shall be utilized in developing the MAPP Regional Plan. Costs incurred related to regional planning activities shall be recovered under the provisions of the Second Restated MAPP Agreement.

#### **5.1 Procedures for Conduct of TPC Meetings**

##### **5.1.1 TPC Representatives**

The TPC shall be constituted as defined by the Second Restated MAPP Agreement. In accordance with the Second Restated MAPP Agreement, membership in the TPC shall be available to all MAPP Members. The TPC shall be composed of one Representative of each TPC Member. Each TPC Member shall designate a Representative and an alternate Representative for the TPC. TPC Members shall appoint as their Representatives on the TPC persons with technical expertise and significant experience relating to electric transmission matters. The TPC Representatives shall elect the TPC Chair and Vice-Chair.

##### **5.1.2 TPC Meeting Notification**

All meeting notices shall be communicated by the Secretary of the TPC (Secretary) electronically through e-mail distribution lists, and subsequently posted at [www.mapp.org](http://www.mapp.org). All meeting notices shall be publicly available. Please contact the Contractor (MAPPCOR) for



instructions on how to register for the TPC and/or TPC e-mail distribution lists.

The notice of a meeting shall state the time and place of the meeting and shall include an agenda sufficient to notify a Stakeholder of the substance of the matters to be considered at the meeting.

The Secretary shall publish the meeting notice and agenda at least 10 days prior to the meeting. If the tenth day falls on a weekend, the notice shall be communicated by the previous business day.

### **5.1.3 TPC Meeting Agenda Development**

The agenda shall include the time and place of the meeting. The Secretary shall draft the agenda in cooperation with the TPC Chair, or Vice-Chair in the absence of the Chair.

In order to finalize and publish meeting agendas in a timely manner, requests to place an issue on the agenda of a TPC meeting shall be submitted to the Chair and Secretary at least 15 days in advance of the meeting. An issue requested for placement on the TPC agenda must be centered on matter(s) within the TPC's responsibilities, and be accompanied by documentation that supports or fully informs each question raised or point to be made in the request.

The agenda shall list all proposed action items in sufficient detail so that TPC members can clearly determine what is being proposed. The Secretary shall post the meeting agenda on the MAPP web site, [www.mapp.org](http://www.mapp.org), and send it via the TPC's distribution list at least 10 days prior to the meeting.

All presenters with agenda items and supporting information for the meeting agenda shall provide the materials to be reviewed or referenced at the meeting to the Chair and Secretary at least 15 days prior to the meeting. The Secretary shall post the supporting information on the MAPP website after communicating it via the e-mail distribution list, unless the information has been deemed to fall under the Federal Energy Regulatory Commission's determination as Critical Energy Infrastructure Information (CEII).

#### **5.1.4 TPC Action**

TPC meeting agendas should include the draft wording of any proposed motion. Supporting materials accompanying the agenda shall include a detailed discussion of the rationale for the motion (an exception to this requirement is made for routine administrative actions such as the approval of TPC meeting minutes). The Member of the TPC or other entity sponsoring the motion shall provide the wording of the motion and the discussion points.

Those sponsoring items on a meeting agenda shall have background material, and the action to be voted on, distributed with the meeting agenda in accordance with the ten (10) day notice requirement.

In general, an action may not be brought to a vote of the TPC unless it is noticed on a published agenda at least ten (10) days prior to the meeting date upon which action is to be voted. Section 6.3.1 in the TPC Procedure document "Taking Action on an Item Not Described in the Agenda," addresses potential exceptions to this general rule.

TPC actions are governed by the Second Restated MAPP Agreement. If a quorum is present, the action of two-thirds of the weighted voting shares present and voted by Representatives, including votes cast by proxy, shall be the action of the TPC. A proxy cannot cast a vote in place of the Representative if the Representative is also physically present and capable of casting a ballot.

#### **5.1.5 TPC Meeting Procedures**

The TPC shall utilize Robert's Rules of Order for guidance regarding conduct of committee meetings. A quorum is necessary to conduct TPC business. A quorum is established when 50 percent or more of TPC Representatives are present as currently stated in the MAPP Restated Agreement. A vacant position on the TPC does not count towards the quorum requirement. All Stakeholders can attend TPC and working group meetings subject to signing a MAPP non-disclosure agreement. A Representative may give its proxy to another TPC Member through a statement authorizing such action that is delivered to the Secretary of the TPC by mail, facsimile transmission or e-mail. A proxy vote may not be cast in any additional or future meeting, if not authorized specifically for that additional meeting by the Representative.

### **5.1.6 Participation**

Participation in the TPC meetings where discussion of the MAPP Regional Plan is anticipated is open to any TPC Member or Stakeholder subject to such restrictions as the TPC deems necessary to comply with regulatory and confidentiality requirements. Any non-TPC Member may participate in, but not vote at, any such meeting. Meeting notices are posted on the MAPP Calendar at [www.mapp.org](http://www.mapp.org).

### **5.1.7 TPC Meeting Minutes**

All TPC meetings shall be recorded through accurate and timely meeting minutes. The TPC Secretary shall draft meeting minutes and submit them to the TPC for review.

The Secretary shall maintain a history of TPC actions in sufficient detail to facilitate the establishment of precedent for consideration during TPC deliberations. The Secretary shall make this history available to the TPC at their meetings and other TPC members upon request.

The Secretary shall draft meeting minutes and submit them to the TPC members for review within ten business days following the meeting.

To facilitate the prompt communication of actions taken by the TPC, the Chair and Secretary shall write and publish meeting highlights listing the actions and decisions taken by the TPC no later than two business days following a meeting of the TPC. The meeting highlights shall be sent to the TPC and published on the MAPP website, [www.mapp.org](http://www.mapp.org).

The TPC shall review their previous meeting's minutes at their next meeting. Once the meeting minutes are approved by the TPC, the minutes shall be sent to the TPC e-mail distribution list and posted on the MAPP website, [www.mapp.org](http://www.mapp.org).

### **5.1.8 Review of TPC Action**

A TPC Member or Stakeholder may request a review of TPC actions, in accordance with the Second Restated MAPP Agreement.

## **5.2 TPC Responsibilities**

The TPC was established through the Second Restated MAPP Agreement. The Second Restated MAPP Agreement indicates certain responsibilities of the TPC

which are described in the TPC Procedures. A summary of the responsibilities includes:

- a) Preparation of the Transmission Planning Committee Budget
- b) Development of Procedures
- c) Development and Preparation of the MAPP Regional Plan
- d) Preparation of Transmission Planning Reports
- e) No Obligation to Build
- e) Other TPC Responsibilities

## **6.0 Regional Planning Group**

The RPG provides a forum for coordination of Member Plans, development of the RPG Roll-up Plan, and development of the MAPP Regional Plan.

### **6.1 Current RPG(s)**

The TPC has established and recognized a single RPG to carry out the task of developing a MAPP Regional Plan.

### **6.2 Establishment of RPG(s)**

The TPC may establish new or recognize additional RPGs as needed to carry out this task. The TPC may also recognize and coordinate its MAPP Regional Plan with existing or future transmission planning study groups.

### **6.3 RPG Participation**

Participation in any RPG meeting is open to any Stakeholder who has signed the MAPP Non-Disclosure Agreement. A MAPP Non-Disclosure Agreement (NDA) is obtained by contacting the Secretary of the MAPP TPC. Neighboring transmission owning utilities and Stakeholders interested in the development of the RPG plan are also invited to participate in the RPG to promote joint planning between MAPP and its neighbors.

## 6.4 RPG Guidelines

The Regional Planning Group, to the extent possible, should:

- develop a RPG Roll-up Plan, including alternatives, for the ensuing ten years, for all Bulk Electric System transmission facilities in the region;
- review Member Plan additions and modifications to the regional transmission system;
- integrate Member Plans into the RPG Roll-up Plan and MAPP Regional Plan;
- incorporate new generator interconnections and associated network upgrades into the RPG Roll-up Plan as soon as practicable;
- identify, evaluate with approved metrics, and determine an optimal set of transmission facilities and/or non-transmission alternatives that will meet the needs of the region;
- determine the cost allocation for each project qualified for regional cost allocation;
- coordinate the MAPP Regional Plan with the plans of neighboring systems;
- utilize the annual assessment study as a tool for the near term and longer term planning horizons;
- form technical study task forces as required to carry out the RPG planning responsibilities;
- encourage Stakeholder participation to ensure that the RPG is aware of facility changes outside of the MAPP region so that the impact of parallel path flows can be considered in the planning studies;
- encourage Stakeholder participation to ensure that the RPG may consider and incorporate the appropriate transmission needs and Public Policy Requirements obligations into the MAPP Regional Plan;
- ensure RPG studies meet reliability standards and requirements;

- promote Stakeholder review and comment of the MAPP Regional Plan and its development; and
- develop a MAPP Regional Plan for submission to the TPC.

#### **6.5 Submission of Member Plans to RPG**

Each MAPP Transmission Owning Member shall submit its transmission plan to the RPG in the first year of the biennial planning cycle.

#### **6.6 Network Upgrades Out of Planning Cycle**

When planned transmission upgrades identified by a Transmission Owning Member and/or Stakeholder are outside the timing requirements of the MAPP Regional Plan (including any network upgrades needed for generation interconnection or transmission service):

- The Transmission Owning Member and/or Stakeholder will submit information about the upgrades at the next RPG meeting in an effort to allow for other Stakeholder input before those upgrades go in service.
- The Transmission Owning Member will include those upgrades in their next submission of the Member Plan to the RPG.

#### **6.7 RPG Meetings**

The RPG should meet at least twice annually to review plans and determine what changes, if any, are needed to better facilitate a more efficient and/or cost effective transmission plan for the MAPP Planning Region,

Participation in RPG meetings is open to any Stakeholder who has signed the MAPP Non-Disclosure Agreement. Meeting notices are posted on the MAPP Calendar at [www.mapp.org](http://www.mapp.org).

RPG meetings must be open and transparent to all Stakeholders. When CEII information is discussed at MAPP RPG meetings, Stakeholder attendance will be conditioned upon execution of the MAPP CEII non-disclosure agreement. MAPP RPG meetings that discuss CEII will be closed to all persons that have not executed a MAPP CEII non-disclosure agreement.

The notice of RPG meetings are to be sent out by the RPG Secretary to the RPG via the RPG and TPC email exploder lists. The meeting notice shall be posted on the MAPP website under the calendar of MAPP meetings. The notice shall state

the time and place of the meeting and shall include an agenda sufficient to notify Stakeholders of the matters to be considered at the meeting.

#### **6.8 TPC/RPG Communication**

The RPG shall appoint a liaison to the TPC to facilitate communication of the planning process. The liaison person can be any RPG Stakeholder including an elected TPC member. The form of communication the TPC expects from the RPG includes: (a) RPG Meeting Agendas; (b) RPG final approved Meeting Minutes; and (c) RPG Liaison Status reports to the TPC at its scheduled meetings. The RPG meeting agendas and approved minutes shall be electronically sent to the TPC Secretary for posting on the MAPP website in the TPC area. The RPG status reports are given by the TPC liaison at the scheduled TPC meetings.

#### **6.9 RPG Planning Responsibilities**

The RPG shall develop a RPG Roll-up Plan and an efficient and cost effective MAPP Regional Plan. The RPG Roll-up Plan and MAPP Regional Plan shall be submitted to the TPC for approval.

#### **6.10 Planning Criteria**

The MAPP Regional Plan shall be consistent with applicable standards and requirements established by MAPP and by the reliability standards of the North American Electric Reliability Corporation (NERC), the Midwest Reliability Organization (MRO), and the Western Electricity Coordinating Council (WECC), if applicable. The MAPP planning process will meet these Reliability Standards and will fairly evaluate projects on a comparable basis.

#### **6.11 RPG Study Models**

Whenever possible, the RPG shall adopt the most current approved regional model series to develop their base case study models. Each series provides near term, five year and ten year models representing summer peak, summer off-peak and winter peak system conditions. The RPG shall determine the appropriate load conditions (summer peak, summer off-peak, winter peak, etc.) and generation schedules for the RPG studies. The RPG shall verify that the load data, new generation data, and all existing firm transactions in the region are included and correct. The TPC will adopt the most current approved regional model series to prepare the MAPP Regional Plan.

In developing the base case load flow models to be used for the RPG studies, the RPG shall document all modifications required to be made to these load flow

cases. The RPG may add underlying transmission detail to these models as required. The RPG shall solicit input from Stakeholders including additions or changes to transmission, generation, and demand resources, in developing base-line assumptions and models used in developing the RPG Roll-up Plan.

The RPG may, if appropriate, adopt other models to conduct its studies. However, the RPG shall develop and provide the TPC with appropriate files to facilitate incorporation of the MAPP Regional Plan study data into the next model series that will be used by the TPC.

## **6.12 RPG Studies and Reports**

Using a “bottom up” approach, the RPG shall develop a RPG Roll-up Plan based on a combination of the previously approved MAPP Regional Plan and a roll-up of the Member Plans. Using a regional perspective, the RPG shall consider these projects together with Stakeholder projects generated through the analysis to produce a MAPP Regional Plan.

The MAPP planning process utilizes a biennial planning cycle to develop an efficient and cost-effective MAPP Regional Plan. The MAPP Regional Planning Process goal is to analyze from a regional perspective the RPG Roll-up Plan to define a MAPP Regional Plan that is more efficient and/or cost effective. The resulting MAPP Regional Plan will provide valuable regional insight and information for all Stakeholders to consider and potentially modify their respective plans.

## **7.0 Stakeholder Input Process**

### **7.1 Regional Stakeholder Participation**

In order to facilitate participation in the MAPP Regional Planning Process, Stakeholders may take the following steps:

- 1) Obtain the contact information for MAPPCOR staff from the MAPP website at [www.mapp.org](http://www.mapp.org).
- 2) Contact the TPC Secretary to obtain contact information and to subscribe to the regional transmission planning email lists. The email lists are used to send meeting announcements, agendas for the meetings, and minutes for the meetings.
- 3) Obtain MAPP Transmission Owning Members’ local transmission planning contact information included in the description of their local



planning processes posted on the MAPP Transmission Owning Members' OASIS website. MAPPCOR does not facilitate local transmission planning processes and therefore does not maintain an email list or web calendar for those planning meetings.

- 4) Sign the MAPP Non-Disclosure Agreements to participate in the regional transmission planning meetings when CEII material is to be discussed.
- 5) Check the MAPP Website ([www.mapp.org](http://www.mapp.org)) calendar for upcoming schedule of regional transmission planning meetings.
- 6) Check the MAPP Website ([www.mapp.org](http://www.mapp.org)) for all posted agendas, minutes, draft minutes and other relevant documentation for the regional transmission planning meetings.

## **7.2 RPG Responsibilities for Stakeholder Participation**

The RPG will post notice publicly and invite Stakeholders registered on the RPG email list to its meetings as part of the public input process into the RPG Roll-up Plan. The RPG shall:

- maintain a list of Stakeholders invited to and involved in the review of the MAPP planning process;
- add Stakeholders to the RPG email list following Stakeholder requests to MAPPCOR staff;
- verify that Stakeholders have signed the NDA for attendance at the meetings where CEII material is to be discussed;
- identify comparable contacts from interconnected NERC Planning Regions;
- coordinate with the regulatory and environmental participants and Stakeholders as to the process required, areas of need, and possible solutions;
- review the solutions with Stakeholders to identify the best options from a transmission and regulatory basis to include in the RPG Roll-up Plan; and
- report to the TPC and include in the RPG Roll-up Plan documentation the public process completed for the RPG Roll-up Plan such as dates of meetings, number of participants, highlights of key comments and RPG

consideration of those comments. The RPG shall include in its RPG Roll-up Plan to the TPC a listing of the suggestions for economic planning studies that they received from their Stakeholders during the year.

### **7.3 Stakeholder Submittals**

The deadline by which Stakeholders must submit information in support of a transmission project proposed for consideration in the MAPP Regional Plan in order to be considered in a given transmission planning cycle is April 1.

Stakeholders can submit their requests and input using the following guidelines:

- Stakeholders submit transmission projects in accordance with the individual local transmission planning process of those transmission providers, or to the RPG or TPC in accordance with the MAPP RPG Guidelines (posted at [www.mapp.org](http://www.mapp.org)).
- Stakeholders submit their individual generator-interconnection requests and transmission service requests to individual transmission providers (MAPP Transmission Owning Members) as provided for on the MAPP Transmission Owning Member's OASIS website.
- Stakeholders submit their economic planning study requests for their general future transmission needs to individual transmission providers in accordance with the individual local transmission planning process of those transmission providers or to the TPC in accordance with the MAPP TPC Procedures (posted at [www.mapp.org](http://www.mapp.org)). Stakeholders may submit economic planning study requests to the chair of the RPG prior to a RPG Meeting for discussion at that meeting and to be forwarded to the TPC to be considered in the MAPP Regional Plan or update for the next planning cycle. Stakeholders may also submit their requests for economic planning studies at any time during the MAPP Regional Planning Process for consideration at the next TPC meeting.
- Stakeholders may submit their input on plans and transmission needs driven by Public Policy Requirements to individual Transmission Providers, the RPG, or the TPC as provided for in this document, the TPC Procedures, or the individual Transmission Providers local planning process.

## **8.0 Interregional Planning Coordination**

The TPC shall coordinate on planning issues with: (1) the subcommittees of the RPCC; (2) the MRO/WECC; (3) relevant non-MAPP neighboring transmission owning utilities and Regional Transmission Organizations (RTOs).

The TPC will select a TPC member who will be responsible for reporting on the relevant activities of the MAPP TPC, MRO, WECC, and RTO subcommittees at each TPC meeting. The TPC liaison may attend the MAPP TPC, MRO, WECC, and neighboring RTO subcommittee meetings or employ other effective means to obtain the required information.

### **8.1 Coordination Principles**

The MAPP Regional Plan shall be developed in accordance with the principles of interregional coordination through collaboration with representatives from neighboring regions, or their applicable sub-regions, including adjacent transmission providers or regional transmission organizations, or their designated regional planning organization(s).

### **8.2 Joint Planning Committee**

MAPP shall participate in a Joint Planning Committee (JPC) with representatives of adjacent transmission providers or regional transmission organizations, or their designated regional planning organizations(s) (Regional Planning Coordination Entities or RPCEs). The JPC shall be comprised of representatives of MAPP and the RPCE(s) in numbers and functions to be identified from time to time. The JPC may combine with or participate in similarly established joint planning committees amongst multiple RPCEs or established under joint agreements to which MAPP is a signatory, for the purpose of providing for broader and more effective interregional planning coordination. The JPC shall have a Chairman. The Chairman shall be responsible for: the scheduling of meetings; the preparation of agendas for meetings; the production of minutes of meetings; and for chairing JPC meetings. The Chairmanship shall rotate amongst MAPP and the RPCEs on a mutually agreed to schedule, with each party responsible for the Chairmanship for no more than one planning study cycle in succession. The JPC shall coordinate planning of the systems of the Transmission Provider and the RPCEs, including the following:

- Coordinate the development of common power system analysis models to perform coordinated system planning studies including power flow analyses and stability analyses. For studies of interconnections in close

electrical proximity at the boundaries among the systems of MAPP and the RPCEs, the JPC or its designated working group will coordinate the performance of a detailed review of the appropriateness of applicable power system models.

- Conduct, on a regular basis, a Coordinated Regional Transmission Planning Study (CRTPS), which shall be reviewed by Stakeholders, as set forth in Section 7.4.1.
- Coordinate planning activities under this Section 8, including the exchange of data and developing necessary report and study protocols.
- Maintain an Internet site and e-mail or other electronic lists for the communication of information related to the coordinated planning process. Such sites and lists may be integrated with those existing for the purpose of communicating the open and transparent planning processes of MAPP.
- Meet at least semi-annually to review and coordinate transmission planning activities.
- Establish working groups as necessary to address specific issues, such as the review and development of the regional plans of the RPCE and MAPP, and localized seams issues.
- Establish a schedule for the rotation of responsibility for data management, coordination of analysis activities, report preparation, and other activities.

### **8.3 Data and Information Exchange**

MAPP shall make available to each RPCE the following planning data and information. Unless otherwise indicated, such data and information shall be provided annually. MAPP shall provide the following data in accordance with the applicable CEII policy, and maintain data and information received from each RPCE in accordance with their applicable confidentiality policies.

- Data required for the development of power flow cases, and stability cases, incorporating up to a ten year load forecasts as may be requested, including all critical assumptions that are used in the development of these cases.

- Fully detailed planning models (up to the next ten (10) years as requested) on an annual basis and updates as necessary to perform coordinated studies that reflect system enhancement changes or other changes.
- The regional plan documents, any long-term or short-term reliability assessment documents, and any operating assessment reports produced by MAPP and the RPCE.
- The status of expansion studies, system impact studies and generation interconnection studies, such that MAPP and the RPCE have knowledge that a commitment has been made to a system enhancement as a result of any such studies.
- Transmission system maps for MAPP and the RPCE bulk transmission systems and lower voltage transmission system maps that are relevant to the coordination of planning between or among the systems.
- Contingency lists for use in load flow and stability analyses, including lists of all contingency events required by applicable reliability standards, as well as breaker diagrams, as readily available, for the portions of the MAPP and the RPCE transmission systems that are relevant to the coordination of planning between or among the systems. Breaker diagrams to be provided on an as requested basis.
- The timing of each planned enhancement, including estimated completion dates, and indications of the likelihood that a system enhancement will be completed and whether the system enhancement should be included in system expansion studies, system impact studies and generation interconnection studies, and as requested the status of related applications for regulatory approval. This information shall be provided at the completion of each planning cycle of MAPP, and more frequently as necessary to indicate changes in status that may be important to the RPCE system.
- Quarterly identification of interconnection requests that have been received and any long-term firm transmission services that have been approved, that may impact the operation of MAPP or the RPCE system.
- Quarterly, the status of all interconnection requests that have been identified.

- Information regarding long-term firm transmission services on all interfaces relevant to the coordination of planning between or among the systems.
- Load flow data initially will be exchanged in PSS/E format. To the extent practical, the maintenance and exchange of power system modeling data will be implemented through databases. When feasible, transmission maps and breaker diagrams will be provided in an electronic format agreed upon by the Transmission Provider and the RPCE. Formats for the exchange of other data will be agreed upon by MAPP and the RPCE.

## **8.4 Coordinated System Planning**

MAPP shall agree to coordinate with the RPCEs studies required to assure the reliable, efficient, and effective operation of the transmission system. Results of such coordinated studies will be included in the Coordinated System Plan. MAPP shall agree to conduct with the RPCEs such coordinated planning as set forth below.

### **8.4.1 Stakeholder Review Processes.**

MAPP, in coordination with coordinating RPCEs shall review the scope, key modeling assumptions, and preliminary and final results of the CRTPS with impacted Stakeholders, and shall modify the study scope as deemed appropriate by MAPP in agreement with the coordinating RPCEs, after receiving Stakeholder input. Such reviews will utilize the existing planning Stakeholder forums of the coordinating parties including as applicable joint Sub Regional Planning Meetings.

### **8.4.2 Single Entity Planning**

MAPP shall engage in such transmission planning activities, including expansion plans, system impact studies, and generator interconnection studies, as necessary to fulfill its obligations under the Second Restated MAPP Agreement and any other MAPP transmission planning procedures. Such planning shall conform to applicable reliability standards. Such planning shall also conform to any and all applicable requirements of Federal or State regulatory authorities. MAPP will prepare a regional transmission planning report that documents the procedures, methodologies, and business rules utilized in preparing and completing the report. MAPP shall agree to share the transmission planning reports and assessments with each RPCE, as well as any information that arises in the

performance of its individual planning activities as is necessary or appropriate for effective coordination among MAPP and the RPCEs on an ongoing basis. MAPP shall provide such information to the RPCEs in accordance with the applicable CEII policy and shall maintain such information received from the RPCEs in accordance with their applicable confidentiality policies.

#### **8.4.3 Analysis of Interconnection Requests**

In accordance with the procedures under which a MAPP Transmission Provider provides interconnection service, MAPP will agree to coordinate with each RPCE the conduct of any studies required in determining the impact of a request for generator or merchant transmission interconnection. Results of such coordinated studies will be included in the impacts reported to the interconnection customers as appropriate. Coordination of studies shall include the following:

- When a MAPP Transmission Provider receives a request under its interconnection procedures for interconnection, it will determine whether the interconnection potentially impacts the system of a RPCE. In that event, the MAPP Transmission Provider will notify the RPCE and convey the information provided in the interconnection queue posting. The MAPP Transmission Provider will provide the study agreement to the interconnection customer in accordance with applicable procedures.
- If the RPCE determines that it may be materially impacted by an interconnection on the MAPP Transmission Provider System, the RPCE may request participation in the applicable interconnection studies. The MAPP Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the interconnection on the RPCE System, and who will perform the studies. The MAPP Transmission Provider will strive to minimize the costs associated with the coordinated study process undertaken by agreement with the RPCE.
- Any coordinated studies associated with requests for interconnection to the MAPP Transmission Provider's system will be performed in accordance with the study timeline requirements and scope of the applicable generation interconnection procedures of the MAPP Transmission Provider.

- The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the MAPP Transmission Provider, or by providing input to the studies to be performed by the MAPP Transmission Provider. The study cost estimates indicated in the study agreement between the MAPP Transmission Provider and the interconnection customer, will reflect the costs, and the associated roles of the study participants including the RPCE. The MAPP Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation, and responsibilities in the study. If the RPCE agrees to perform any aspects of the study, the RPCE must comply with the timelines and schedule of the MAPP Transmission Provider's interconnection procedures.
- The MAPP Transmission Provider will collect from the interconnection customer the costs incurred by the RPCE associated with the performance of such studies and forward collected amounts, no later than thirty (30) days after receipt thereof, to the RPCE. Upon the reasonable request of the RPCE, the MAPP Transmission Provider will make their books and records available to the requestor pertaining to such requests for collection and receipt of collected amounts.
- The MAPP Transmission Provider will report the combined list of any transmission infrastructure improvements on either the RPCE and/or the MAPP Transmission Provider's system required as a result of the proposed interconnection.
- Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the proposed interconnection shall be accomplished under the terms of the applicable tariff under which transmission service is provided, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.
- Each transmission provider will maintain separate interconnection queues. The JPC will maintain a composite listing of interconnection requests for all interconnection projects that have been identified as potentially impacting the systems of MAPP and



coordinating RPCEs. The JPC will post this listing on the Internet site maintained for the communication of information related to the coordinated system planning process.

#### **8.4.4 Analysis of Long-Term Firm Transmission Service Requests**

In accordance with applicable procedures under which the MAPP Transmission Providers provide long-term firm transmission service, the MAPP Transmission Provider will coordinate the conduct of any studies required to determine the impact of a request for such service. Results of such coordinated studies will be included in the impacts reported to the transmission service customers as appropriate. Coordination of studies will include the following:

- The MAPP Transmission Provider will coordinate the calculation of ATC values, if any, associated with the service, based on contingencies on their systems that may be impacted by the granting of the service.
- When a MAPP Transmission Provider receives a request for long-term firm transmission service, it will determine whether the request potentially impacts the system of the RPCE. If the MAPP Transmission Provider determines that the RPCE system is potentially impacted, and that the RPCE would not receive a transmission service request to complete the service path, the MAPP transmission provider will notify the RPCE and convey the information provided in the posting.
- If the RPCE determines that its system may be materially impacted by granting the service, it may contact the MAPP Transmission Provider that received the request and request participation in the applicable studies. The MAPP Transmission Provider will coordinate with the RPCE with respect to the nature of studies to be performed to test the impacts of the requested service on the RPCE system, and will strive to minimize the costs associated with the coordinated study process. The JPC will develop screening procedures to assist in the identification of service requests that may impact systems of the JPC members other than the transmission provider receiving the request.
- Any coordinated studies for request on a MAPP Transmission Provider's system will be performed in accordance with the study

timeline and scope requirements of the applicable transmission service procedures of the MAPP Transmission Provider.

- The RPCE may participate in the coordinated study either by taking responsibility for performance of studies of its system, if deemed reasonable by the MAPP Transmission Provider or by providing input to the studies to be performed by the MAPP Transmission Provider. The study cost estimates indicated in the study agreement between the MAPP Transmission Provider and the transmission service customer will reflect the costs and the associated roles of the study participants. The MAPP Transmission Provider will review the cost estimates and scope submitted by all participants for reasonableness, based on expected levels of participation and responsibilities in the study.
- The MAPP Transmission Provider will collect from the transmission service customer, and forward to the RPCE, the costs incurred by the RPCE with the performance of such studies.
- The MAPP Transmission Provider receiving the request will identify any transmission infrastructure improvements required as a result of the transmission service request.
- Construction and cost responsibility associated with any transmission infrastructure improvements required as a result of the transmission service request shall be accomplished under the terms of the applicable the applicable tariff under which transmission service is provided, Transmission Service Guidelines, controlling agreements, and consistent with applicable Federal or State regulatory policy and applicable law.

#### **8.4.5 Coordinated Transmission Planning**

MAPP agrees to participate in the conduct of a periodic Coordinated Regional Transmission Planning Study (CRTPS). The CRTPS shall have as input the results of ongoing analyses of requests for interconnection and ongoing analyses of requests for long-term firm transmission service. The Parties shall coordinate in the analyses of these ongoing service requests in accordance with Sections 7.4.3 and 7.4.4. MAPP, in coordination with coordinating RPCEs, shall review the scope, preliminary results and final results of the CRTPS with impacted Stakeholders, in accordance with Section 7.4.1 and this Section. The results of the CRTPS shall be an

integral part of the expansion plans of each Party. Construction of upgrades on the Transmission System of the MAPP Transmission Providers that are identified as necessary in the CRTSP shall be under the terms of the applicable MAPP or MAPP Transmission Provider documentation applicable to the construction of upgrades identified in the expansion planning process. Coordination of studies required for the development of the Coordinated System Plan will include the following:

- Every three years, MAPP shall participate in the performance of a CRTSP. Sensitivity analyses will be performed, as required, during the off years based on a review by the JPC of discrete reliability problems or operability issues that arise due to changing system conditions.
- The CRTSP shall identify all reliability and expansion issues, and shall propose potential resolutions to be considered by MAPP and the coordinating RPCEs.
- As a result of participation in the CRTSP, neither MAPP nor its members are obligated in any way to construct, finance, operate, or otherwise support any transmission infrastructure improvements or other transmission-related projects identified in the CRTSP. Any decision to proceed with any transmission infrastructure improvements or other transmission-related projects identified in the CRTSP shall be based on the applicable reliability, operational and economic planning criteria established for MAPP as applicable to the development of the MAPP Regional Plan and set forth in this Attachment K.
- As a result of participation in the CRTSP, the RPCEs are not entitled to any rights to financial compensation due to the impact of the transmission plans of MAPP upon the RPCE system, including but not limited to its decisions whether or not to construct any transmission infrastructure improvements or other transmission-related projects identified in the CRTSP.
- The JPC will develop the scope and procedure for the CRTSP. The scope of the CRTSPs performed over time will include evaluations of the transmission systems against reliability criteria, operational performance criteria, and economic performance criteria applicable to MAPP and the RPCEs.

- In the conduct of the CRTPS, MAPP and the coordinating RPCEs will use planning models that are developed in accordance with the procedures to be established by the JPC. Exchange of power flow models will be in a format that is acceptable to the coordinating parties.

## **9.0 Member Plans**

The procedures, standards, and requirements for making available Member Plans and the information on which the Member Plans are based as required by the Second Restated MAPP Agreement. Members may submit information directly to the TPC, but submittal to the RPG is preferred. The RPG provides a forum for Members to continue their long-term joint planning relationships with their neighbors and to involve other Stakeholders. The Member Plans will be integrated into the RPG Roll-up Plan.

The Member Plans and subsequent updates are submitted to the TPC as part of the MAPP Regional Planning Process.

## **10.0 Dispute Resolution**

All substantive and procedural disputes related to the MAPP Regional Planning Process shall be resolved in accordance with the dispute resolution procedures set forth in the Second Restated MAPP Agreement.

## **11.0 Economic Planning Studies**

Stakeholders, through the TPC, may request that the Economic Planning Group (EPG) perform economic planning studies to evaluate potential upgrades or other investments that could reduce congestion or integrate new transmission, generation or demand resources and loads on an aggregated or regional basis. The TPC shall review such proposals and select a certain number for study each year.

The TPC may cluster or batch requests for economic planning studies so the EPG can perform the studies in the most efficient manner. Requests for studies shall be submitted to the chairman of the TPC. All such requests will be collected over a 12 month period ending January 1 of each year. The TPC, with Stakeholder input, will commit and engage to address up to five requests per year. The TPC will attempt to combine the scope of such requests such that the scope of actual study work will adequately address multiple requests, so as not to exceed three studies. Requesting parties would be required to submit essential data for their requested study.

As part of this process, the TPC may also consider economic studies of upgrades to MAPP flowgates. The flowgates studied will be selected among those determined to have

recurring congestion, as evidenced by a high number of hours per year with no available firm Available Flowgate Capacity (AFC) or a high number of historical hours per year under Transmission Loading Relief (TLR). Along with Stakeholder input, the TPC will use these or similar metrics to determine which MAPP flowgates are most congested and warrant study of the economic benefits of proposed flowgate upgrades. Any economic planning study, which identifies a new MAPP region transmission facility or the upgrade of an existing transmission facility as a proposed Economic Network Upgrade, shall identify the proposed upgrade subject to the cost allocation principles set forth in Section 12 of this Attachment K. Such economic study shall also include a benefit allocation analysis based on one or more of the following principles: (a) reductions in projected congestion costs; (b) reductions in projected energy costs; or (c) reductions in projected transmission losses.

The economic planning studies performed by the EPG shall include sensitivity analyses representing various generation price scenarios; however, the EPG shall study the cost of congestion only to the extent it has information to do so. If a Stakeholder requests that a particular congested area be studied, it must supply relevant data within its possession to enable the EPG to calculate the level of congestion costs that is occurring or is likely to occur in the near future.

## **12.0 Cost Allocation**

MAPP has established a regional cost allocation methodology that follows the six regional cost allocation principles as defined in FERC Order No. 1000 for new regional transmission facilities selected in a regional transmission plan for purposes of cost allocation.

The six principles are:

- Costs should be allocated “roughly commensurate” with estimated benefits.
- Those who do not benefit from transmission do not have to pay for it.
- Benefit-to-cost thresholds must not exclude projects with significant net benefits.
- Costs cannot be allocated outside a region unless the other region agrees.
- Cost allocation methods and identification of beneficiaries must be transparent.
- Different allocation methods can apply to different types of transmission facilities.

## **12.1 Regionally Beneficial Projects**

The TPC will determine regional cost allocation for eligible new Regionally Beneficial Projects (RBP) identified in the MAPP Regional Plan. RBPs may include reliability, economic, and Public Policy Requirements projects proposed in the RPG Roll-up Plan. A RBP is a project that:

- a) has been proposed in accordance with the MAPP Planning Process;
- b) is eligible for inclusion in the MAPP Regional Plan; and
- c) has regional benefits since it replaces a project(s) in the RPG Roll-up Plan by solving the need(s) at a lower cost.

## **12.2 Applicability and Qualification Criteria**

### **12.2.1 Project Sponsor Criteria**

The TPC will review the qualifications of the selected project sponsor, which requires the project sponsor to demonstrate that it has the necessary financial resources and technical expertise to develop, construct, own, operate, and maintain the RBP.

In order to sponsor a RBP for regional cost allocation, the project sponsor must meet the following requirements:

- a) the project sponsor and its team is technically and financially capable of (i) completing the project in a timely and competent manner; and (ii) operating and maintaining the facilities consistent with Good Utility Practice and applicable reliability criteria for the life of the project; and
- b) the project sponsor meets any additional requirements per TPC Procedures.

An existing project sponsor may already meet these criteria and may demonstrate qualification by referring to a recent TPC eligibility ruling. The TPC may require the project sponsor to demonstrate eligibility for each proposed project. Should an entity be found deficient, the TPC may allow it time to remedy any deficiency.

### **12.2.2 Project Criteria**

To qualify for regional cost allocation consideration, a proposed RBP must meet the following requirements:

- a) the proposed RBP would replace a project(s) in the RPG Roll-up Plan by solving the need(s) at a lower cost; and
- b) the proposed RBP satisfies applicable reliability criteria; and
- c) the proposed RBP meets any additional contract or technical requirements per TPC Procedures.

### **12.3 Regional Cost Allocation – Project Selection**

MAPP administers a transparent and not unduly discriminatory process for evaluating whether to select a RBP in the MAPP Regional Plan for purposes of cost allocation.

RBPs will be considered for regional cost allocation under the following circumstances, per TPC Procedures.

- a) A project sponsor (qualified under 12.2.1) request to the MAPP TPC for consideration.
- b) A RBP suggested through the process of regional evaluation of the Member Plans into the RPG Roll-up Plan and requested for consideration by a project sponsor (qualified under 12.2.1).
- c) If multiple project sponsors bid to sponsor the same RBP, the TPC will select the project sponsor per TPC Procedures.

RBPs will be selected for regional cost allocation consideration through an analysis of the following metrics:

- Technical sufficiency
- Cost-effectiveness
- Other benefit metrics as defined in the TPC Procedures

### **12.3.1 Technical Sufficiency**

The primary focus of the technical sufficiency analysis is to ensure a proposed RBP meets the needs and requirements of the original project(s) in the RPG Roll-up Plan. The analysis for technical sufficiency will include the following general steps, further detailed in the TPC Procedures.

- a) Remove displaced project(s) from the model.
- b) Place the RBP in the model and verify that the needs and requirements of the original projects are met and that no new reliability violations have been created.
- c) Verify that the new plan does not accelerate a future problem into the 10 year planning horizon unless total cost plus the mitigation cost for fixing the accelerated problem is no greater than the original plan, and there is sufficient time to mitigate the accelerated problem.

### **12.3.2 Cost-effectiveness**

A more cost effective MAPP Regional Plan will be accomplished if the total incremental capital cost and applicable annual cost of the RBP is less than the total incremental capital cost and applicable annual cost of the original RPG Roll-up Plan projects. Each beneficiary's share of the RBP cost must be less than the cost of its original project(s). The analysis for cost-effectiveness will include the following steps:

- a) Calculate the total capital and applicable annual costs of the original project(s) in the RPG Roll-up Plan proposed to be replaced by the RBP per TPC Procedures;
- b) Calculate the total capital and applicable annual costs of the RBP per TPC Procedures;
- c) Calculate each beneficiary's share of the RBP cost.
- d) The RBP total capital and applicable annual costs must be less than the original project(s) total capital and applicable annual costs. Each beneficiary's share of the RBP cost must be less than the cost of its original project(s).
- e) To address uncertainty, the benefit-to-cost ratio must be 1.25 or greater in total and individually to require participation in regional cost allocation.



## **12.4 Regional Cost Allocation Procedures**

MAPP administers a transparent and not unduly discriminatory process for allocating the cost of projects selected for regional cost allocation. MAPP cost allocation procedures are intended to allocate costs “roughly commensurate” with estimated benefits. Those who are not identified as a beneficiary of the transmission project do not have to pay for it. All projects selected for regional cost allocation will utilize the following regional cost allocation method.

### **12.4.1 Aggregate Benefits Method**

The aggregate benefits method is the regional cost allocation method, which will be implemented as follows, and defined further in the TPC Procedures:

- a) Quantify the benefits as the total capital and applicable annual costs of each of the original projects in the RPG Roll-up Plan, per TPC Procedures, for each MAPP Transmission Owning Member for their project(s) that could be replaced by a RBP.
- b) Allocate the capital and applicable annual costs of the RBP, per TPC Procedures, to each MAPP Transmission Owning Member based on their respective share of the sum of all benefits quantified above.

## **12.5 Subscription Rights Option**

The subscription rights option, although not a regional cost allocation method, is a participant funding option for project sponsors to consider. This method uses an auction procedure and is available to MAPP Transmission Owning Members and Eligible Transmission Customers, including but not limited to Affected Generators and MAPP Load-Serving Entities, collectively referred to as Eligible Participants.

The MAPP Regional Plan shall classify transmission projects as described above. Any economic planning study authorized by the MAPP TPC for a RBP and performed in compliance with Section 11 of this Attachment K, which identifies the need for a new MAPP region transmission facility or the upgrade of an existing transmission facility as a proposed Economic Network Upgrade, shall treat such proposed facility upgrade(s) as commercial transmission.

This procedure describes the process by which the MAPP Transmission Owning Member on whose transmission system the Economic Network Upgrade is

located (Host TO) may solicit participation for the proposed Economic Network Upgrade. The MAPP Transmission Owning Member shall have the right to elect to be an Affected System and not serve as the Host TO. A transmission owner that has protested a project as causing undue burden, which has not been satisfactorily resolved, has the option to decline participation.

#### **12.5.1 First Call Offer of Subscription Rights**

An offer to participate in the Economic Network Upgrade will be sent to all Eligible Participants and to any Affected System Operators participating on a reciprocal basis in accordance with the benefit allocation defined on a cost causation basis in the economic planning studies performed in compliance with Section 11 of this Attachment K, in exchange for Subscription Rights to the new transmission capacity.

All Eligible Participants will be offered the opportunity to participate in the Economic Network Upgrade by purchasing a portion of the Subscription Rights made available by such Auction Procedure. If an Eligible Participant accepts the subscription offer for participation in the Economic Network Upgrade, the subscription shall be granted to such Eligible Participant as a Subscription Rights buyer. If demand for the Subscription Rights offered exceeds the number of Subscription Rights available, Subscription Rights will be offered to the interested Eligible Participants on a pro rata basis, based on each Eligible Participant's designated level of transmission capacity megawatts requested in its submitted offer to participate to the total transmission capacity megawatts requested. Each participating interested Eligible Participant shall have 60 days to accept such an offer for pro rata Subscription Rights.

#### **12.5.2 Second Round Offer of Subscription Rights**

Within 30 days following the close of the above first call offer of Subscription Rights, any Subscription Rights that remain unsubscribed shall be released to all Eligible Participants. Thirty (30) days will be allowed for recipients of the second round offer to indicate interest in acquiring the residual Subscription Rights. If the Subscription Rights offered are acquired by an Affected System Operator's transmission business unit, the revenue requirements will be rolled into the Affected System Operator's rate structure and the acquired transmission capacity shall be available under the Affected System Operator's open access transmission tariff (OATT). The Affected System Operator, including the Host TO, shall adjust the point-to-point and network service charges to

reflect the addition of any revenue requirements to the Affected System Operator's OATT embedded cost rates, provided that any such Affected System Operator subject to the jurisdiction of the Commission shall obtain approval of the Commission prior to causing such rate adjustment to be effective. Furthermore, any subscribing Eligible Participant may roll the revenue requirements associated with the acquired Subscription Rights into the Affected System Operator's rate structure, as approved by the Commission, if the subscribing Eligible Participant makes the acquired transmission capacity available under the Affected System Operator's OATT.

### **12.5.3 Resale and Reassignment of Subscription Rights**

The MAPP transmission providers shall provide resale and reassignment provisions for Subscription Rights on the same basis as provided in the *pro forma* OATT for firm point-to-point transmission service.

### **12.5.4 Failure to Obtain Subscriptions**

If, after the first and second rounds of the Auction Procedure have concluded, Subscription Rights sufficient to cover the total cost of the Economic Network Upgrade project have not been successfully subscribed, subscribing Eligible Participants will be notified of the Subscription Rights shortfall. Such notice shall be in writing, include the amount of available Subscription Rights and provide thirty (30) days for such subscribing Eligible Participant to increase its Subscription Rights election. At the end of the expiration of the thirty (30) day notice period, the proposed project may be cancelled if it is still not fully subscribed. The Host TO or another Affected System Operator may choose to fund the remaining portion of the necessary subscription rights and roll those costs into their transmission revenue requirements. If a project is cancelled under such circumstances, all of the subscribers will be notified in writing within thirty (30) days of its decision to terminate. If an Economic Network Upgrade is terminated for lack of subscriptions or for defaults on subscriptions, the project shall be deemed to have insufficient economic benefit to market participants, and the project shall not qualify for reconsideration as an Economic Network Upgrade until the latter of a) the next biennial MAPP Regional Planning cycle, or b) two years from the date of notice of cancellation.

### **12.5.5 Facilities Agreement**

If the Economic Network Upgrade is fully subscribed, the Host TO shall offer the subscribers a Facilities Agreement within sixty (60) days of full subscription.

### **12.5.6 Defaulting Subscribers**

If any of the subscribers fail to execute the Facilities Agreement within thirty (30) days of receipt of such agreement, the non-signing subscriber's Subscription Rights will be awarded to all Eligible Participants. If an alternative subscriber is not secured, the Host TO shall pursue resolution with the non-signing/defaulting subscriber(s) pursuant to Article 9, Dispute Resolution, of the Second Restated MAPP Agreement. Any dispute that has not been resolved through the MAPP Dispute Resolution process shall be resolved through the appropriate regulatory or jurisdictional dispute resolution proceedings. A party seeking to invoke FERC jurisdiction over a dispute shall file with the Commission the Facilities Agreement unexecuted by the non-signing/defaulting subscriber. The Commission shall determine the obligations of the non-signing/defaulting subscriber. If, as a result of the dispute resolution process the non-signing/defaulting subscriber is relieved of its obligations, the Host TO may cancel the project with no further obligations to the remaining subscribers, except to notify all of the subscribers in writing within thirty (30) days of its decision to terminate.

### **12.5.7 Post-Auction Host Owner Option**

In the event the defined Economic Network Upgrade is not fully subscribed after the Auction Procedure is exhausted, the Host TO may, of its own accord, elect to perform such Economic Network Upgrade, and roll the upgrade costs into the next update of its transmission revenue requirements.

### **12.5.8 Conversion of Subscription Rights to Physical Transmission Rights**

The Facilities Agreement associated with an Economic Network Upgrade shall convert the Subscription Rights allocated to Physical Transmission Rights. Subscription Rights and Physical Rights shall be the same transmission capability rights with the principal distinction merely being the stage of project commitment. Subscription Rights shall be associated with a good faith expression of intent, albeit still based on non-binding

estimated planning costs, to invest in the Economic Network Upgrade. Upon signing a Facilities Agreement, the Eligible Participant's expression of intent to invest as a holder of Subscription Rights becomes a binding contractual commitment with the prescribed Physical Rights to the discrete transmission capability defined in the Facilities Agreement. The additional transmission capability achieved by the project shall be allocated to the Subscription Rights holders as Physical Transmission Rights in proportion to their respective payment for the network upgrade. The Physical Transmission Rights do not in themselves convey a form of transmission service under Part II or Part III of the Tariff. The holder of the Physical Transmission Rights may use those rights in conjunction with a specific application of transmission service under Part II or Part III of the Tariff of the Host TO, or the holder may sell or assign the Physical Transmission Rights to another party. Physical Transmission Rights may be used by a generator owner to secure firm transmission service and/or provide a hedge against potential congestion charges.

#### **12.5.9 Completion of Economic Network Upgrades**

Once an Economic Network Upgrade is fully subscribed and Facilities Agreements are in place for all subscribers, the Host TO shall apply good faith efforts to obtain approvals for, design, construct, own, operate and maintain the proposed Economic Network Upgrade facilities under the terms and conditions set forth in the Facilities Agreement(s).

#### **12.5.10 Interregional Coordination**

This Procedure may be applied for interregional Economic Network Upgrades demonstrating interregional economic benefits. MAPP Transmission Owning Members may use this Procedure to fulfill any requirements of reciprocal obligations for interregional transmission upgrades identified by the planning processes of adjacent regional entities, including but not limited to the Midwest ISO Transmission Expansion Plan. This Procedure shall also be available to transmission owners in adjacent regions that may be invited to participate in a subscription rights offering from a MAPP Transmission Owning Member, based on demonstrations of benefits under Section 11 of this Attachment K.

#### **12.5.11 Transmission Projects for Renewable Energy Zones**

The Subscription Rights procedures may also be applied to a regional transmission project that is designed to develop deliverability from

Renewable Energy Zones to a market in the same manner that the Subscription Rights procedures are applied for Economic Network Upgrades. However, this procedure shall not be an alternative for requirements of Transmission Access Projects under Parts II and III of the Tariff, or for the obligations of Attachment I, “Standard Large Generator Interconnection Procedures (LGIP)”. The Renewable Energy Zone transmission project must be included in the MAPP Regional Plan or in the transmission plan of an adjacent region that has been coordinated with the MAPP Regional Plan.

### **13.0 NorthWestern South Dakota Local Planning Process**

#### **13.1 Introduction**

This section of NorthWestern’s South Dakota Attachment K provides NorthWestern’s local transmission planning process that will allow for NorthWestern’s Transmission Customers to participate in its local transmission planning process that meets the nine planning principles set forth in the FERC Order No. 890 and Order No. 1000.

NorthWestern is a network customer of the Western Area Power Administration Upper Great Plains Region (WAPA-UGPR). NorthWestern and WAPA-UGPR jointly plan the NorthWestern transmission network that is part of the Integrated System for WAPA-UGPR’s member transmission plan. The following process will allow for NorthWestern’s Transmission Customers and stakeholders to participate in NorthWestern’s local transmission planning process and WAPA-UGPR’s local area transmission planning process.

#### **13.2 Scope of NorthWestern’s Local Transmission Planning Process**

The NorthWestern local transmission planning process described in this Section 13 covers transmission facilities under the Tariff. The purpose of the NorthWestern local transmission planning process is to see that long-term local planning for transmission facilities to serve NorthWestern native end-use load and firm transmission commitments is conducted. The process provides long-term reliability and economic planning of transmission facilities for the NorthWestern Transmission System for firm commitments and Network Customers served from the NorthWestern Transmission System that is comparable to the long-term planning of NorthWestern’s native end-use load served from the NorthWestern Transmission System.

### **13.3 NorthWestern Local Planning Process Responsibilities**

NorthWestern will participate in a regional transmission planning process that produces a regional transmission plan and complies with the transmission planning principles of Orders 890 and 1000. NorthWestern in concert with WAPA-UGPR's will be responsible for the development of the WAPA-UGPR transmission plan that includes NorthWestern's transmission planning needs and results from this local planning process. The local transmission planning process will allow timely and meaningful stakeholder input and participation in the development of these transmission plans. The NorthWestern local transmission planning process will follow MAPP's regional planning procedures provided in Sections 1 through 12 and WAPA-UGPR planning information provided in Section 14 of this Attachment K. Transmission plans resulting from this process to be included in the MAPP Regional Plans will be submitted to the MAPP RPG, to their successor regional or subregional committees, and/or to the successor regional transmission organization, independent transmission coordinator, or independent system operator, as appropriate.

NorthWestern will maintain a website to post appropriate Attachment K documents described within this Section 13 at URL:

<http://www.northwesternenergy.com/our-company/about-us/operations>

In addition to other posted documents described within Section 13 of this Attachment K, NorthWestern will post the following information on its website:

**13.3.1** A document describing NorthWestern's process for amending an existing NorthWestern's posted planning documents the posted on its website.

**13.3.2** A document describing the extent that NorthWestern has undertaken a commitment to build a transmission facility included in the MAPP Regional Plan.

**13.3.3** A document with NorthWestern's South Dakota Planning Process Technical Contact information.

**13.3.4** A summary list of Critical Energy Infrastructure Information submitted during the planning process.

### **13.4 NorthWestern Local Transmission Planning Stakeholder Process and Procedures**

NorthWestern is a network customer of the WAPA-UGPR and jointly plan the NorthWestern transmission network that is part of the Integrated System for



WAPA-UGPR's member transmission plan. NorthWestern's local transmission planning process and timeline is consistent with the needs of the WAPA-UGPR eight quarter planning process. WAPA-UGPR eight quarter planning cycle begins on an even year (i.e., 2012) and ends the following year (i.e., 2013). An example of WAPA-UGPR eight quarter planning cycle is shown in Appendix B.

NorthWestern will hold at least one conference call or face-to-face stakeholder annual meeting to discuss local transmission planning, including local transmission needs and Public Policy Requirements and Public Policy Requirements Projects to be used in the local transmission plan. This public stakeholder meeting will be held in quarter one of the eight quarter planning cycle and will be scheduled to precede WAPA-UGPR's stakeholder meeting to allow the NorthWestern stakeholders the opportunity to provide input into the WAPA-UGPR and MAPP processes. NorthWestern's public stakeholder meeting in the following year (i.e., during quarter five of the eight quarter planning cycle) will be held during the first quarter of that year.

If there are studies that result from the quarter one meeting, a follow up meeting will be held to allow review of the studies and preparation for these studies to be included in the WAPA-UGPR local transmission plan and in the MAPP regional plan. Additional meetings will be held as needed. These stakeholder meetings will be open to all interested stakeholders, including but not limited to NorthWestern's transmission service customers, generation interconnection customers, neighboring transmission owners, neighboring transmission providers, MAPP staff and members, affected state authorities, and regional planning groups.

NorthWestern will hold an additional stakeholder meeting within 60 days after receipt of a written request from stakeholders from three or more different organizations. However, NorthWestern is not required to hold more than two additional stakeholder meetings per year as a result of stakeholder requests.

To ensure meaningful dialogue at the stakeholder meetings, available information related to the proposed draft agenda will be distributed with the meeting notices. Stakeholders may submit questions or comments in advance of the meeting or up to 30 days after such meeting.

Email notifications will be sent to the designated contact or signatory specified in a service agreement under this Tariff, attendees of prior meetings, and to other key stakeholders. A notice for the stakeholder meetings will be posted on NorthWestern's South Dakota website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>



NorthWestern will develop and maintain an updated email list of stakeholders that have attended prior meetings, as well as key participants that should be invited regardless of attendance at prior meetings. Stakeholders wishing to be removed from the stakeholder list may do so through email or written notification to the NorthWestern Planning Process Technical Contact as provided on NWE's website.

### **13.5 Transparency of NorthWestern Local Transmission Planning Stakeholder Process and Procedures**

The NorthWestern local transmission planning process will be open and transparent to facilitate comment and exchange of information, as described below:

**13.5.1** NorthWestern will make available the basic criteria that underlie its transmission system plans by posting the basic criteria methodology and timeline document for facilities covered by this Attachment K on the NorthWestern website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>

**13.5.1.1** NorthWestern does not have any criteria more stringent WAPA-UGPR or MAPP.

**13.5.2** NorthWestern will make available to stakeholders (subject to CEII, cyber security, and Standards of Conduct requirements) the basic criteria, assumptions, and **data** that underlie its transmission system plans. For this purpose, NorthWestern will make the following documents available, upon request, in a way that maintains confidentiality and complies with CEII and cyber security requirements:

**13.5.2.1** NorthWestern's FERC Form 714

**13.5.2.2** NorthWestern's FERC Form 715

**13.5.3** Limitations on Disclosure: While the Transmission Provider's Local Transmission Planning process will be conducted in the most open manner possible, Transmission Provider has an obligation to protect sensitive information such as, but not limited to, Critical Energy Information and the proprietary materials of third parties. Nothing in this Attachment K shall be construed as compelling the Transmission Provider to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental

agency of competent jurisdiction. Transmission Provider may employ mechanisms such as confidentiality agreements, protective orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.

**13.5.4** NorthWestern will provide information on the location of applicable NERC/MAPP/Midwest Reliability Organization (“MRO”) planning criteria, reliability standards, regional power flow models, or other pertinent information, as available. See NorthWestern’s basic criteria methodology and timeline document posted on NorthWestern’s website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>

**13.5.5** NorthWestern will set its planning horizons and study frequencies considering NERC and/or regional entity standards and the MAPP TPC planning cycle, and consistent with the needs of the WAPA-UGPR eight quarter planning process.

**13.5.5.1** The data, including Public Policy Requirements and Public Policy Requirements Projects, for WAPA-UGPR and the regional models are collected during the first quarter of WAPA-UGPR eight quarter planning cycle. NorthWestern will notify by email (see 13.4) its stakeholders of the WAPA-UGPR and regional schedules and will set its data submission schedule to precede the needs of these schedules by one month or more by posting its data collection schedule in its basic criteria methodology and timeline document on its website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>.

## **13.6 Information Exchange**

Certain information exchanges associated with the stakeholder process and the local study process are described in Section 13.5 of this Attachment K. In addition, information exchange for the base regional model development will take place as follows:

**13.6.1** NorthWestern participates in the development of the MAPP regional base case power flow and stability models, currently for the PSSE<sup>TM</sup> computer application, through WAPA-UGPR. These regional models provide the

basis for studies of transmission service requests, generation interconnection requests, local planning studies and regional planning studies. To assist in the development of accurate base case regional models and thereby develop appropriate local transmission plans for the NorthWestern system, NorthWestern will request as required by the WAPA-UGPR and MAPP TPC, at a minimum, the following data of its Transmission Customers:

- 13.6.1.1** Network Customers and other load serving entities including the transmission provider for its native end-use load within the NorthWestern Transmission System will be requested to submit existing loads and future loads for the horizon of the regional base case models (typically ten years) for each of its load points. Information for firm loads will be separated from information for interruptible loads.
- 13.6.1.2** Point-to-point customers will be requested to submit projections of their quantifiable transmission service needs over the planning horizon, including applicable receipt and delivery points and the transmission service reservations anticipated to be scheduled.
- 13.6.1.3** Public Policy Requirements and Public Policy Requirements Projects for consideration in the base case model.
- 13.6.1.4** Additional modeling data will be requested as necessary to conform to the requirements of the NERC MOD standards.
- 13.6.1.5** Sponsors of transmission, generation, Public Policy Requirements Projects and demand resources can provide information for use in developing base-line assumptions and models.
- 13.6.1.6** Any stakeholder can provide alternate solutions to any transmission needs identified in the local transmission plan as part of the planning process.

## **13.6.2 Public Policy Requirements**

- 13.6.2.1** The NorthWestern shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements during its quarter one open stakeholder meeting.

**13.6.2.2** NorthWestern, after consultation with stakeholders during the annual stakeholder meeting, will select the Public Policy Requirements and Public Policy Requirements Projects to be evaluated in the local area transmission plan.

**13.6.2.3** NorthWestern will post, on its website at

<http://www.northwesternenergy.com/our-company/about-us/operations>

a list of Public Policy Requirements and Public Policy Requirements Projects that will be evaluated in the transmission planning process and why other suggested Public Policy Requirements and Public Policy Requirements Projects will not be evaluated.

**13.6.2.4** The evaluation process and selection criteria for inclusion of Public Policy Requirements Projects in the local transmission plan will be the same as those used for any other local project in the local transmission plan.

### **13.6.3 Comparability Between Resources**

Comparability between resources, including similarly situated customer-identified projects, will be accomplished in the following manner.

**13.6.3.1** Comparability between resources will be achieved in NorthWestern's Local Transmission Plan by including all valid data received from stakeholders, generators and customers (including load forecast data, generation data, Public Policy Requirements Projects, and Demand Resource data) in the Local Transmission Plan development.

**13.6.3.2** Combining the forecast load and generation, including Public Policy Requirements and Public Policy Requirements Projects, information received from the customers with NorthWestern's transmission line and equipment data for the desired year to be studied develops the base case used in the technical reliability assessment. The load forecast and/or generation dispatch patterns are varied independently, within appropriate ranges, to depict a specific operating condition such as the summer peak period. Varying the load and generation dispatch patterns in this manner causes the flows across the transmission lines to

vary. Because this assessment is reliability based, which is focused on identifying load and generation dispatch patterns that stress the system, there is no discrimination to customer type or generation dispatch pattern analyzed. By following this process, the resulting plan will have treated similarly situated generators and customers in a comparable manner.

**13.6.3.3** NorthWestern's projects and similarly situated customer-identified projects (e.g., transmission solutions, Public Policy Requirements Projects, and solutions utilizing Demand Resource load adjustment) will be treated on a comparable basis and given comparable consideration in the transmission planning process. Comparability will be achieved by allowing customer-defined projects sponsor participation throughout the transmission planning process and by considering customer-defined projects (transmission solutions and solutions utilizing Demand Resources load modeled as a load adjustment) in the Local Transmission Plan development. NorthWestern retains discretion as to which solutions to pursue and is not required to include all customer-identified projects in its plan.

**13.6.3.4** NorthWestern's annual stakeholder meeting will be the process by which stakeholders can discuss, question, or propose alternatives for input assumptions and upgrades identified by the Transmission Provider.

**13.6.4** The data submitted by Transmission Customers will be included to the extent appropriate in the base case model.

**13.6.5** The NorthWestern data request will be sent in coordination with the WAPA-UGPR and MAPP regional data requests. NorthWestern will send a data request to its Transmission Customers and other stakeholders typically prior to expected transmittal of the regional data request. Transmission Customers will be expected to respond to the NorthWestern data request in a timely fashion.

**13.6.5.1** Email notifications will be sent to the designated contact or signatory specified in a service agreement under this Tariff, attendees of prior meetings, and to other key stakeholders. NorthWestern will develop and maintain an updated email list of stakeholders that have attended prior meetings, as well as key participants that should be invited regardless of attendance

at prior meetings. Stakeholders wishing to be removed from the stakeholder list may do so through email or written notification to the NorthWestern Planning Process Technical Contact.

**13.6.6** Responses to the data request will be accepted in forms such as PSS<sup>TM</sup>E raw data format or in spreadsheet format with appropriately labeled headings.

**13.6.7** Each Transmission Customer using the NorthWestern Transmission System will be responsible for providing NorthWestern with an email address for its data modeling contact. NorthWestern will send the annual data request to these contacts via email.

## **13.7 Economic Studies**

Stakeholders may request directly through the MAPP TPC that the Economic Planning Group (EPG) perform economic planning studies to evaluate potential upgrades or other investments that could reduce congestion or integrate new transmission, generation or demand resources and loads on an aggregated or regional basis. See Section 11 of this Attachment K. The time horizon for these studies is typically 10 years.

Stakeholders may request an Economic Planning study directly through the WAPA-UGPR's Local Economic Planning Study process is described in section 13.7 of WAPA-UGPR, Attachment P of their OATT.

See <http://www.oatioasis.com/WAPA/WAPAdocs/WAPA-AttachmentP.pdf>.

Stakeholders may also request, as describe below, an Economic Study through NorthWestern's local transmission planning process.

**13.7.1** NorthWestern will accept economic study request from its stakeholders through November 1 of each year. The requests received will be forwarded to WAPA-UGPR or the MAPP TPC for inclusion in their economic study processes for the following year. NorthWestern's form for submitting an Economic Study Request is posted on NorthWestern's website at URL

<http://www.northwesternenergy.com/our-company/about-us/operations>.

**13.7.2** When the MAPP TPC and WAPA-UGPR have set their schedules for their economic studies, NorthWestern will inform its stakeholders through

its website about when they can become involved in the economic study process.

**13.7.3** If any stakeholder requests are not selected by WAPA-UGPR or the MAPP TPC for study, NorthWestern will combine requests when appropriate and conduct one economic study per year. A stakeholder has the option of performing its own economic study.

### **13.8 Cost Allocation for New Projects**

NorthWestern will coordinate assignment of cost responsibility for identified Network Upgrades within the NorthWestern Transmission System that provide reliability and economic benefits to NorthWestern and other entities. In accordance with Section 12 above, Network Upgrades through the joint planning process with WAPA-UGPR will be allocated under traditional cost allocation procedures: (i) the cost of Direct Assignment Facilities will be charged to the Transmission Customer, and (ii) the Transmission Customer's appropriate share of the cost of any required Network Upgrades will be charged to the Transmission Customer.

**13.8.1** Economic system additions that are within the NorthWestern System that do not meet the definition of Regionally Beneficial Projects (RBP) as defined in section 12.1 of this Attachment K will be allocated on basis that cost causers should bear costs and that beneficiaries should pay in an amount that is reflective of the direct demonstrable benefits received. The costs will be allocated a pro rata based on the capacity (MW) requested or benefits received, unless a mutually agreeable cost allocation method can be reached between the Transmission Provider and the project participants or sponsors, which will be subject to FERC approval of the participation agreement. Those economic additions that do meet the definition of an RBP will be allocated per the provisions of Section 12 of this Attachment K.

### **13.9 Dispute Resolution** (Compliance with Attachment K and Local Transmission Plan)

**13.9.1** Process: The following process shall be utilized to address procedural and substantive concerns over the Transmission Provider's compliance with this Attachment K and related transmission business practices.

**13.9.1.1** Step 1 - Any stakeholder may initiate the dispute resolution process by sending a letter to the Transmission Provider that describes the dispute. Upon receipt of such letter, the

Transmission Provider shall set a meeting for the senior representatives for each of the disputing parties, at a time and place convenient to such parties, within 30 days after receipt of the dispute letter. The senior representatives shall engage in direct dialogue, exchange information as necessary, and negotiate in good faith to resolve the dispute. Any other stakeholder that believes it has an interest in the dispute may participate. The senior representatives will continue to negotiate until such time as (i) the dispute letter is withdrawn, (ii) the parties agree to a mutually acceptable resolution of the disputed matter, or (iii) after 60 days, the parties remain at an impasse.

**13.9.1.2** Step 2 - If Step 1 is unsuccessful in resolving the dispute, the next step shall be mediation among those parties involved in the dispute identified in Step 1 that are willing to mediate. The parties to the mediation shall share equally the costs of the mediator and shall each bear their own respective costs. Upon agreement of the parties, the parties may request that the Commission's Dispute Resolution Service serve as the mediator of the dispute.

**13.9.2** 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.

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

**13.9.4** Timeline. Disputes over any matter shall be raised timely; provided, however, in no case shall a dispute under Section 13.9.1 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.

**13.9.5** Rights. Nothing contained in this Section 13.9 shall restrict the rights of any party to file a complaint with the Commission under relevant provisions of the Federal Power Act.



### **13.10 Recovery of Planning Costs**

Unless Transmission Provider allocates planning-related costs to an individual stakeholder, or as part of a generation interconnection or transmission service request, all costs of the Transmission Provider related to the Local Transmission Plan process or as part of sub-regional or regional planning process shall be included in the Transmission Provider's transmission rate base. Transmission Provider will capture the planning costs for the OATT using traditional test period requirements in the next FERC tariff filing.

### **14.0 WAPA Upper Great Plains Planning Process**

NorthWestern relies on the WAPA-UGPR planning process to help meet the requirements under this Attachment K. Following are WAPA-UGPR's Open Planning, Study, Information Exchange and local Economic Planning processes. WAPA-UGPR's Transmission Planning process can be found at

<http://www.oatioasis.com/WAPA/WAPAdocs/Planning-Process.htm>.

#### **14.1 Open Planning Process**

**14.1.1 Openness:** WAPA-UGPR Local Planning Process will be open to all stakeholders during the development of the Local Transmission Plan ("LTP"). All meetings related to the LTP process shall be: (1) noticed by the Transmission Provider, WAPA-UGPR, via the OASIS; and (2) provide for alternate means of participation, to the extent practical and economical, such as teleconference, video conference or other similar means. The mode, method, schedule, process, and instructions for participation in WAPA-UGPR's Local Planning Process shall be posted and maintained on the OASIS.

**14.1.2 Limitations on Disclosure:** While WAPA-UGPR Local Planning Process will be conducted in the most open manner possible, Transmission Provider pursuant to Attachment P has an obligation to protect sensitive information such as, but not limited to, Critical Energy Information and the proprietary materials of third parties. Nothing in this Attachment P shall be construed as compelling the Transmission Provider, WAPA-UGPR, to disclose materials in contravention of any applicable regulation, contractual arrangement, or lawful order unless otherwise ordered by a governmental agency of competent jurisdiction. Transmission Provider may employ mechanisms such as confidentiality agreements, protective

orders, or waivers to facilitate the exchange of sensitive information where appropriate and available.

**14.1.3 Compliance:** Transmission Provider, WAPA-UGPR, will adhere to all applicable regulations in preparing the LTP, including but not limited to the Standards of Conduct for Transmission Providers and Critical Information Energy Information.

## **14.2 Study Process**

A local study group process will be instituted in addition to the open planning process described in Section 13.3 and 13.4. The purpose of the local study group process is to expand stakeholder participation in Western's UGPR Local Planning Process as provided in the following:

- a) A working group will be formed at the first semi-annual stakeholder meeting to receive information and provide comment on planning issues that are the subject of Western's UGPR Local Planning Process that arise between stakeholder meetings. Western UGPR will provide (subject to confidentiality, CEII, cyber security and Standards of Conduct requirements):
  - 1) The initial assumptions used in developing the annual local process transmission assessment and will provide an opportunity for feedback.
  - 2) The models used for local process transmission planning.
  - 3) Information regarding the status of local process transmission upgrades and how such upgrades are reflected in future local process transmission plan development.
  - 4) The draft study scope for those studies conducted by the working group as part of the local process, which will include or provide references to the basic assumptions for the study, the model or models used in the working group study including information regarding significant changes in the model.
  - 5) The draft transmission report for those studies conducted by the working group as part of the local process, as prepared by Western Attachment P UGPR or Western UGPR's designate. Stakeholders who do not participate on the working group will be given the opportunity to comment on the draft report after Western UGPR has considered the comments of the working group. The report will include an executive summary that is brief and is designed to be

understandable to stakeholders.

- 6) Draft transmission plans that result from Western's UGPR Local Planning Process before they are distributed to stakeholders pursuant to the open planning process described in Section 13.3 above.
- b) The working group meetings will be established by Western UGPR on an as needed basis. Working group meetings will also be established if need is expressed by 10 members of the respective working group; however, Western UGPR will not be required to hold meetings of the working group more than on a semi-annual basis. Meetings will typically be conference calls and/or web casts, but face-to-face meetings may be called if necessary. Meeting notices will be distributed via email to the respective study group mailing list. Meeting materials may be distributed via email respecting email size limitations and CEII, cyber security, and Standards of Conduct requirements. A password protected FTP site or internet may be used to transmit study models or large amounts of data.
  - (c) Western UGPR will chair and provide leadership to the working group, including facilitating the group meetings.
  - (d) Input from the working group members will be considered in the local planning process. Comments will generally be expected via email or during working group meetings. Comments will be solicited within the defined comment periods of the study group process.

### **14.3 Information Exchange**

Certain information exchanges associated with the open planning process and the local study group process are described in Sections 14.1 and 14.2 in this Attachment K. In addition, information exchange for base regional model development will take place as follows:

- a) Western participates in the annual development of the regional base case power flow and stability models currently for the PSSE computer application. These regional models provide the basis for studies of transmission service requests, generator interconnection requests, local planning studies and regional planning studies. To assist in the development of accurate base case regional models and thereby develop Attachment P appropriate local transmission plans for the Western UGPR system, Western will request at a minimum the following data of its Transmission Customers:

- 1) Network Customers and other Load Serving Entities (LSE) within the Western UGPR Control Area will be requested annually to submit existing loads and future loads for the horizon of the regional base case models (typically 10 years) for each of its load points. Information for firm loads will be separated from information for interruptible loads.
- 2) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to provide a list of all existing and proposed new demand response resources including behind the meter generation or load curtailment; the MW impact on peak load; the historical and expected future operating practice of the demand response resources such as the conditions under which the customer intends to initiate each resource, and whether each resource is available for use in providing measurable transmission system support to correct problems assessed in Western's UGPR Local Planning Process, as well as, other information required to consider such resources as provided in Section 13.6.1.1. Network Customers and other LSEs will be requested to provide updates of this information when substantive changes occur.
- 3) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to provide a list of existing and proposed new generation resources and historical and expected future dispatch practices such as the load level at which the customer plans to start each generating unit and plant, and whether each generation resource is available for use in providing measurable transmission system support to correct problems assessed in Western's UGPR Local Planning Process, as well as, other information required to consider such resources. Network Customers and other LSEs will be requested to provide updates of this information when substantive changes occur.
- 4) Registered point-to-point customers including Western UGPR's marketing and energy affiliates, as appropriate, will be requested annually to submit projections of their quantifiable transmission service needs over the planning horizon, including applicable receipt and delivery points and the transmission service reservations anticipated to be scheduled.
- 5) Network Customers and other LSEs within the Western UGPR Control Area will be requested annually to submit existing and expected future generation for the horizon of the regional base case models (typically 10 years).
- 6) Additional modeling data will be requested as necessary to

conform to the requirements of the NERC MOD standards.

- b) The data submitted by Transmission Customers will be included to the extent appropriate in the base case model.
- c) The Western UGPR data request will be sent annually in coordination with the regional data request. Western UGRP will send a data request to its Transmission Customers typically prior to expected transmittal of the regional data request. Transmission Customers will be expected to respond to the Western UGPR data request in a timely fashion.
- d) Responses to the data request will be accepted in forms such as PSS<sup>TME</sup> raw data format or in spreadsheet format with appropriately labeled headings.
- e) Each Transmission Customer and LSE within the Western UGPR control area will be responsible for providing Western with an email address of its data modeling contact. Western will send the annual data request to these contacts via email.
- f) The Western data response will be made available subject to CEII, cyber security and Standards of Conduct restrictions upon request to registered stakeholders.

#### **14.4 Public Policy Requirements**

Western UGPR shall have an open planning process that provides all stakeholders the opportunity to provide input into the transmission needs driven by Public Policy Requirements. Western will:

- a) Post a list of transmission needs driven by Public Policy Requirements which will be evaluated for potential solutions in the local transmission planning process, as well as an explanation of why other suggested transmission needs will not be evaluated (if any).
- b) After consultation with stakeholders during the annual stakeholder meeting(s), select the Public Policy Requirements and Public Policy Requirements Projects to be evaluated in the local area transmission plan.
- c) Post a list of Public Policy Requirements and Public Policy Requirements Projects that will be evaluated in the transmission planning process and why other suggested Public Policy Requirements and Public Policy Requirements Projects will not be evaluated.

- d) Will ensure that the evaluation process and selection criteria for inclusion of transmission needs driven by Public Policy Requirements in the local transmission plan will be the same as those used for any other local project in the local transmission plan.

#### 14.5 **Economic Planning Studies**

Western's UGPR Local Economic Planning Studies. Local economic planning studies are performed to identify significant and recurring congestion on the transmission system and/or address the integration of new resources and loads. Such studies may analyze any, or all, of the following: (i) the location and magnitude of the congestion, (ii) possible remedies for the elimination of the congestion, in whole or in part, including transmission solutions, generation solutions and solutions utilizing demand response resources, (iii) the associated costs of congestion (iv) the costs associated with relieving congestion through system enhancements (or other means), and, as appropriate, (v) the economic impacts of integrating new resources and loads. All local economic planning studies will be performed through Western UGPR's participation in the regional economic planning studies.

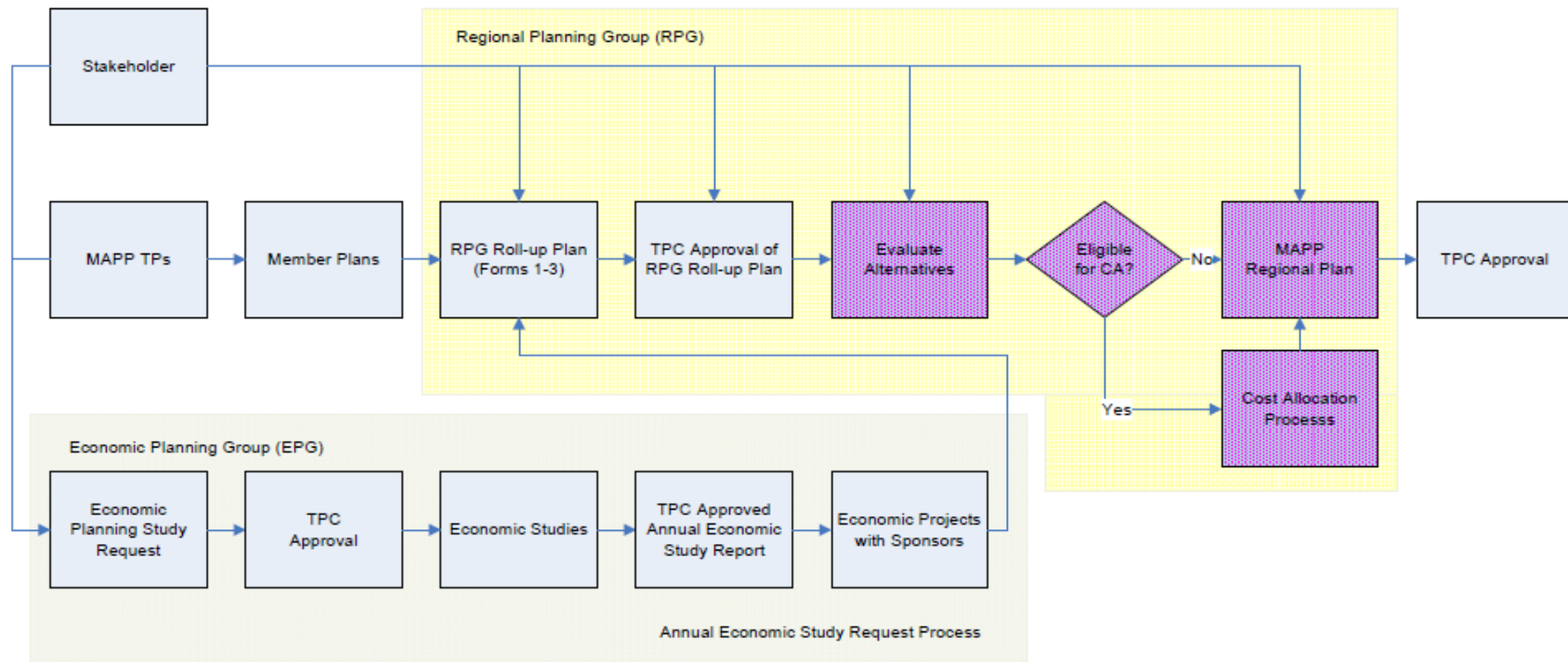
- a) Any Transmission Customers, Affected Generators, or other relevant stakeholders ("Requester") may submit a study request for an economic planning study directly to Western, the MAPP TPSC, or the WECC TEPPC. All requests must be electronically submitted to Western's Regional Office Contact e-mail Address as posted on the Transmission Providers OASIS. Western will not perform local economic planning studies but will coordinate the performance of such studies with the MAPP TPSC or the WECC TEPPC. The economic planning study cycle will be that of the MAPP TPSC process.
- b) Western shall ensure that any economic planning study requests submitted to Western are properly handled by forwarding the Requestor to MAPP TPSC for inclusion in the regional economic planning.
- c) If the MAPP TPSC or WECC TEPPC determines, after reviewing through an open stakeholder process, that the requested economic planning study as forwarded by Western is not a high priority study, the Requester may perform the economic planning analysis at the Requester's expense. Western will support the Requester in ensuring that the study is coordinated as necessary through local, subregional or regional planning groups.

- d) Western cannot fund any high priority and other local economic planning studies due to its spending authorization being contingent upon Congressional Appropriations. In the event that Western is requested to perform a local economic planning study, Western will, at the Requester's expense, provide its assistance in having a third party perform the local economic planning study. Western will support the Requester in ensuring that the study is coordinated as necessary through local, subregional or regional planning groups.

## Appendix A

### MAPP Regional Planning Process Diagram

# MAPP Regional Planning Process Diagram





## Appendix B

### Example of WAPA-UGPR Eight Quarter Local Transmission Plan Study Cycle

# 2012/13 LTP Study Cycle

## Study Cycle - 8 Quarters starting in January 2012

- Quarter #1: Scenario Definitions and Build Base Cases
- Quarter #2: Conduct technical studies for the existing system
- Quarter #3: Build mitigation change cases
- Quarter #4: Conduct study with mitigation
- End of Quarter #4: Finalize Baseline Steady State LTP Report
- Quarter #5: Build prior outage cases using mitigation case
- Quarter #6: Conduct study with prior outages
- End of Quarter #6: Finalize Baseline Prior Outage LTP Report
- Quarter #7: Build dynamics cases/models
- Quarter #8: Conduct dynamic study
- End of Quarter #8: Finalize Baseline Stability LTP Report

