



ColumbiaGrid Transmission Planning: Substantive Responsibilities

A presentation to the
ColumbiaGrid Forum
June 15, 2006



Status

- Started in March 2006
- Used TIG work as starting point
- Goals:
 - Develop elements for a functional planning agreement
 - Develop a Transitional Plan with:
 - Staffing Requirements
 - Budget
 - Implementation Timing
- Work in June and July to finalize concept and develop (w/ legal group) the planning agreement



Summary of Elements for Planning & Expansion Functional Agreement

- Goal
- Overview
- Planning Methodology
- Plan Development
- Approval Process
- Roles within the Planning Process
- Term of contract



Goal

- Facilitate appropriate expansion of the regional transmission system within the ColumbiaGrid footprint in a timely and equitable basis that meets regulatory requirements



Definitions

- TOPP – Transmission Owner Planning Participant
- Joint Load Service/Firm Obligation project – multiple systems involved in maintaining delivery of energy to transmission customer(s) with firm service contracts.
- Single TOPP project – Upgrade/modify one transmission system to ensure delivery of firm to transmission customer(s).



Plan & Process Overview

- “Single Utility” approach
- Biennial Transmission Plan in the best interest of the region.
- CG staff – lead regional transmission planning
- Open process for stakeholder involvement
- Process seeks voluntary agreement for projects
- CG staff may recommend plan to CG Board
- Board approves the Plan or remands part(s) for restudy
- Transmission Owners can request reconsideration
- FERC backstop for firm service obligations
- CG process to facilitate expansion of system



Planning Methodology

(Section 3)

- Single Utility Planning concept
- Planning Criteria
 - ERO/RRO (NERC/WECC)
 - Common planning criteria approved by TOPPs
 - TOPP criteria on TOPP system
- Planning Scope
 - 10 year planning horizon
 - Process focuses on members' systems
 - Annual system assessment
 - Biennially published plan
 - Transmission & Non-transmission alternatives



Planning Methodology

(Con't)

- Open planning process
 - Stakeholders, owners and affected parties
- Coordinate between CG & other appropriate organizations for reliability data
- Develop system assessment & problem/need statements for Load Service and Firm Obligations



Planning Methodology (con't)

Project Development Process (sec 3.7)

- Two tracks to expand projects
- Voluntary for capacity expansion projects (prior to firm project)
 - CG Staff initiated
 - Sponsor initiated
- Expanded scope for proposed projects
 - CG Staff initiated and facilitated
- Plan is changed if there is commitment for expanded project



Plan Development

Contents of Plan (sec 4.1)

- System Assessment
- Three stages for plans of service
 - Ready for approval
 - Underway – not ready for approval
 - Conceptual/Preliminary
- Four types of plans
 - Joint Load Service/Firm Obligations
 - Single TOPP Load Service
 - New Service Requests
 - Capacity Increase Projects
- Plans of service are included in the Plan via agreement or staff recommendation



Plan Development (con't)

Project Responsibilities (sec 4.2)

- Joint Load Service/Firm Obligation
 - If Staff determines problem involves multiple TOPPs
 - Staff will lead studies with TOPPs & interested parties
 - Staff will verify solution works & doesn't introduce other problems
 - If parties can't agree on solution Staff makes recommendation to Board



Plan Development (con't)

Project Responsibilities

- **Single TOPP Load Service**
 - If an assessment shows a 1 TOPP issue
 - Staff will verify problem with TOPP
 - TOPP will update CG Planning with its system plans and project status
 - Each TOPP is responsible for the planning, system needs and resolving contractual issues with customers served on its system



Plan Development (con't)

Project Responsibilities

- New Requests for Service (ATC not available)
 - Staff, TOPPs, & party requesting service form study team
 - Studies may be clustered when reasonable
 - Staff will verify plan works & that negative system impacts are mitigated
 - Staff may recommend projects to expansion process for more participation
 - Staff will recommend plan of service if responsible TOPPs do not reach agreement
- Goal is to create a common queue for study efficiencies



Plan Development (con't)

Project Responsibilities

- Capacity Increase projects
 - Voluntarily undertaken by parties
 - Five Staff duties
 - Monitor regional planning efforts
 - Verify that negative impacts are addressed
 - Facilitate plan resolution between parties
 - Add sponsored & mitigated plans of service to the Draft Plan
 - Perform project expansion process as requested or directed



Plan Development (con't)

Decision Making for Draft Plan (sec 4.3)

- Endeavor for agreement – Staff facilitated
- With agreement: A plan of service is included in the Plan. Staff ensures that problem is solved & mitigation addressed
- W/o agreement: Staff will recommend a solution. Alternatives are included with points of dispute, pros and cons
 - Staff recommendation must be one of the disputed alternatives unless none solves defined system problem



Plan Development (con't)

Open v. Confidentiality (sec 4.4)

- Open process
- Some exceptions:
 - Critical Infrastructure
 - Standard of Conduct
 - New FERC rule may give other guidance



Plan Development (con't)

Mitigation of Negative Impacts (sec 4.5)

- Process provides affected parties opportunities to raise concerns & participate in solution process
- Staff will verify that plans of service provide remedies to negative impacts
 - Member and interconnected systems
- Process will allow for reasonable system impacts



Plan Development (con't)

Cost Allocation Principles (sec 4.6)

- General non-prescriptive process
- Costs follow system needs
- Process of negotiation
- In absence of agreement CG Staff will, where appropriate, propose an allocation of cost and benefit/rights to CG Board
- Free riders may happen – OK



Approval Process (sec 5.1 & 5.2)

- Draft plan to Board on 2 year cycle
 - Updates between cycle as needed
 - Reasonable review time
- Open process –
 - Notice meetings
 - Opportunity to comment
 - Some limits
 - Critical Infrastructure
 - Standards of Conduct
 - FERC rulings



Approval (con't)

Basis for Approval (sec 5.3)

- Regional system perspective
- Technical merits & costs
- Select from fully vetted alternatives
- Remand for further study if new alternatives develop in the approval process



Approval (con't)

Board Approval (sec 5.4)

- Two paths to Board Approval
 - Agreed upon plan of service
 - Joint Load Service/Firm Service Obligation
 - New Service Request
 - Capacity Increase Projects
 - Staff recommended plan of service
 - Joint Load Service/Firm Service Obligation
 - New Service Request
- Single TOPP projects are included in Plan
 - “informational only”



Approval (con't)

Reconsideration (sec 5.5)

- Impacted TOPP *may* petition the CG Board to reconsider a decision
- After input from staff and impacted parties the Board *will* reconsider and *may* revise its decision
- The Board to make known its final decision within 90 days
- Changed decisions can be re-reconsidered



Approval (con't)

Post Approval plan changes (Sec 5.6)

- Sponsors & participants implement the plan
- As plan is implemented sponsors may need to revise project
 - Staff (via an open process) will review changes and ensure that the modified plan of service meets the need and that impacts are mitigated
 - Staff will report findings to CG Board and will if necessary make recommendations for changes to the implemented plan of service (including cost, rights, sponsorship, schedule, mitigation, use of open expansion process)
- Revised project is included in Plan



Approval (con't)

Unapproved Construction (sec 5.8)

- ColumbiaGrid approval is not a prerequisite for construction



Planning Roles

(sec 6)

- **Staff:**
 - Lead/facilitate regional planning
 - Develop draft plan for Board consideration
 - Assist in Board approval process
 - Work with TOPPs to resolve issues
- **Board:**
 - Provide policy guidance to staff
 - Review and approve the plan
 - Ensure adequate opportunity for stakeholder input and participation
 - Make determination on disputed issues



Planning Roles (con't)

- Transmission Owner Planning Participant (TOPP):
 - Provide & review data
 - Provide staff and support for CG planning process
 - Review other system planning studies
 - Make good faith effort to resolve differences
 - Implement specific projects per the Plan
- Stakeholders
 - Voluntary participation
 - Provide study resources for stakeholder driven study requests
 - Participation may be limited at times due to critical infrastructure and other confidentiality concerns



Term of Contract

(sec 7)

- Term Length – To be determined
- Withdrawal rights with notification to Board
- Withdrawn TOPP remains responsible for participation in approved plans of service through implementation and cost recovery



Questions/Comments?