

# Order 1000 Update



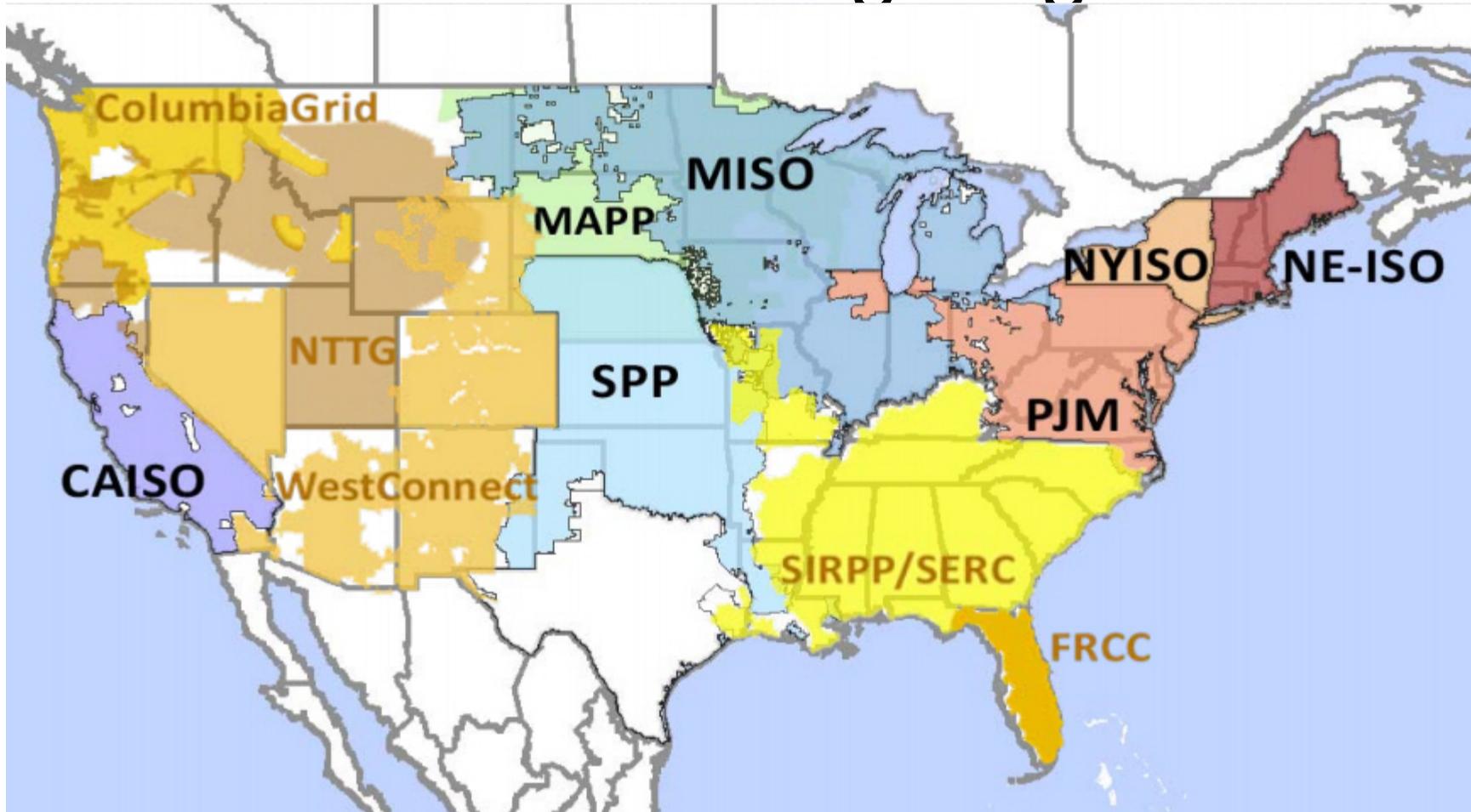
# Background

- July 21, 2011 – FERC issued Order 1000
- May 17, 2012 – FERC issued Order 1000-A
- Compliance Filing dates
  - 10/11/12 for regional planning
  - 4/11/13 for inter-regional coordination and cost allocation
- BPA is participating as a ColumbiaGrid planning agreement party to develop shared regional planning procedures to implement Order 1000

# Key Requirements

- Development of a regional transmission plan
- For projects seeking cost allocation, qualification criteria for the project developers and information requirements for submitted projects
- Requirements for inter-regional coordination
- Cost allocation mechanism to:
  - select projects for cost allocation from among the projects requesting cost allocation in the regional planning process, and
  - allocate costs of projects selected for cost allocation, including the within-region costs of interregional projects

# Current Planning Regions



# Coordination Efforts up to this Point

- The PEFA parties have met regularly to discuss changes to the existing planning process
- ColumbiaGrid has held multiple stakeholder meetings to keep stakeholders informed of the compliance efforts and to receive their comments
- ColumbiaGrid has met with NTTG and WestConnect to share progress

# ColumbiaGrid's PEFA

- The primary tool that enables ColumbiaGrid to perform its planning function is the Planning and Expansion Functional Agreement (“PEFA”)
- The PEFA already largely complies with the Order 1000 regional planning requirements. PEFA parties have been working on enhancements to comply with Order 1000’s intra-regional planning requirements, with a focus on:
  - Explicit consideration of transmission needs driven by public policy requirements
  - Order 1000 cost allocation process
    - Selection of Order 1000 Projects
    - Developer Qualifications
    - Order 1000 cost allocation methodology

# Order 1000-A and Cost Allocation Methodology

- BPA, among other parties, requested clarification and/or rehearing on whether cost allocation is binding.
- FERC issued an Order denying Rehearing and providing Clarification, in part on May 17, 2012.
- The PEFA will include two cost allocation processes:
  - Existing PEFA cost allocation process
  - New Order 1000 cost allocation process
- ColumbiaGrid members plan on pursuing a strategy in which there is a mandatory cost allocation process, but does not make the results of a cost allocation binding.

# Next Steps

- A final draft of the updated PEFA will be ready for approval by PEFA parties in July 2012
  - Such version will be posted on [www.columbiagrid.org](http://www.columbiagrid.org)
- **October 11, 2012** – Individual utilities make compliance filings
  - BPA will work with customers as it develops any tariff revisions for a filing
- BPA, as a ColumbiaGrid member, will work with other planning Regions on the *inter*-regional planning requirements in preparation for an April 2012 compliance filing