



# Proposed Attachment K: Transmission Planning Process

An excerpt from the Open Access  
Transmission Tariff (OATT) - clean  
version

The shift from a biennial to an annual Bonneville transmission system planning cycle, as detailed in Part III of Attachment K, "The BPA Planning Process," becomes effective January 1, 2013.

## **ATTACHMENT K**

### **TRANSMISSION PLANNING PROCESS**

#### **PART I**

#### **INTRODUCTION**

The objective of the annual Transmission Provider process is to develop a transmission plan that cost effectively meets safety, reliability, economic, environmental, public policy and other objectives.

The Transmission Provider will conduct its planning process in an open, coordinated, and transparent manner.

The Transmission Provider's annual transmission planning process will include a series of open planning meetings that will allow anyone, including network and point-to-point customers, interconnected neighbors, regulatory and state bodies and other Persons, to provide input into and comment on the Transmission Provider's development of a ten year plan for the Transmission Provider's Transmission System ("BPA Plan").

The Transmission Provider also will communicate regarding its transmission planning with neighboring transmission providers and Interested Persons in the ColumbiaGrid planning process, which is a process that is open to everyone. Part IV of this Attachment K is based on the ColumbiaGrid Planning and Expansion Functional Agreement (or "PEFA") which is posted on the ColumbiaGrid Website. Capitalized terms used in this Attachment K are defined in Appendix A to this Attachment K or elsewhere in this OATT.

The Transmission Provider participates in coordinated planning throughout the Western Interconnection as a whole through its membership in the Western Electricity Coordinating Council ("WECC") and participation in the WECC Transmission Expansion Planning Policy Committee ("TEPPC"). TEPPC provides for the development and maintenance of an economic transmission study database for the entire Western Interconnection and performs congestion studies at the Western Interconnection level.

## **PART II**

### **RESPONSIBILITIES UNDER ATTACHMENT K**

The planning processes described in this Attachment K are intended to result in plans for the Transmission Provider's Transmission System which are updated annually. This planning process will support the responsibilities of the Transmission Provider under other provisions of its OATT to provide transmission and interconnection service on its Transmission System.

This Attachment K describes the process by which the Transmission Provider intends to coordinate with its Transmission Customers, neighboring transmission providers, affected state authorities, and other stakeholders. Neither this Attachment K, nor the BPA Plan, dictates or establishes which investments identified in a BPA Plan should be made, or how costs of such investments should be recovered. The Transmission Provider will decide which of such identified investments it will make taking into consideration information gathered in the planning process described in this Attachment K, and any process required by the National Environmental Policy Act, but retains the discretion to make such decisions in accordance with applicable statutes and policies.

This Attachment K describes a planning process that contemplates actions by not only the Transmission Provider and its customers under this OATT, but also others that may not be bound to comply with this Attachment K, such as other transmission providers (and their transmission or interconnection customers), States, Tribes, WECC, sub-regional planning groups, and other stakeholders and Interested Persons. The Transmission Provider may be obligated as specified elsewhere in this Attachment K to participate in planning activities, including providing data and notices of its activities, and soliciting and considering written comments of stakeholders and Interested Persons. However, this Attachment K contemplates cooperation and activities by entities that may not be bound by contract or regulation to perform the activities described for them. Failure by any entity or Person other than the Transmission Provider to cooperate or perform as contemplated under this Attachment K, may impede or prevent performance by the Transmission Provider of activities as described in this Attachment K. The Transmission Provider shall use reasonable efforts to secure the performance of other entities with respect to the planning activities described in this Attachment K, but shall have no other or additional obligation for, or for ensuring, the cooperation or performance by any other entity described in or contemplated by this Attachment K. For example, if and to the extent any Transmission Customer or other entity fails to provide suitable data or other information as required or contemplated by this Attachment K, the Transmission Provider cannot effectively include such customer and its needs in the Transmission Provider's planning.

## PART III

### THE BPA PLANNING PROCESS

#### 1. Overview

The Bonneville Power Administration (BPA) is a federal power marketing agency based in the Pacific Northwest and located within the Western Electricity Coordinating Council reliability region. BPA's service territory includes Idaho, Oregon, Washington, western Montana and certain adjacent parts of eastern Montana, California, Nevada, Utah and Wyoming, as described in 16 U.S.C. § 839a(14).

#### **BPA's Planning Process is an annual process by which BPA**

- Assesses performance of its Transmission System.
- Develops system reinforcement plans expected to allow BPA's Transmission System to meet applicable Planning Criteria and standards (as defined in Section 3, below, for Part III of this Attachment K) throughout BPA's 10 year planning horizon.
- Addresses reliability needs and service requests on the Transmission Provider's system.
- Evaluates transmission needs driven by Public Policy Requirements.
- Considers plans and proposed projects developed by neighboring systems, sub-regional and regional planning processes.
- Develops plans of service from a one-utility perspective.
- Meets economic, environmental and other objectives of the system.
- Informs customers and interested persons and its budget process of the need and timing for expenditure of funds necessary to meet its obligations to provide reliable transmission service to all of its customers.
- Provides customers, stakeholders, and interested parties meaningful opportunities to participate in the development of BPA's plans.
- Considers all resources on a comparable basis.

BPA will involve its customers and interested persons in its planning process through the following:

- Inviting customers and interested parties to participate in BPA's Planning Process, including meetings specifically designed to gather input and comment during the phases of the Planning Process.
- Sharing for comment planning studies and supporting assumptions throughout the Planning Process.
- Posting the BPA Plan and the availability of supporting studies and results on the System Planning page of its OASIS website.

- Posting on the System Planning page of its OASIS website contact information for planning related questions, including an e-mail address for interested persons to submit questions or provide comments; and, as available, posting contact information for specific projects.
- Developing business practices with input from customers and stakeholders to facilitate implementation of this Attachment K.
- Participating in the ColumbiaGrid planning process.
- Participating in the WECC/TEPPC process.

## **2. Sequence of BPA Planning Process**

The Transmission Provider's planning cycle is an annual Planning Process resulting in an updated BPA Plan. The first Planning Process commenced January 2008.

### **2.1 Assumptions/Methodology**

At the beginning of the Planning Process, the Transmission Provider will:

2.1.1 Request and receive updated information from customers about loads, generation, and demand response resources during the planning horizon, as specified in section III.6, below. This information is due annually from customers by March 1.

2.1.2 In preparation for performing the system assessment identified in section III.2.2, below, participate in the development of WECC base cases by using the customer information provided under section III.2.1.1 and by working with the WECC Northwest Area Coordinator, ColumbiaGrid.

2.1.3 Develop assumptions and methodologies, identify the applicable Transmission Provider's Planning Criteria and standards for the Planning Process; post notice of the availability of such assumptions, methodologies, the applicable Transmission Provider's Planning Criteria and standards on the System Planning page of its OASIS website. The Transmission Provider will update the posting with revised information as appropriate.

2.1.4 Meet with stakeholders and interested persons to discuss and receive comment on assumptions, methodologies, and criteria for future planning studies.

2.1.5 After consideration of the input received from stakeholders and interested parties, the Transmission Provider will update and finalize planning assumptions, and post the availability of such assumptions on the System Planning page of its OASIS website.

2.1.6 Customers and other stakeholders may identify transmission needs driven by Public Policy Requirements during Planning Meeting I of the Transmission Provider's Planning Process cycle as described in section III.5.2.1.

2.1.7 After consideration of the transmission needs driven by Public Policy Requirements identified by customers and other stakeholders, the Transmission Provider will select, on a non-discriminatory basis, needs for further evaluation. The Transmission Provider will consider factors including, but not limited to, the following:

(i) the level and form of support for addressing the potential transmission need driven by Public Policy Requirements (such as indications of willingness to purchase capacity and existing transmission service requests that could use capacity consistent with solutions that would address the potential need);

(ii) the feasibility of addressing the potential transmission need driven by Public Policy Requirements;

(iii) the extent to which addressing the potential transmission need driven by Public Policy Requirements would also address other Transmission Provider's Needs identified in the previous planning cycle or other potential Transmission Provider's Needs in the current planning cycle; and

(iv) the factual basis supporting the potential transmission need driven by Public Policy Requirements.

No single factor shall necessarily be determinative in selecting among the potential transmission needs driven by Public Policy Requirements for inclusion in the system assessment.

Following the selection, the Transmission Provider will post on the System Planning page of its OASIS website an explanation of why certain identified transmission needs driven by Public Policy Requirements, if any, were not selected for further evaluation.

## **2.2 System Assessment**

After finalizing the Planning Process assumptions, the Transmission Provider will:

2.2.1 Conduct a system assessment which considers: a) needs driven by reliability, including meeting the Transmission Provider's Planning Criteria (described in section III.4), b) selected transmission needs driven by Public Policy Requirements (as described in section III.2.1.7 above), and c) requested transmission service. This system assessment will be used to identify potential deficiencies in system performance or other needs for system improvement during the planning horizon.

2.2.2 Prepare a summary of the preliminary results of this assessment and post this summary on the System Planning page of its OASIS website.

## **2.3 Conceptual Solutions**

Following the system assessment, the Transmission Provider will:

2.3.1 Identify conceptual solutions to: (a) prevent potential violations of the Transmission Provider's Planning Criteria identified in the system assessment conducted as provided in section III.2.2.1, above, and (b) satisfy new service requests, and (c) transmission needs driven by Public Policy Requirements that the Transmission Provider selected for further evaluation. The Transmission Provider will post notice of the availability of such conceptual solutions on the System Planning page of its OASIS website. For solutions that affect more systems than the Transmission Provider's Transmission System, the Transmission Provider will advance the conceptual solutions in the ColumbiaGrid planning process.

2.3.2 Provide an opportunity for customers and interested persons to review and comment on the results of (i) the system assessment, (ii) the conceptual solutions that affect only the Transmission Provider's Transmission System, (iii) possible system upgrade needs for Requested Service Projects, and (iv) the initial Economic Study results as specified in section III.3.

## **2.4 Plans of Service**

Following the identification of conceptual solutions, the Transmission Provider will:

2.4.1 Determine which conceptual solutions require development of draft plans of service in the current Planning Process and develop draft plans of service, cost estimates, and economic analyses for such draft plans. Post the availability of such plans, estimates, and analyses on the System Planning page of its OASIS website. Posted draft plans of service that affect more than the Transmission Provider's Transmission System will be considered in coordination with the ColumbiaGrid planning process.

2.4.2 In coordination with the ColumbiaGrid planning process, meet with interested persons to present, discuss, and receive comments on the draft plans of service, cost estimates, and economic analyses and to discuss the initial results of high priority Economic Studies performed pursuant to section III.3.

2.4.3 Develop preferred plans of service.

## **2.5 BPA Plan**

The BPA Plan will cover a 10 year planning horizon. The BPA Plan will include a brief narrative description of the Transmission Provider's Need, the preferred solution, an estimated cost, and estimated schedule for completion of the solution. The BPA Plan will also reflect any plans for facilities on the Transmission Provider's Transmission System that are needed to: (i) provide requested interconnection or (ii) provide requested transmission service. The Transmission Provider will post a draft of its BPA Plan on the System Planning page of its OASIS website for comment, and shall consider such comments in developing its final BPA Plan. The assumptions, applicable Transmission Provider's Planning Criteria, and methodologies used in the BPA Plan will be posted in accordance with section III.2.1.

2.5.1 With respect to any alternative solution considered by the Transmission Provider for development of a plan of service and inclusion in the BPA Plan, including both transmission and non-transmission alternatives proposed by the Transmission Provider or by customers or interested persons, the Transmission Provider shall evaluate such alternative using criteria that include the following:

- (i) degree of development of alternative;
- (ii) relative economics and effectiveness of performance;
- (iii) coordination with any affected Transmission Systems;(iv) consistency with the planning standards and criteria listed in section III.3, above; and

- (v) degree to which the alternative addresses one or more of the Transmission Provider's Needs.

2.5.2 Customers and interested persons may propose alternatives to be considered by the Transmission Provider in developing the BPA Plan at any time after notice of availability of the system assessment results pursuant to section III.2.2.2 until the end of the period for comments on the draft plans made available pursuant to section III.2.4.2.

2.5.3 After consideration of comments and alternatives, update the BPA Plan with the latest plans of service for proposed projects. The Transmission Provider will post its finalized BPA Plan on the System Planning page of its OASIS website.

### **3. Economic Planning Studies**

#### **3.1 General**

As described below, the Transmission Provider will perform or cause to be performed Economic Studies that are requested by a customer(s), interested person(s), or the Transmission Provider's transmission planning function to estimate the costs and benefits of transmission projects and that are selected for study under the procedures described below. Regional and sub-regional Economic Studies will be coordinated with other entities through ColumbiaGrid or WECC, as provided in section IV.15, below.

#### **3.2 Requests for Economic Studies**

Any customer, interested person, group of customers or interested persons, or the Transmission Provider's transmission planning function, may submit a request for an Economic Study to Transmission Provider. All requests shall be submitted to Transmission Provider electronically by October 31 annually for performance of studies in the following year in accordance with a business practice established by the Transmission Provider. The Transmission Provider will post each request for an Economic Study on the System Planning page of its OASIS website.

The Transmission Provider will hold or cause to be held a public meeting to review each request that has been received for an Economic Study and to receive input on such requests from interested persons. The Transmission Provider may review Economic Study Requests as part of its regularly scheduled Planning Meetings as outlined in section III.5.

After consideration of such review and input, the Transmission Provider will determine:

- (i) whether, and to what extent, a requested Economic Study should be clustered with other Economic Study requests; and
- (ii) whether a requested Economic Study should be considered a high priority. High priority Economic Studies will be funded by the Transmission Provider. The Transmission Provider will give high priority to up to 2 Economic Studies per year. Such high priority studies may result from clustering Economic Study requests. The Transmission Provider will give priority consideration to requests for Economic Studies:
  - (1) to study the costs of modifications to existing paths on the Transmission Provider's

Transmission System, or construction of new paths, needed to integrate either locally, sub-regionally, or regionally, aggregated new generation or load, (2) to requests including sufficient information about the locations, characteristics, and sizes of loads and resources to support feasibility of the study, and (3) to requests having broad support. One high priority Economic Study will be identified as a result of an Economic Study request submitted by the Transmission Provider's planning function. One additional Economic Study will be based upon Economic Study requests from customers or interested stakeholders. If the Transmission Provider determines that neither the stakeholders nor the Transmission Provider's transmission planning function has submitted new requests that are for high priority Economic Studies, the Transmission Provider will update the most recent priority Economic Studies upon request.

(iii) Any Economic Studies determined not to be high priority will not be performed by the Transmission Provider. However, the Transmission Provider may assist the requestor to find an alternate source for performing the studies and by providing planning information for use by the requestor or alternate source in performing the studies, at the requestor's expense.

(iv) High priority requests that affect transmission systems in addition to the Transmission Provider's system will be coordinated with other transmission owners through ColumbiaGrid. The Transmission Provider will assume primary responsibility for leading and performing necessary analytical work at ColumbiaGrid for such studies.

(v) The Transmission Provider will forward Economic Study requests that require production cost analysis to ColumbiaGrid for review and prioritization, and forwarding to TEPPC for performance of studies, in accordance with section IV.15, below.

### **3.3 Economic Study Results**

The Transmission Provider will post the availability of initial Economic Study results on the System Planning page of its OASIS website and discuss such initial results at meetings identified for such purpose in section III.5. The Transmission Provider may subsequently provide updates or revisions to such study results.

## **4. Transmission Provider's Planning Criteria**

The Transmission Provider shall apply, as applicable, the then-current versions of the following as planning standards and criteria:

- (i.) NERC Reliability Standards for Transmission Planning ;
- (ii.) WECC System Performance Criteria; and
- (iii.) Other transmission planning criteria and guidelines adopted by the Transmission Provider or applicable to the Transmission Provider pursuant to law or regulation.

The Transmission Provider will maintain an updated posting of a link to such planning standards and criteria on the System Planning page of its OASIS website.

## **5. Participation**

Participation in the Planning Process described in section III of this Attachment K will be open to all interested parties, including but not limited to all transmission and interconnection customers, state authorities, tribal representatives, and other stakeholders.

## **5.1 BPA Transmission Planning Interested Persons List**

The BPA Transmission Planning Interested Persons List includes all existing Network Transmission (NT), Point to Point (PTP), and customers receiving service under non-OATT transmission contracts (“Grandfathered Transmission Service Customers”) and other persons who sign up on the System Planning page of the Transmission Provider’s OASIS website to be on the list. The Transmission Provider will provide email notification to the BPA Transmission Planning Interested Persons List regarding the development of a new planning project or study effort that may arise as part of the planning process, or other significant events, and invite them to participate in related planning meetings.

## **5.2 Planning Meetings and Related Postings**

The Transmission Provider provides opportunities for customers and interested persons to participate in the Planning Process by conducting a series of open public meetings and issuing postings throughout the Planning Process as described below. A minimum of two meetings will be held each year, and two postings issued each year, to provide an opportunity for customers and interested persons to provide input to the Planning Process. The Transmission Provider may hold additional planning meetings.

In addition to the purposes specifically described below, the purpose of the Planning Meetings is to discuss the Transmission Provider’s anticipated planning studies, receive input to consider in evaluation and performance of the planning studies, and to inform customers and interested persons of the results of planning studies and the status of pending projects. The Transmission Provider will post information that it will make available at each meeting, and identify the analytical tools used to conduct studies made available, on the System Planning page of its OASIS website prior to the meeting. The Transmission Provider will receive comments submitted within five business days after the meeting, unless the Transmission Provider specifies a different comment period.

### **5.2.1 Planning Meeting I**

During Planning Meeting I, the Transmission Provider will present the BPA Plan from the Transmission Provider’s previous Planning Process. The Transmission Provider will also discuss updates to the data, assumptions, criteria, and methodologies to be used in the pending Planning Process and receive comment. The Transmission Provider will also discuss the Economic Study requests previously submitted pursuant to section III.3 and possible Economic Studies.

During Planning Meeting I, customers and stakeholders will have the opportunity to identify their transmission needs driven by Public Policy Requirements for consideration in the Planning Process. In addition, customers and stakeholders may also submit their transmission

needs driven by Public Policy Requirements to the Transmission Provider in writing, for up to two weeks following Planning Meeting I.

The Transmission Provider encourages customers and other stakeholders to submit any proposed modifications to previously-provided customer data and assumptions so that such changes may be considered in the Transmission Provider's Planning Process; the Transmission Provider requires notification of any proposed changes, in writing.

### **5.2.2 Posting I**

After completion of the system assessment, the Transmission Provider will post the availability of: a) a summary of its system assessment results, subject to CEII and confidentiality protections, for the upcoming 10-year planning horizon (consistent with section III.2.2.2), b) a summary of the identified conceptual solutions (consistent with section III.2.3.1). Following the completion of any identified high priority Economic Studies, the Transmission Provider will post the availability of the initial results of such studies (consistent with section III.3).

### **5.2.3 Planning Meeting II**

During Planning Meeting II, the Transmission Provider will present for discussion and comment the draft plans of service, cost estimates, and economic analyses developed pursuant to section III 2.4.1. The availability of these draft plans, estimates and analyses will be posted prior to Planning Meeting II. These draft plans will include those to address reliability needs and to meet transmission and interconnection service requests that affect the Transmission Provider's system. The Transmission Provider also will present for discussion and comment the selected transmission needs driven by Public Policy Requirements that affect its own system. Further, the Transmission Provider will identify for possible inclusion in the ColumbiaGrid planning process those draft plans that affect more than the Transmission Provider's system.

In accordance with section III.3, the Transmission Provider will also present for discussion and comment the initial results of the high priority Economic Studies identified in section III.3 and which were previously posted.

### **5.2.4 Posting II**

Consistent with section III.2.5, the Transmission Provider will post a draft of the latest update to the BPA Plan for review and comment. Comments will be considered in the development of the final BPA Plan. The final BPA Plan will be posted at the conclusion of the Planning Process.

### **5.2.5 Additional Meetings or Postings**

In addition to regularly scheduled meetings with customers and interested parties described in this section III.5, the Transmission Provider will provide additional opportunity for coordination and participation with customers and interested parties. Such meetings may be held in coordination with the ColumbiaGrid planning process. It is anticipated that the Transmission Provider, either in conjunction with ColumbiaGrid or separately, will endeavor to meet no less frequently than annually with sub-regional planning groups and adjacent transmission providers that are not party to the PEFA.

### **5.2.6 Meeting Notification**

No less than 15 calendar days prior to any Planning Meeting, the Transmission Provider will notify the BPA Transmission Planning Interested Persons List of the meeting by e-mail. The Transmission Provider will also post notice of the meeting on the System Planning page of its OASIS website. Notification will include agenda, meeting location, date, time, and information about any telephone or web-based participation. The Transmission Provider will provide such notification to neighboring sub-regional planning groups and adjacent transmission providers. The Transmission Provider will endeavor to post updates to meeting agendas on the System Planning page of its OASIS website.

### **5.3 Access to and Use of Replication Data from Transmission Provider**

The Transmission Provider shall use reasonable efforts to provide, or have provided, Replication Data to any customer or interested person upon receipt by the Transmission Provider of written request for such Replication Data. Access to and use of any Replication Data shall be subject to CEII restrictions, applicable legal restrictions, and any restrictions on access or use reasonably imposed by the Transmission Provider. Further, such access by such entities to such data that the Transmission Provider has received from any other entity may be subject to any restrictions on access to such data imposed by such entity. For example, any access to data such as Replication Data that constitutes WECC base case data by any entity is subject to any restrictions on access to data imposed by WECC.

Any customer or interested person that receives any Replication Data from the Transmission Provider shall use such Replication Data only for the purpose of evaluating the results of the Transmission Provider's planning studies performed pursuant to this Attachment K that underlie the BPA Plan.

## **6. Information Exchange**

### **6.1 Customer Information**

Customers will submit the following information to the Transmission Provider by March 1 annually. The Transmission Provider and any other entity providing projected or forecasted data with respect to any load, generating resource (or any addition, upgrade, retirement or environmental or other operating restriction with respect to such resource), demand response resource, or need for transmission service shall use reasonable efforts to provide a good faith projection or forecast thereof. The Transmission Provider will establish a business practice regarding the format and procedures for submission of data, and other matters concerning the data to be submitted.

#### **6.1.1 Network Customer Data**

Each Network Customer shall provide to the Transmission Provider the following data:

- (i) forecast information for load and resources for at least the following 10-year period. Such forecast information shall include the amount and location of projected load growth, load characteristics, and good faith estimates of resource size, location, and type of generation for resource requirements;

- (ii) identification of projected demand response reductions; and
- (iii) any other data reasonably requested by the Transmission Provider from such Network Customer in connection with planning activities pursuant to this Attachment K.

Any data to be provided by a Network Customer pursuant to this section III.6.1.1 is in addition to and does not substitute for any data such Network Customer is otherwise required to provide to the Transmission Provider pursuant to NERC Standards or under other sections of the OATT, unless otherwise agreed in writing by the Transmission Provider.

### **6.1.2 Point-to-Point Customer Data**

Any Point-to-Point Customer and any entity that receives Grandfathered Transmission Service from the Transmission Provider shall provide to the Transmission Provider the following data:

- (i) projections of need for Point-to-Point Transmission Service or other transmission service for at least the following 10-year period, including transmission capacity, duration, receipt and delivery points, and location of generation sources and sinks;
- (ii) any other data reasonably requested by the Transmission Provider from such Point-to-Point Transmission Customer or Grandfathered Transmission Service Customer in connection with planning activities pursuant to this Attachment K

Any data to be provided by a Point-to-Point Customer or Grandfathered Transmission Service Customer pursuant to this section III.6.1.2 is in addition to and does not substitute for any data such customer is otherwise required to provide to the Transmission Provider pursuant to NERC Standards or under other sections of the OATT, unless otherwise agreed in writing by the Transmission Provider.

## **6.2 Demand Response Resource Data**

### **6.2.1 Customer Demand Resources**

Any stakeholder may provide to the Transmission Provider the following data (“Demand Response Resource Data”) with respect to any demand response resource or Non-Transmission Alternative:

- (i) existing and planned demand response resources and any other Non-Transmission Alternatives and their impacts on forecasted demand and peak demand reduction; and
- (ii) any other data reasonably requested from such stakeholder by Transmission Provider in connection with planning activities pursuant to this Attachment K.

Loads and resources submitted under sections III.6.1 and III.6.2 are modeled in base cases and are therefore included on a comparable basis in system assessments performed in accordance with section III.2.2.1, and in other studies.

### **6.2.2 Transmission Provider Demand Resources**

As part of planning solutions for identified Transmission Provider's Needs on its system in accordance with section III.2.3.1(a), the Transmission Provider will conduct an Agency-level assessment of whether a Non-Transmission Alternative may be developed to address the Need. The Transmission Provider will determine, using the criteria listed in section III.2.5.1, above, whether to implement any such Non-Transmission Alternative.

### **6.3 Use of Data**

Any data may be used by the Transmission Provider without restriction (but subject to any applicable confidentiality and CEII restrictions) in its planning activities under this Attachment K and in the Transmission Provider's other planning activities or studies, such as studies in response to requests for transmission service or interconnection.

The Transmission Provider shall have no obligation under this Attachment K or the OATT to evaluate the validity or accuracy of any data but may so evaluate the validity or accuracy of any such data if the Transmission Provider determines such evaluation to be appropriate and reasonable. Similarly, the Transmission Provider shall have no obligation to use any data for any purpose under this Attachment K that Transmission Provider determines to be inappropriate or unreasonable for such use and may, in lieu thereof, substitute data that the Transmission Provider determines to be appropriate and reasonable for such use.

### **6.4 Critical Energy Infrastructure Information and Confidential Information**

The Transmission Provider will establish a business practice with input from customers and stakeholders regarding protection of critical energy infrastructure information ("CEII") and confidential information. The business practice will include requirements for customer and stakeholder access to CEII and confidential information in the Planning Process.

**6.4.1** Nothing in this Section 6 shall require (i) any entity not to comply with any obligation imposed on it pursuant to Commission Order No. 890 to restrict disclosure of CEII, or (ii) the Transmission Provider not to comply with any confidentiality obligations imposed on Transmission Provider by WECC as a condition of receipt by Transmission Provider of any WECC Data.

#### **6.4.2 Transmission Provider CEII and Confidential Information**

The BPA Plan and other Transmission Provider studies, data and assumptions may contain confidential information or that would be identified as CEII by the Commission. Such confidential information and CEII will be included in separate appendices so that the body of such studies and assumptions can be provided to all parties in an open manner.

## **7. Dispute Resolution**

For disputes that arise in the Planning Process, the Transmission Provider will follow the provisions of Part VI of this Attachment K.

## **8. Cost Allocation**

**8.1** For projects affecting the Transmission Provider's and other transmission systems, if the Transmission Provider and other affected transmission system owners are unable to reach agreement on cost allocation through negotiation, the Transmission Provider may use the ColumbiaGrid planning process under the PEFA, or another subregional planning process applicable to such project, to mediate, recommend, or develop a cost allocation. The ColumbiaGrid PEFA cost allocation process is described in section IV.13 below. The ColumbiaGrid Order 1000 Cost Allocation process is described in section IV.11 below.

The Transmission Provider shall consider for inclusion in the BPA Plan, Projects, including cost allocations for such Projects, adopted in the ColumbiaGrid planning process. Any costs of such Projects that are allocated to the Transmission Provider by ColumbiaGrid, as described in section IV.13 and IV.11 below, will be effectively allocated **only** if, and to the extent that, the Transmission Provider: (i) includes such Project(s) in the BPA Plan, (ii) proposes to accept all or part of such costs, subject to such Congressional budget, National Environmental Policy Act, and other review process as the Transmission Provider determines necessary or appropriate, and (iii) issues a decision to accept all or part of such cost allocation. Costs accepted by the Transmission Provider will be included in rates adopted in rate proceedings under section 7(i) of the Northwest Power Act, 16 U.S.C. § 839e(i).

**8.2** The costs of projects on the Transmission Provider's Transmission System are allocated to transmission rates in rate proceedings under section 7(i) of the Northwest Power Act, 16 U.S.C. § 839e(i). The allocation of costs to transmission rates is described in documents filed by the Transmission Provider in such transmission rate proceedings, including the Administrator's Record of Decision in such proceedings.

## **9. Cost Recovery for BPA Planning Process Participation**

For participants within the Transmission Provider's service area, meetings will be held in a central location with minimal costs to participants. If stakeholders are unable to participate in the local Planning Process, the Transmission Provider will provide electronic and hardcopies of all meeting materials upon request.

## **PART IV**

### **THE COLUMBIAGRID TRANSMISSION PLANNING PROCESS**

#### **1. Introduction**

The Transmission Provider participates in regional planning as a party to the PEFA. ColumbiaGrid is a non-profit membership corporation whose purpose is to promote, in the public interest, coordinated and reliable planning, expansion, and operation of the interconnected transmission systems in the Pacific Northwest, taking into consideration environmental concerns, regional interests, and cost-effectiveness.

The PEFA provides that, each Planning Cycle, ColumbiaGrid is to develop and review a Draft Biennial Plan and is to adopt, by majority vote of the Board, a Biennial Plan. The PEFA also provides that the first Biennial Plan is to be adopted as soon as practicable, but in no event later than a date in the last quarter of 2009.

Although the planning process identified in the PEFA is described sequentially, it is anticipated that the planning activities under the PEFA will be performed on a flexible, iterative, and non-sequential basis. In the event of any conflict between (i) the description in this Attachment K of the PEFA and (ii) the PEFA on file with the Commission, the PEFA shall control.

The planning process described in this Part IV to be followed under the PEFA by ColumbiaGrid and the Planning Parties is more fully described in the PEFA, including specifically its Appendix A. Under the PEFA, any entity that is, or proposes to be, an owner or operator of transmission facilities in the Pacific Northwest may become a PEFA Planning Party by executing the PEFA and thereby qualify as a Transmission Owner or Operating Planning Party ("TOPP") in the Order 1000 ColumbiaGrid Planning Region. The Planning Parties are those entities that, as signatories to the PEFA, have agreed to participate in ColumbiaGrid regional planning, as set forth in the PEFA. Under section 1.56 of the PEFA, ColumbiaGrid is to maintain a list of the Planning Parties on its Website. (<http://www.columbiagrid.org/>)

#### **2. Effect of PEFA and ColumbiaGrid Determinations With Respect to any Cost Allocation**

The PEFA, and any cost allocations developed under the PEFA, do not obligate the Transmission Provider to construct, or commit to construct, any transmission facilities, regardless of whether such transmission facilities are included in any Plan or BPA Plan. The PEFA, and cost allocations developed under the PEFA, do not (i) determine any transmission service to be received by, or any transmission usage by, the Transmission Provider, (ii) obligate the Transmission Provider to purchase or pay for, or obligate the Transmission Provider to commit to purchase or pay for, any transmission service or usage, (iii) obligate the Transmission Provider to implement or effectuate, or commit to implement or effectuate, any cost allocation, (iv) obligate the Transmission Provider to pay, or commit to pay, costs of any Project or Proposed Project in accordance with any cost allocation, or (v) entitle any Person to recover for

any transmission service or usage, or to recover any cost of any transmission facilities, from the Transmission Provider, regardless of whether such transmission facilities are included in any Plan or BPA Plan. Without limiting the generality of the foregoing, nothing in the PEFA nor any cost allocation under the PEFA will waive or preclude the Transmission Provider from exercising its rights to contest any matter referenced in this section 2, including any cost allocation, before the Commission or other forum.

Without limiting the generality of the foregoing, nothing in the PEFA with respect to an Order 1000 Cost Allocation precludes the Transmission Provider from carrying out any of its statutory authorities or complying with any of its statutory obligations.

### **3. Criteria and Factors**

#### **3.1 Planning Criteria**

Under section 2.1 of Appendix A of the PEFA, ColumbiaGrid is to apply the then current versions of the following as Planning Criteria for its system assessment, System Assessment Reports, and Need Statements:

- (i) planning standards applicable to TOPPs pursuant to law or regulation;
- (ii) NERC reliability standards;
- (iii) recognized regional planning or other reliability or transmission adequacy criteria developed by the consensus of the TOPPs for use on the Transmission Systems (ColumbiaGrid may sponsor a process for development of such criteria); provided that a TOPP may have other planning criteria that are more stringent than the ColumbiaGrid standards for use on its own Transmission System; and
- (iv) with respect to planning criteria applicable to any particular TOPP, such additional criteria then accepted by such TOPP and communicated to ColumbiaGrid by written notice; provided that any such additional criteria shall apply only to such TOPP.

#### **3.2 Needs Factors**

Under section 2.2 of Appendix A of the PEFA, ColumbiaGrid is to include, as appropriate, the following factors in selecting among Potential Needs for inclusion in the system assessment:

- (i) the level and form of support for addressing the Potential Need (such as indications of willingness to purchase capacity and existing transmission service requests that could use capacity consistent with solutions that would address the Potential Need);
  - (ii) the feasibility of addressing the Potential Need;
  - (iii) the extent, if any, that addressing the Potential Need would also address other Potential Needs; and
  - (iv) the factual basis supporting the Potential Need.

No single factor is to necessarily be determinative in selecting among Potential Needs for inclusion in the system assessment.

### **3.3 Solution Evaluation Factors**

Under section 2.3 of Appendix A of the PEFA, ColumbiaGrid is to include, as appropriate, the following factors in evaluating proposed solutions to address Needs:

- (i) in the case of a Proposed Project, sponsorship and degree of development of a proposal for such Project;
- (ii) feasibility;
- (iii) coordination with any affected Transmission System and any other Affected Persons;
- (iv) economics ;
- (v) effectiveness of performance;
- (vi) satisfaction of Need(s), including the extent to which the proposed solution satisfies multiple Needs; and
- (iv) consistency with applicable state, regional and federal planning requirements and regulations.

No single factor is to necessarily be determinative in evaluating proposed solutions to address Needs.

### **3.4 Non-Transmission Alternatives**

Under section 2.4 of Appendix A of the PEFA, in the evaluation of a Non-Transmission Alternative, if the Study Team determines that such alternative has a reasonable degree of development, eliminates or defers the Need(s) being studied by the Study Team, and is reasonable and adequate considering the factors described in section 3.3, ColumbiaGrid is to note the Non-Transmission Alternative in the Plan. If such alternative is adopted by the Person on whose Electric System it would be located, ColumbiaGrid is to include such Non-Transmission Alternative in the assumptions used in future system assessments, subject to subsequent updates on the status of such Non-Transmission Alternative.

## **4. System Assessment Report and Need Statements**

Each year, ColumbiaGrid, in coordination with the Planning Parties and Interested Persons, is to, consistent with section 3 of Appendix A of the PEFA, prepare a Draft System Assessment Report that includes Draft Need Statements for the Biennial Plan then being developed; provided that Draft Need Statements need not be prepared for a Draft System Assessment Report for the second year of a Planning Cycle for any Need already identified in the previous system assessment or for any EOP Need that does not require a Near-Term EOP solution. Under the PEFA, the procedure for the preparation of the Draft System Assessment Report and Draft Need Statements is to be as follows:

**4.1.1** ColumbiaGrid, in coordination with the Planning Parties and Interested Persons, is to perform an assessment through screening studies of the RIS using the Planning Criteria to:

- (i) identify EOP Needs projected to occur during the Planning Horizon; and
- (ii) identify Needs other than EOP Needs projected to occur during the Planning Horizon as follows:

- a. ColumbiaGrid, in coordination with the Planning Parties and Interested Persons, is to consider and select Potential Needs from among the following for inclusion in the system assessment, based upon the factors as described in section 3.2:

1. Potential Need of a TOPP identified by such TOPP:
  - A. to respond to requests for transmission service and interconnection;
  - B. to increase capacity on its Transmission System; and
  - C. for a Single System Project;

and

2. Potential Need identified by any Person for increased transmission capacity on the RIS.

- b. ColumbiaGrid is to document the basis upon which a Potential Need was not selected for inclusion in the system assessment.

**4.1.2** ColumbiaGrid is to perform the system assessment and base such assessment on the then current and appropriate WECC planning base cases; provided that Planning Parties are to provide updates to the input previously provided to ColumbiaGrid pursuant to sections 4.1 and 4.6 of the body of the PEFA. ColumbiaGrid is to, insofar as practicable, update the then current WECC planning base case to reflect such updated information so that the system assessment reflects on-going projects on the RIS and the likely completion dates of such projects to the extent such projects and completion dates are reasonably forecasted to occur prior to the end of the Planning Horizon.

**4.1.3** ColumbiaGrid is to determine in each system assessment, with respect to any Order 1000 Project included in the Plan, the status and on-going progress of such Project. The Order 1000 Sponsor is to provide for each such system assessment, and such determination will be based on, updated Project information. The system assessment is to include an assessment of whether such Project continues to be expected

to meet the underlying Need(s) in a timely manner. If such Project does not so continue to be expected to meet such Need(s) in a timely manner, ColumbiaGrid may remove such Project from its Biennial Plan. Upon such removal, such Project would not be an Order 1000 Project. Such removal may result in alternative solutions in the transmission planning process to meet any applicable Need(s).

**4.1.4** ColumbiaGrid is to post drafts of the system assessment results as they become available during the system assessment process on its Website subject to any appropriate conditions to protect Confidential Information and CEII.

**4.1.5** ColumbiaGrid, in coordination with Planning Parties and Interested Persons, is to prepare a Draft System Assessment Report. Such Draft System Assessment Report is to reflect Needs that the system assessment has projected to occur during the Planning Horizon.

(i) During the development of the Draft System Assessment Report, each Planning Party is to endeavor to inform Staff of any material change in conditions (anticipated to occur during the Planning Horizon) with respect to such Planning Party of which it is aware affecting any Need(s) under consideration in the Draft System Assessment Report as a Need.

(ii) ColumbiaGrid is to, insofar as practicable, take into account any such updates in its Draft System Assessment Report.

**4.1.6** ColumbiaGrid, in coordination with the Planning Parties and Interested Persons, is to (i) consider Proposed Projects, and is to develop conceptual transmission solutions, that address any Need(s) (other than any Need(s) that is expected to result in a Single System Project for which Order 1000 Cost Allocation has not been requested in accordance with section 10 of Appendix A of the PEFA) and (ii) identify which EOP Needs and related conceptual solutions are likely to result in Near-Term EOPs.

a. ColumbiaGrid, in coordination with the Planning Parties and Interested Persons, is to develop a Draft Need Statement for each such Need. Each such Draft Need Statement shall include the following information at a minimum:

(1) a narrative description of the Need and the assumptions, applicable Planning Criteria, and methodology used to determine the Need;

(2) one or more conceptual transmission-based solutions to meet the Need with estimated timelines and estimated costs to implement each such solution; and

(3) an indication of whether a non-transmission solution might be viable to eliminate or delay the necessity for such a transmission-based solution.

Under the PEFA, in the event that the Planning Parties, Interested Persons participating in the system assessment, and ColumbiaGrid do not reach consensus on the content of any such Draft Need Statement, Staff is to determine the content of such Draft Need Statement; provided that in making its determination, Staff is to consider any comments and possible transmission solutions suggested by any Planning Party or Interested Person; provided further that

ColumbiaGrid is to note in the Draft Need Statement that it determined the content of such statement and is to report the comments of Planning Parties and Interested Persons.

**4.1.7** ColumbiaGrid is to post drafts of the Draft Need Statements, as they become available, on the Website subject to any appropriate conditions to protect Confidential Information and CEII.

**4.1.8** ColumbiaGrid, in coordination with the Planning Parties and Affected Persons, is to continue to work on EOP Needs not likely to result in Near-Term EOPs as needed and appropriate over time notwithstanding the fact that Draft Need Statements for such EOP Needs need not be prepared and included in the then current Draft System Assessment Report and Draft Need Statements.

**4.1.9** ColumbiaGrid is to present the Draft System Assessment Report and Draft Need Statements to the Board for review and comment.

**4.1.10** ColumbiaGrid is to incorporate the comments of the Board on the Draft System Assessment Report and Draft Need Statements into the System Assessment Report and Need Statements.

## **5. Study Teams**

ColumbiaGrid, under section 4 of Appendix A of the PEFA, is to facilitate and participate in Study Teams. Planning Parties are to, and Affected Persons and Relevant State and Provincial Agencies and other Interested Persons may, actively participate in ColumbiaGrid planning activities through membership in Study Teams.

### **5.1 Scope of Study Team Activities**

The general objective of a Study Team is, with respect to any Need(s) set out in a Need Statement(s), to collaboratively and timely develop all required elements of a plan of service as may be required to address such Need(s) as provided in section 4 and sections 6.2, 7.3, 8.3, and 9.3. In developing such plan of service, a Study Team is to evaluate any of the following proposed solutions to a Need(s): Proposed Projects, Non-Transmission Alternatives, and conceptual solutions that are:

- (i) reflected in the relevant Need Statement(s); or
- (ii) proposed by any Study Team participant to address such Need(s); provided that the information, including Project data, needed in order for the Study Team to evaluate such proposed solutions has been provided to ColumbiaGrid.

In performing such evaluation, the Study Team is to assess the ability of any such proposed solution to address a Need(s) considering the factors as described in section 3.3, above. In addition, the Study Team shall assess whether there is a solution that is a more cost-effective and efficient alternative, applying such factors, to address Need(s). Taking such assessments into account, Study Teams are to attempt to reach agreement on all of the elements, as appropriate, of a plan of service to meet such Need(s).

A Study Team's evaluation may not necessarily result in a plan of service.

The specific objective of a Study Team's discussions varies based upon the underlying Need(s). With respect to an EOP Need, a Study Team is to develop a proposed solution that addresses an EOP Need in a Need Statement. With respect to a Requested Service Project, the Study Team is to develop a proposed solution that serves the request for service in a manner that meets time constraints. With respect to a Single System Project, a Proposed Project's sponsor that is a TOPP may request a Study Team for Project development if such Proposed Project's sponsor also requests an Order 1000 Cost Allocation for such Project. If a TOPP proposing a Single System Project has not requested a Study Team, ColumbiaGrid may convene a Study Team to identify whether there are Material Adverse Impacts resulting from such Project. With respect to a Capacity Increase Project, a Proposed Project's sponsor that is a TOPP may request a Study Team for Project development. If a TOPP proposing a Proposed Capacity Increase Project has not requested a Study Team, any Affected Person may request a Study Team to identify and address Material Adverse Impacts resulting from such Proposed Capacity Increase Project.

## **5.2 Study Teams to Develop Proposed Projects Other than in Response to Needs**

Under sections 7.1 (Single System Projects) and 8.1 (Capacity Increase Projects) of Appendix A of the PEFA, Study Teams may develop Proposed Projects other than to address Needs.

## **5.3 Notice to Potentially Interested Persons**

ColumbiaGrid in consultation with each Study Team is to, under section 4.3 of the PEFA, endeavor to notify the following Persons of the formation and scope of activities of such Study Team with respect to a Proposed Project: (i) all Affected Persons with respect to such Project, (ii) all Persons potentially interested in such Study Team, and (iii) the Interested Persons List, including Pacific Northwest transmission owners and operators and State, Provincial, and Tribal representatives on the Interested Persons List. ColumbiaGrid is to develop a protocol regarding procedures designed to identify and notify States and Provinces, including agencies responsible for facility siting, utility regulation, and general energy policy, Tribes, and Pacific Northwest transmission owners and operators that are potentially impacted by Needs or solutions regarding the activities of Study Teams addressing such Needs or solutions. For example, the protocol should include a provision stating that at such time as it becomes apparent to a Study Team that Tribal resources or lands may be impacted, the Study Team should make a reasonable attempt to notify potentially impacted Tribes of its work. ColumbiaGrid may work with the Planning Parties and Pacific Northwest Tribes to compile a database of Tribal lands and culturally significant areas for use under such a protocol.

## **5.4 Participation in Study Teams**

Any Planning Party, Affected Person, or Relevant State and Provincial Agency or other Interested Person may participate in a Study Team, with the exception that participation in a Requested Service Project Study Team may be limited due to tariffs or applicable law. TOPP(s) that are potentially materially affected by an EOP Need or a Proposed EOP are to participate in the Study Team relating to such EOP Need or Proposed EOP. With respect to an EOP, the TOPP(s) primarily affected by the EOP Need or a Proposed EOP is to assume primary responsibility for leading and performing necessary analytical work in the Study Team. With respect to a Proposed Requested Service Project, the TOPP(s) receiving a transmission service or interconnection request is to assume primary responsibility for leading and performing necessary

analytical work in the Study Team. With respect to a Proposed Single System Project or Proposed Capacity Increase Project for which the Project's sponsor has requested that a Study Team assist in Project development, the Planning Party proposing such Project is to assume primary responsibility for leading and performing necessary analytical work in the Study Team.

At such time that ColumbiaGrid determines that a TOPP that is not involved may be materially affected by the proposed solution being developed, ColumbiaGrid is to so notify such TOPP, and such TOPP is to participate in the Study Team.

ColumbiaGrid is to participate in each Study Team and, as needed, manage and facilitate the Study Team process. ColumbiaGrid is to post drafts of summaries of the progress of the Study Teams, including developing plans of service.

## **5.5 Formation of Study Teams**

Staff is to, under section 4.4 of Appendix A of the PEFA, hold a public meeting, with general notice to Planning Parties and Relevant State and Provincial Agencies and other Interested Persons and specific notice to those TOPPs that ColumbiaGrid anticipates may be affected, for the purpose of reviewing each Need Statement(s) and soliciting participation in a Study Team to address each Need Statement. Staff is to also inform Planning Parties and Interested Parties regarding those Study Teams that have been requested in accordance with this Agreement for purposes other than addressing Needs. Staff is to also consider convening Study Teams that address more than one Need Statement. Staff is to monitor the progress of each Study Team and will, as appropriate, bring Study Teams together in order to resolve differences, gain efficiencies or effectiveness, or develop solutions that meet more than one Need Statement.

## **6. Development of EOPs after Development of Need Statements**

### **6.1 Formation of Study Teams**

Under section 4.4 of the PEFA, ColumbiaGrid is to form Study Team(s) to develop a proposed solution to address an EOP Need(s) in an EOP Need Statement(s). When such Study Teams have been formed, ColumbiaGrid shall give specific notice to those TOPPs that ColumbiaGrid anticipates may be affected.

### **6.2 Elements of an EOP**

An EOP in a Biennial Plan (or Plan Update) is to include the following elements: a plan of service describing the modifications to the RIS to be made, list of Persons to make such modifications, estimated costs, schedule, cost allocation, allocation of transmission capacity increased or maintained by an EOP, and appropriate mitigation of Material Adverse Impacts resulting from such EOP; *provided* that an EOP is to not impose unmitigated Material Adverse Impacts on the RIS.

### **6.3 Non-Transmission Alternatives**

As part of the Study Team process, the Study Team is to, as provided in section 2.4 of Appendix A of the PEFA, evaluate, using factors that include those identified in section 3.3 above, any Non-Transmission Alternative proposed by a Study Team participant. If the Study Team determines that such alternative has a reasonable degree of development, eliminates or defers the EOP Need(s) being studied by the Study Team, and is reasonable and adequate under such criteria, the Non-Transmission Alternative should be noted in the Plan and, if adopted by the Person on whose Electric System it would be located, included in the assumptions used in future system assessments, subject to subsequent updates on the status of such Non-Transmission Alternative.

#### **6.4 Completion of a Proposed EOP**

With respect to a Near-Term EOP, a Proposed EOP is ready for inclusion in a Draft Biennial Plan when all of the following that have actively participated in the Study Team have consented to each element of such Proposed EOP: Persons who would be identified as a Designated Person in section 6.1 of the body of the PEFA and any Person who would bear Material Adverse Impacts from such Proposed EOP if not for the mitigation included in such Proposed EOP.

In the event that such Affected Persons do not reach agreement on any element(s) of a Proposed Near-Term EOP, the Staff is to make a recommendation for any unresolved element(s) of a Proposed Near-Term EOP and may, as the Staff finds appropriate, present fully-developed alternatives for the Board's consideration. The Staff is to inform the Study Team regarding its recommendation and allow the Study Team the opportunity to comment. In the event there is still not agreement among the Affected Persons, the Staff is to include its recommendation in the Draft Plan. In such event, ColumbiaGrid is to, in the absence of an Order 1000 Cost Allocation, endeavor to make an equitable allocation of the costs of a Staff-Recommended EOP taking into account (i) the causation of the EOP Need giving rise to such EOP or (ii) the delay or elimination during the Planning Horizon of any EOP Need as a result of such EOP. Where there are two affected TOPPs, and one has an EOP Need and the best way to meet that EOP Need is to upgrade facilities on the other TOPP's system, ColumbiaGrid is to allocate costs in a form of a Facilities Agreement to the TOPP causing the EOP Need. ColumbiaGrid may also allocate costs to a TOPP in a Facilities Agreement whose EOP Need does not give rise to the Staff-Recommended EOP but that has an EOP Need during the Planning Horizon that is met by such Staff-Recommended EOP; provided that ColumbiaGrid is not to allocate costs to such TOPP in an amount that exceeds the cost that would have been incurred by such TOPP had it met its EOP Need with a separate EOP. The Staff is not to allocate costs based upon other potential future system benefits. When the Staff submits the Draft Plan to the Board for approval, the Staff is to identify such elements and shall include a summary analysis of minority positions on any aspect of such Staff-Recommended EOP.

### **7. Requested Service Projects**

#### **7.1 Receipt of Transmission Service or Interconnection Request**

Each TOPP is to receive new transmission and interconnection requests in accordance with such TOPP's procedures; provided that if ColumbiaGrid offers a functional agreement to provide processing services for transmission or interconnection requests in addition to those provided in the PEFA, eligible TOPPs may sign such agreement. With respect to any request for transmission service or interconnection received by any Planning Party, nothing in this Attachment K shall, and nothing in the PEFA is to, preclude any Planning Party from responding if and as such Planning Party determines is appropriate under its OATT.

## **7.2 Requested Service Assessment; Formation of Study Teams**

When a TOPP has a completed transmission service application, determines that it does not have sufficient capacity to serve such request and reasonably believes that the requested service may impact a transmission system other than that of such TOPP, and the customer has indicated to the TOPP that it wants to pursue further study, such TOPP is to notify ColumbiaGrid that it has a request for a study. ColumbiaGrid is to perform a Requested Service Assessment to determine which transmission systems, including those of non-Planning Parties, are affected.

When a TOPP has received an interconnection request and reasonably believes that such request or a Proposed Project to satisfy the request will affect a transmission system other than that of such TOPP, such TOPP is to notify ColumbiaGrid of such request and such determination. ColumbiaGrid is to perform a Requested Service Assessment to determine which transmission systems, including those of non-Planning Parties, are affected.

In each such instance above in this section 7.2, ColumbiaGrid is to notify those Persons it determines are potentially Affected Persons and convene a Study Team, which should develop a study agreement in accordance with the TOPP's policies and procedures; provided that participation in Study Teams convened for an interconnection request may be limited consistent with such TOPP's OATT and applicable law. ColumbiaGrid, in consultation with Planning Parties and Interested Persons, is to cluster requests for purposes of performing studies when practical. The TOPP with the request is to inform its transmission or interconnection requesting Person regarding the needed study and the estimated costs. If the transmission or interconnection requesting Person is willing to assume the costs of such study and instructs the TOPP to proceed, the Study Team is to develop a solution to provide sufficient capacity to serve the request.

Upon execution of a study agreement, ColumbiaGrid is to (subject to any applicable confidentiality requirements under the OATT under which the transmission or interconnection service request was submitted) post: the request, information concerning any clustering of the request, the identity of the parties to the study agreement, the study schedule, and, from time to time, is to update the posting to provide other pertinent information.

## **7.3 Elements of a Requested Service Project**

The Study Team is to collaboratively develop a Proposed Requested Service Project. Each TOPP that receives a transmission service or interconnection request is to retain its obligation under its OATT to perform studies, with participation of the requestor as appropriate

in accordance with the TOPP's procedures. A Requested Service Project in a Biennial Plan (or Plan Update) is to include the following elements: a plan of service, estimated costs, transmission capacity allocation, cost and ownership allocation, and schedule.

#### **7.4 Completion of a Proposed Requested Service Project**

A Proposed Requested Service Project is ready for inclusion in a Draft Plan when (i) all of the Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team have agreed to each element of such Proposed Requested Service Project, (ii) the Study Team has confirmed that such Project meets the request and has appropriately mitigated Material Adverse Impacts resulting from such Project on any transmission systems, and (iii) the requestor has agreed to pursue the Project. Such Proposed Requested Service Project may be memorialized in a Project agreement prior to its inclusion in a Draft Plan and, in such instance, is being included in such Draft Plan for informational purposes. In the event that such Affected Persons do not reach agreement on a Proposed Requested Service Project in whole or in part within a reasonable time, Staff is to make a recommendation for any unresolved element(s) and may, as the Staff finds appropriate, present fully-developed alternatives for the Board's consideration. The Staff is to inform the Study Team regarding its recommendation and allow the Study Team the opportunity to comment. In the event there is still not agreement amongst the Affected Persons, the Staff is to develop a recommended plan of service. If there is an accompanying EOP Need which can be delayed or eliminated by the Staff-Recommended Requested Service Project within the Planning Horizon, ColumbiaGrid is to, in the absence of an Order 1000 Cost Allocation, endeavor to make an equitable allocation of costs of such Staff-Recommended Requested Service Project based upon the affected TOPP's OATT requirements and the delay or elimination of the EOP Need. ColumbiaGrid may allocate costs in a Facilities Agreement to a TOPP that has an EOP Need during the Planning Horizon that is met by the Staff-Recommended Requested Service Project; provided that ColumbiaGrid is not to allocate costs in an amount that exceeds the cost that would have been incurred by such TOPP had it met its EOP Need with a separate potential EOP. The Staff is to not allocate costs based upon other potential future system benefits. A Staff-Recommended Requested Service Project is to not have any unmitigated Material Adverse Impacts resulting from such Project on any transmission systems. The Staff may present more than one Staff-Recommended Requested Service Project for the Board to select from. When the Staff submits the Staff-Recommended Project to the Board for approval, the Staff is to identify any unresolved element(s) and is to include a summary analysis of positions advanced by any Affected Persons on such unresolved element(s). If the Staff-Recommended Requested Service Project is approved by the Board and agreed upon by the requestor and all Affected Persons it is to be included in the Plan.

### **8. Single System Projects**

#### **8.1 Notification of Single System Projects**

Each Planning Party is to advise ColumbiaGrid of any Single System Projects that it is planning on its Transmission System. Single System Projects may be for purposes of addressing a Need(s) or for another purpose. If the system assessment performed by Staff under section 3 of Appendix A of the PEFA identifies an EOP Need on a single Transmission System,

Staff is to inform the subject TOPP of such EOP Need and, if such TOPP concludes that such EOP Need may be resolved on its Transmission System, the TOPP is to inform ColumbiaGrid of such resolution. In such instances, the Staff is to include such EOP Need in the Draft System Assessment Report for informational purposes.

## **8.2 Formation of Study Team to Evaluate Material Adverse Impacts**

If any Affected Person requests a Study Team to evaluate Material Adverse Impacts resulting from a potential Single System Project at a “section 3 meeting” to discuss the Draft System Assessment Report and Need Statements, and if a Study Team has not otherwise been requested under section 7.3 of Appendix A of the PEFA for such Project, ColumbiaGrid is to convene a Study Team to evaluate Material Adverse Impacts. If there are no unmitigated Material Adverse Impacts, ColumbiaGrid is to include such Single System Projects in the Plan as a Single System Project for informational purposes and include such Single System Project in future system assessments, subject to subsequent updates on the status of such Project. If there are unmitigated Material Adverse Impacts, such potential Project is not a Single System Project.

## **8.3 Formation of Study Team for Project Development**

If a TOPP requests in accordance with section 10 of Appendix A of the PEFA an Order 1000 Cost Allocation for a Proposed Single System Project on its Transmission System, such TOPP must develop such Project through a ColumbiaGrid Study Team. Upon receipt of such a request, ColumbiaGrid will convene a Study Team for development of such Project.

A Single System Project in a Biennial Plan (or Plan Update) developed by a Study Team convened for development of such Project shall include the following elements: a plan of service, estimated costs, cost allocation, if any, and schedule.

In the event that Affected Persons do not reach agreement on any element(s) of such Proposed Single System Project, and the Sponsor has not withdrawn its request for an Order 1000 Cost Allocation, the Staff is to make a recommendation for any unresolved element(s) of such Project and may, as the Staff finds appropriate, present fully-developed alternatives for the Board’s consideration. The Staff is to inform the Study Team regarding its recommendation and allow the Study Team the opportunity to comment. In the event there is still not agreement among the Affected Persons, the Staff is to include its recommendation in the Draft Plan.

## **9. Capacity Increase Projects**

### **9.1 Notification of Capacity Increase Projects**

Each Planning Party is to advise ColumbiaGrid of any Capacity Increase Projects that it is planning or anticipates participating in on the RIS. Capacity Increase Projects may be for purposes of addressing a Need(s) or for another purpose.

### **9.2 Formation of Study Team**

**9.2.1 Formation of a Study Team for Project Development.** If the Proposed Project’s sponsor requests a Study Team for Project development, ColumbiaGrid is to convene such Study

Team for such purposes. In the event that Affected Persons do not reach agreement on any element(s) of a Proposed Capacity Increase Project developed by a Study Team convened for Project development of such Project, and the Project's sponsor(s) so requests, the Staff is to make a recommendation for any unresolved element(s) of such Project and may, as the Staff finds appropriate, present fully-developed alternatives for the Board's consideration. The Staff is to inform the Study Team regarding its recommendation and allow the Study Team the opportunity to comment. In the event there is still not agreement among the Affected Persons, the Staff is to include its recommendation in the Draft Plan.

**9.2.2 Formation of Study Team for Evaluation of Material Adverse Impacts.** If any Affected Person requests a Study Team to evaluate Material Adverse Impacts resulting from a Proposed Capacity Increase Project for which a Study Team has not otherwise been requested pursuant to section 8.2.1 of Appendix A of the PEFA, ColumbiaGrid is to convene a Study Team to evaluate Material Adverse Impacts.

### **9.3 Elements of Capacity Increase Project**

A Capacity Increase Project in a Biennial Plan (or Plan Update) is to include the following elements: plan of service, estimated costs, the expected amount of transmission capacity added for each new or existing path, reasons for the Project, alternatives considered using the solution evaluation factors described in section 3.3, the Persons who are responsible for the costs and construction of the Project, the owners and operators of the added facilities, schedule, including estimated completion date, transmission rights allocation, Material Adverse Impacts, if any, and any mitigation of Material Adverse Impacts; provided that any unmitigated Material Adverse Impacts is to be subject to resolution in the WECC regional planning or path rating process.

### **9.4 Request for Cost Allocation for Capacity Increase Project**

In the absence of an Order 1000 Cost Allocation, a TOPP may request a cost allocation recommendation from ColumbiaGrid on a Proposed Capacity Increase Project if the related Study Team is unable to come to voluntary agreement on the cost allocation. This recommendation is non-binding but can be used by the Study Teams to facilitate agreement on cost allocation.

## **10. Expanded Scope Projects**

### **10.1 Assessing Interest in Expanding the Scope of a Proposed Project**

Prior to including any Proposed Project in a Draft Biennial Plan or Draft Plan Update, the Staff is to determine, in an open process, whether there is interest in expanding the scope of such Proposed Project; provided that absent agreement of the TOPP(s) whose Transmission System(s) has a projected EOP Need, consideration of the request to expand the scope of a Proposed EOP may not unreasonably delay Project development beyond the point where there is sufficient lead time for the original Project to be completed to meet such Need or as otherwise required.

## **10.2 Formation of Study Team**

If there is interest, Staff is to establish a Study Team to evaluate and develop the expansion. Those Planning Parties or Interested Persons who are interested in becoming Project sponsors are to assume primary responsibility for leading and performing necessary analytical work, and are to be responsible for the study costs of evaluating the expansion.

## **10.3 Completion of a Proposed Expanded Scope Project**

The Staff is to assist the Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team in resolving transmission capacity rights issues if such Persons are unable to reach agreement. A Proposed Expanded Scope Project is to be included in a Plan (or Draft Biennial Plan or Draft Plan Update) in lieu of the Project without expansion only when (i) the sponsors of the expansion have agreed to fund the incremental cost of such Proposed Expanded Scope Projects, (ii) each sponsor of the Project as originally configured would receive equivalent or better service (including meeting the applicable Need(s)) at no greater cost than it would have paid for the original Project, and (iii) such Proposed Expanded Project would not have unmitigated Material Adverse Impacts.

## **11. Order 1000 Projects and Cost Allocation**

### **11.1 Qualification as an Order 1000 Project**

A Proposed Project may qualify for and receive an Order 1000 Cost Allocation only if (i) such Proposed Project's Order 1000 Sponsor(s) makes a timely request in accordance with section 10.1.1 of Appendix A of the PEFA that such Proposed Project be selected as an Order 1000 Project, (ii) such Proposed Project's Order 1000 Sponsor(s) meets the requirements set out in section 10.1.2.1 of Appendix A of the PEFA, and (iii) such Proposed Project is selected as an Order 1000 Project in accordance with section 10.1.2 of Appendix A of the PEFA.

**11.1.1 Timely Request for Selection as Order 1000 Project.** Not later than 60 days after the issuance of the final Study Team report including the plan of service to address a Need(s), an Order 1000 Sponsor of a Proposed Project that is in such plan of service may request Order 1000 Cost Allocation for such Proposed Project; *provided that* with respect to a Proposed Single System Project, such Project's Order 1000 Sponsor must request Order 1000 Cost Allocation at the time such sponsor requests a Study Team for Project development in accordance with section 7.3 of Appendix A of the PEFA. Any request for an Order 1000 Cost Allocation is to be submitted in writing to ColumbiaGrid. ColumbiaGrid is to post all such requests on its Website, and distribute copies of such requests to all Planning Parties and participants in the Study Team for the Proposed Project for which Order 1000 Cost Allocation has been requested. Any request submitted after the applicable foregoing deadline is not timely and is to not result in consideration of a Proposed Project for selection as an Order 1000 Project for the plan then under development.

**11.1.2 Selection as Order 1000 Project.** No later than 30 days after the later of (i) the issuance of the final Study Team report with respect to a Proposed Project, including the plan of service to address the applicable Need(s) and (ii) the receipt by ColumbiaGrid of a timely request

pursuant to section 10.1.1 of Appendix A of the PEFA for Order 1000 Cost Allocation for such Proposed Project, the Staff is to make a preliminary determination whether such Project qualifies as an Order 1000 Project pursuant to section 10.1.2.1 of Appendix A of the PEFA.

ColumbiaGrid is to document Staff's preliminary determination in writing, post such determination on its Website, distribute such determination to Planning Parties and participants in the Study Team for the Proposed Project for which Order 1000 Cost Allocation has been requested, and communicate to its Interested Persons distribution list that such a determination has been posted on its Website. Planning Parties and Interested Persons are to have 30 days to provide written comments on the Staff's preliminary determination. After considering such written comments and modifying its preliminary determination as the Staff finds appropriate, the Staff is to present its determination to the Board for review and comment.

The Order 1000 Sponsor(s) that requested Order 1000 Cost Allocation for a Proposed Project in accordance with section 10 of Appendix A of the PEFA may withdraw its request for such Order 1000 Cost Allocation at any time; *provided that* after ColumbiaGrid's release of a draft Preliminary Cost Allocation Report for such Project, ColumbiaGrid is to not make a Non-Order 1000 Cost Allocation with respect to such Project. Such request may be withdrawn by submitting notice of withdrawal of such request to ColumbiaGrid in writing. In the event that more than one Order 1000 Sponsor has requested Order 1000 Cost Allocation for such Project, and ColumbiaGrid has determined that it is an Order 1000 Project in accordance with section 10.1.2 of Appendix A of the PEFA, so long as at least one such sponsor's request has not been withdrawn, ColumbiaGrid is to apply the Order 1000 Cost Allocation Methodology to such Order 1000 Project.

If all Order 1000 Sponsors that requested an Order 1000 Cost Allocation for a Proposed Project timely withdraw such requests in accordance with section 10 of Appendix A of the PEFA, the Proposed Project would not be identified as an Order 1000 Project in the Biennial Plan. In such an instance, however, if such Project would receive a Non-Order 1000 Cost Allocation under the PEFA had an Order 1000 Sponsor not requested Order 1000 Cost Allocation, ColumbiaGrid is to make a Non-Order 1000 Cost Allocation in accordance with the PEFA.

**11.1.2.1 Order 1000 Project Selection Criteria.** As part of the open, transparent, and collaborative development of a plan of service to address Need(s) pursuant to section 4 of Appendix A of the PEFA, the Study Team or ColumbiaGrid, as appropriate, is to evaluate and determine whether the following criteria are met:

- (i) the Order 1000 Sponsor's(s') proposed Order 1000 Project:
  - a. meets such Need(s);
  - b. is confirmed by the Study Team or ColumbiaGrid, as appropriate, to be the more cost effective and efficient solution to meet such Need(s);
  - c. has been developed by a Study Team and been included in the related plan of service; and

d. Order 1000 Cost Allocation for such Project has been timely requested (and such request has not been withdrawn by all Order 1000 Sponsors of such Project) pursuant to section 10.1.1 of Appendix A of the PEFA;

and

(ii) the Order 1000 Sponsor(s):

a. is found by ColumbiaGrid to meet the Order 1000 Sponsor qualifications set out below in section 11.1.2.2; *provided that* if ColumbiaGrid finds that the Order 1000 Sponsor(s) does not meet such qualifications, ColumbiaGrid is to give to such Order 1000 Sponsor(s) written notice describing the deficiencies, and such Order 1000 Sponsor(s) is to have 30 days after receipt of such notice to cure such deficiencies; and

b. has submitted required information on a timely basis, including Project data and Project development schedule, indicating required steps, such as granting of state, federal, and local approvals necessary to develop and construct the Proposed Project so as to timely meet the Need(s); *provided that* data relating to Order 1000 Sponsor qualifications must be submitted at or before the time such Order 1000 Sponsor(s) requests Order 1000 Cost Allocation.

If the Order 1000 Sponsor(s) and its Proposed Project meet the above-listed criteria, ColumbiaGrid is to select the Proposed Project as an Order 1000 Project. To the extent the Order 1000 Sponsor(s) and its Proposed Project do not meet the criteria in this section 11.1.2, ColumbiaGrid is to not select the Proposed Project as an Order 1000 Project and is to document in the Draft Plan and Biennial Plan an explanation of why such Project was not selected as an Order 1000 Project.

**11.1.2.2 Order 1000 Sponsor Qualifications.** In determining eligibility for selection as an Order 1000 Project pursuant to this section, ColumbiaGrid is to review the qualifications of any Order 1000 Sponsor to determine whether such Order 1000 Sponsor is technically, financially, and otherwise capable of:

- (i) developing, licensing, and constructing the Proposed Project for which Order 1000 Cost Allocation has been requested pursuant to section 10 of Appendix A of the PEFA in a timely and competent manner; and
- (ii) owning, operating, and maintaining the proposed Order 1000 Project facilities consistent with Good Utility Practice and applicable reliability criteria for the life of such proposed Order 1000 Project.

Such Order 1000 Sponsor must be a TOPP at the time Order 1000 Cost Allocation is requested in accordance with section 10 of Appendix A of the PEFA for the proposed Order

1000 Project. The following factors are to be considered in determining such Order 1000 Sponsor's eligibility:

- a. the current and expected capabilities of the Order 1000 Sponsor to finance, seek licenses, plan, design, develop, and construct the proposed Order 1000 Project on a timely basis consistent with the proposed schedule and to own, reliably operate, and maintain such Project for the life of such Project;
- b. the financial resources of the Order 1000 Sponsor;
- c. demonstrated capability of the Order 1000 Sponsor to adhere to construction, maintenance, and operating practices consistent with Good Utility Practices with respect to facilities such as the proposed Order 1000 Project;
- d. demonstrated ability of the Order 1000 Sponsor to assume liability for major losses resulting from the failure of or damage to facilities that may be associated with the proposed Order 1000 Project; and
- e. demonstrated cost containment capability and other advantages or disadvantages the Order 1000 Sponsor may have in developing and constructing the proposed Order 1000 Project.

## **11.2 Opportunity for Voluntary Implementation of Plan of Service**

After ColumbiaGrid has selected a Proposed Project as an Order 1000 Project in accordance with section 10.1.2 of Appendix A of the PEFA, ColumbiaGrid is to allow six full calendar months and such additional time, if any, as requested by all Order 1000 Sponsors and other Affected Parties with respect to such Project for the Order 1000 Sponsors and other Affected Parties to reach agreement on Project implementation, including responsibility for the funding of such Project. If, after six full calendar months and such additional time, if any, as has been requested by all Order 1000 Sponsors and other Affected Parties with respect to such Project has elapsed, such an agreement has not been reached, ColumbiaGrid is to apply the Order 1000 Cost Allocation Methodology as set forth in section 11.3 below to such Project.

## **11.3 Application of Order 1000 Cost Allocation Methodology**

Unless the Order 1000 Sponsor(s) requesting Order 1000 Cost Allocation for such Order 1000 Project has timely withdrawn its request for Order 1000 Cost Allocation or agreement has been reached on Project implementation pursuant to section 10.2 of Appendix A of the PEFA, ColumbiaGrid is to apply the Order 1000 Cost Allocation Methodology to the Order 1000 Project in accordance with the following.

**11.3.1 Order 1000 Project Costs.** ColumbiaGrid is to project the costs of such Order 1000 Project. Such projection may be based on information provided by the Order 1000 Sponsor(s), the Study Team, and ColumbiaGrid. In developing such projection, ColumbiaGrid may also seek the input of others, including third-party experts. ColumbiaGrid is to document the basis for its projection and make supporting information available, to the extent practicable, consistent with any applicable CEII and confidentiality requirements.

**11.3.2 Order 1000 Benefits and Beneficiaries.** ColumbiaGrid is to identify any Order 1000 Beneficiaries and project the Order 1000 Benefits of each such beneficiary projected as a direct result of such Order 1000 Project.

**11.3.2.1 Analytical Tools.** Analytical tools used are to, as appropriate, include:

- (i) power flow and stability studies to project the extent, if any, to which any TOPP would avoid costs due to elimination or deferral of planned transmission facility additions;
- (ii) power flow and stability studies to project changes in transfer capability; and
- (iii) production cost studies to project the estimated usage of any such changes in transfer capability.

Consideration of existing TOPP transmission or interconnection service queue requests may be included in projecting the estimated usage of such changes in transfer capability.

**11.3.2.2 Calculation of Order 1000 Benefits.** For purposes of calculating Order 1000 Benefits under item (i)a. of section 1.37 of the body of the PEFA,

- (i) the avoided costs of deferred transmission facilities are to be the borrowing costs (*i.e.*, interest costs) projected to be avoided during the Planning Horizon as a result of the deferral of the capital investment of such deferred facilities (rather than the capital costs themselves of such facilities) plus the incremental operations and maintenance costs of such deferred facilities projected to be avoided during the Planning Horizon; and
- (ii) the avoided costs of eliminated transmission facilities during the Planning Horizon are to be the portion of the projected avoided depreciation expense of such eliminated facilities that falls within the Planning Horizon plus the projected incremental operation and maintenance costs of such eliminated facilities avoided during the Planning Horizon (such projected avoided depreciation expense shall be determined using straight-line depreciation of the projected capital costs of such eliminated facilities over their depreciable lives).

For purposes of calculating Order 1000 Benefits under item (i)b.1. of section 1.37 of the body of the PEFA, the projected cost that the TOPP(s) would, but for the Order 1000 Project, have otherwise incurred is to be:

- a. the portion, falling within the Planning Horizon, of the projected depreciation expense of the transmission facilities that, in the absence of the Order 1000 Project, would have been incurred by such TOPP(s) to achieve an increase in capacity on its Transmission System(s) equivalent to that resulting from such Order 1000 Project (such projected depreciation expense is to be determined using straight-line depreciation of the projected capital costs of such facilities over their depreciable lives); plus

b. the projected incremental operation and maintenance costs of such transmission facilities avoided by such TOPP(s) during the Planning Horizon as a direct result of the Order 1000 Project.

For purposes of section 10.3.3 of Appendix A of the PEFA, the aggregate Order 1000 Benefits of the Order 1000 Sponsor(s) are to be equal to the projected capital costs of the Order 1000 Project.

An increase in capacity of a Transmission System of a TOPP that results from any Order 1000 Project is to be deemed under the PEFA to be owned by such TOPP unless otherwise agreed to in writing by such TOPP.

**11.3.3 Cost Allocation.** For purposes of the Order 1000 Cost Allocation for an Order 1000 Project, ColumbiaGrid is to allocate the costs of such Order 1000 Project as follows.

**11.3.3.1** ColumbiaGrid is to allocate to each Order 1000 Beneficiary that is not an Order 1000 Sponsor an amount of the projected costs of such Order 1000 Project equal to the lesser of:

- (i) such beneficiary's Order 1000 Benefits; or
- (ii) the product of the projected costs of such Order 1000 Project multiplied by a fraction, the numerator of which is equal to such beneficiary's Order 1000 Benefits and the denominator of which is equal to the sum of the following: (1) the sum of the Order 1000 Benefits of all Order 1000 Beneficiaries of such Project that are not an Order 1000 Sponsor of such Project, plus (2) the aggregate Order 1000 Benefits of the Order 1000 Sponsor(s).

Such allocation to each Order 1000 Beneficiary that is not an Order 1000 Sponsor may be algebraically represented as follows:

Order 1000 Cost Allocation to each Order 1000 Beneficiary (except for Order 1000 Sponsor(s))	=	The lesser of: (1) Such Order 1000 Beneficiary's Order 1000 Benefits, or (2) the product of the projected costs of the Order 1000 Project x (such Order 1000 Beneficiary's Order 1000 Benefits / ((sum of the Order 1000 Benefits of all Order 1000 Beneficiaries that are not an Order 1000 Sponsor of such Project) + (the aggregate Order 1000 Benefits of the Order 1000 Sponsor(s)))
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**11.3.3.2** ColumbiaGrid is to allocate to the Order 1000 Sponsor(s) in aggregate an amount of the projected costs of such Order 1000 Project equal to the amount, if any, by which the projected costs of such Order 1000 Project exceed the sum of the projected

costs of such Order 1000 Project allocated pursuant to section 10.3.3.1 of Appendix A of the PEFA to all Order 1000 Beneficiary(ies) that are not an Order 1000 Sponsor.

Such allocation to Order 1000 Beneficiary(ies) that are Order 1000 Sponsor(s) may be algebraically represented as follows:

The sum of the Order 1000 Cost Allocation(s) to the Order 1000 Beneficiary(ies) that is an Order 1000 Sponsor	=	The amount, if any, by which: (1) the projected costs of such Order 1000 Project exceed (2) the sum of the projected costs of such Order 1000 Project allocated to all Order 1000 Beneficiary(ies) that are not an Order 1000 Sponsor
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**11.4 Preliminary Order 1000 Cost Allocation Report**

The Staff is to document in a draft Preliminary Order 1000 Cost Allocation Report the selection of any Proposed Project as an Order 1000 Project and the results of Staff's application of the Order 1000 Cost Allocation Methodology to such Project.

Subject to any applicable provisions for protection of Confidential Information and CEII, the Staff is to share its draft Preliminary Order 1000 Cost Allocation Report with any TOPPs that have been identified in such draft report as Order 1000 Beneficiaries, the Study Team that developed such Proposed Project, and any Interested Person who requests such report, and is to provide an opportunity for written comment for a period of 30 days following the issuance of such draft report. The Staff is to evaluate any written comments and reflect them in a Preliminary Order 1000 Cost Allocation Report as follows:

- (i) if the Staff agrees with any revisions proposed by a potential Order 1000 Beneficiary, Study Team participant, or Interested Person, the Staff is to reflect such revisions in the Preliminary Order 1000 Cost Allocation Report accordingly; and
- (ii) if the Staff disagrees with any revisions proposed by a potential Order 1000 Beneficiary, Study Team participant, or Interested Person, the Staff is to summarize the proposed revisions and document the reason why the Staff did not accept the proposed revisions in the Preliminary Order 1000 Cost Allocation Report.

After the Staff has prepared its Preliminary Order 1000 Cost Allocation Report with respect to an Order 1000 Project, ColumbiaGrid is to allow additional time, if requested by one or more Affected Persons with respect to such Project, for such Affected Persons to reach agreement on Project implementation, including responsibility for the funding of such Project. If after such additional time, if any, such an agreement has not been reached, the Staff is to include such Preliminary Order 1000 Cost Allocation Report in the Draft Plan.

## 11.5 Board Approval of Order 1000 Cost Allocation

The Board is to review the Preliminary Order 1000 Cost Allocation Report, including the selection of a Proposed Project as an Order 1000 Project, as part of its adoption of the Biennial Plan and, as set out in section 12.2 below, the Board is to review the Draft Plan in an open, public process. If such Preliminary Order 1000 Cost Allocation Report is acceptable in its entirety, the Board is to approve and finalize such report as part of its adoption of the Biennial Plan, and the approved and finalized Order 1000 Cost Allocation Report is to be included in such Biennial Plan. Any report not approved by the Board may be remanded to the Staff which may, in cooperation with the Study Team, revise the Preliminary Order 1000 Cost Allocation Report and resubmit it to the Board; *provided that* the Board may modify a Preliminary Cost Allocation Report to the extent such modification is supported by the record.

## 12. Process for Adoption of Plans

### 12.1 Draft Plan

#### 12.1.1 Contents of Draft Plan

The Staff is to prepare a Draft Plan based upon the ColumbiaGrid transmission planning process that contains the following Projects and information:

- (i) Recommended Projects
  - a. EOPs
    1. Recommended Near-Term EOPs
      - A. Recommended Near-Term EOPs, including an analysis of how such Projects meet their respective EOP Needs and a verification that each EOP does not result in unmitigated Material Adverse Impacts on any transmission system; and
      - B. Staff-Recommended Near-Term EOPs, including an analysis of how such Projects meet their respective EOP Needs, a verification that each such EOP does not result in unmitigated Material Adverse Impacts on any transmission system, and an analysis supporting any other Staff-recommended elements, such as cost or capacity allocation; *provided that* Staff may only submit recommendations for Near-Term EOPs for which the Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team have been unable to reach agreement in whole or in part; *provided further that* the Staff is to also provide for informational purposes the alternative opinions developed during the study process;
    2. Recommended EOPs that the Affected Parties agree are ready for implementation, including an analysis of how such Projects meet their underlying EOP Needs and a verification that each such Project does not result in Material Adverse Impacts on any transmission system;
    3. A list of alternative plans of service for EOPs that were identified and considered in the ColumbiaGrid transmission planning process for possible inclusion in the Draft Plan; and

4. A list of Non-Transmission Alternatives that resulted in a deferral or elimination of an EOP Need;
- b. Recommended Requested Service Projects
    1. Recommended Requested Service Projects, including an analysis of how such Projects meet the underlying transmission service and interconnection requests and a verification that each such Project does not result in any unmitigated Material Adverse Impacts on any transmission system;
    2. Staff-Recommended Requested Service Projects, including an analysis of how such Projects meet the underlying transmission service or interconnection requests and a verification that each such Project does not result in any unmitigated Material Adverse Impacts on any transmission system, and an analysis supporting any other Staff-recommended elements; and
    3. A list of Non-Transmission Alternatives, if any, that could result in a deferral or elimination of a Requested Service Project; and
    4. A list of alternative plans of service for Requested Service Projects that were identified and considered in the ColumbiaGrid transmission planning process for possible inclusion in the Draft Plan;
  - c. Capacity Increase Projects
    1. Recommended Capacity Increase Projects, including an analysis of how any such Project that is proposed to address a Need(s) addresses such Need and a verification that each Recommended Capacity Increase Project does not result in any unmitigated Material Adverse Impacts on any transmission system;
    2. Staff-Recommended Capacity Increase Projects, including an analysis of how any such Project that is proposed to address a Need(s) addresses such Need and a verification that each Staff-Recommended Capacity Increase Project does not result in any unmitigated Material Adverse Impacts on any transmission system, and an analysis supporting any other Staff-recommended elements; *provided further that* the Staff shall also provide for informational purposes the alternative solutions, opinions, and plans of service to such Capacity Increase Projects that were identified and considered in the ColumbiaGrid transmission planning process for possible inclusion in the Draft Plan;
    3. Capacity Increase Projects submitted for inclusion in the Draft Plan for informational purposes;
    4. An identification of unmitigated Material Adverse Impacts on any transmission system;
    5. A list of Non-Transmission Alternatives, if any, that could result in a deferral or elimination of a Capacity Increase Project; and
    6. A list of alternative plans of service, if any, that were identified and considered in the ColumbiaGrid transmission planning process for possible inclusion in the Draft Plan;
  - d. Single System Projects for which the Order 1000 Sponsor has requested a Study Team for Project development;

1. Recommended Single System Projects, including an analysis of how any such Project that is proposed to address a Need(s) addresses such Need and a verification that each Recommended Single System Project does not result in any unmitigated Material Adverse Impacts on any transmission system;
2. Staff-Recommended Single System Projects, including an analysis of how any such Project that is proposed to address a Need(s) addresses such Need and a verification that each Staff-Recommended Single System Project does not result in any unmitigated Material Adverse Impacts on any transmission system, and an analysis supporting any other Staff-recommended elements; *provided further that* the Staff is to also provide for informational purposes the alternative solutions, opinions, and plans of service to such Single System Projects that were identified and considered in the ColumbiaGrid transmission planning process for possible inclusion in the Draft Plan; and
3. A list of Non-Transmission Alternatives, if any, that could result in a deferral or elimination of a Single System Project;
  - e. Single System Projects submitted for inclusion in the Draft Plan for informational purposes; and
  - f. Expanded Scope Projects; including a verification that each such Project does not result in any unmitigated Material Adverse Impacts on any transmission system;
    - (ii) Order 1000 Projects
      - a. A list of Order 1000 Projects;
      - b. A list of Proposed Project(s) for which Order 1000 Cost Allocation has been requested in accordance with section 10 of this Appendix but which did not qualify and the deficiencies that precluded its selection as an Order 1000 Project; and
      - c. Preliminary Order 1000 Cost Allocation Reports for each Order 1000 Project;
    - (iii). System Assessment Report and Need Statements;
    - (iv). A list of Study Teams and their participants; and
    - (v). A review of the current status of all pending Order 1000 Projects that received an Order 1000 Cost Allocation in a prior Plan or Plan Update; and
    - (vi) Other information that the Board may find helpful in making its decision.

In preparing the Draft Plan, the Staff is to solicit and consider the comments of Interested Persons, Affected Persons, and Planning Parties. The Staff is to post a preliminary Draft Plan on the Website and obtain stakeholder comment prior to finalizing the Draft Plan and may include a summary of the comments received; *provided that* the Staff is to redact Confidential Information and CEII from the Draft Plan that is made public. The Staff is to include such redacted information in the Draft Plan submitted to the Board. The Staff is to include the documentation as the Staff finds appropriate for purposes of Board review and action; *provided* the documentation should be sufficient for subsequent review in an appropriate forum. The Draft Plan is to clearly identify which Projects (i) must be commenced in the upcoming Planning

Cycle in order to have sufficient lead time for implementation or are ready for implementation, (ii) have planning underway but do not require commencement in the upcoming Planning Cycle yet are ready for implementation, or (iii) have planning at a conceptual or preliminary stage.

### **12.1.2 Timing**

The Staff is to submit the Draft Plan for Board adoption at a time interval no greater than every two years.

## **12.2 Review Process**

The Board is to review the Draft Plan in an open, public process. In doing so, the Board is to make available the draft Plan, study reports and electronic data files, subject to appropriate protection of Confidential Information and CEII to all Planning Parties and Interested Persons and provide the public an opportunity to supply information and provide written or oral comments to the Board. The Board may adopt additional procedures to carry out its review process.

## **12.3 Basis for Plan Adoption**

The Board is to base its review and adoption of the Plan on the technical merits of the Draft Plan, the consistency of the Projects listed in the Draft Plan with the PEFA, and considering comments and information provided during the review process.

## **12.4 Plan Adoption**

The Board is to review and take action regarding the Draft Plan as follows:

### **12.4.1 Recommended Projects**

#### **12.4.1.1 EOPs**

##### **12.4.1.1.1 Recommended Near-Term EOPs and Recommended EOPs**

The Board is to review and may approve the following with respect to each Recommended EOP: the Study Team's determination that (i) it meets its underlying EOP Need Statement(s) and (ii) does not impose unmitigated Material Adverse Impacts. Those elements that are not approved by the Board are to be remanded to the Staff and Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team for further consideration and analysis and development.

#### **12.4.1.1.2 Staff-Recommended EOPs**

The Board is to review and may approve the following with respect to each Staff-Recommended EOP: the Staff determination that it meets its underlying Need Statement(s), its plan of service, sponsorship, schedule, cost allocation, transmission rights allocation, and mitigation of Material Adverse Impacts. The Board is to review the documentation relating to any other alternative that was considered by the Study Team and the reason why the Staff did not selected any such alternative. Those elements that are not approved by the Board are to be remanded to the Staff which may, in cooperation with the Study Team,

revise the recommendation and resubmit it to the Board; *provided that* the Board may modify a recommended cost allocation or transmission capacity allocation to the extent such modification is supported by the record.

#### **12.4.1.2 Requested Service Projects**

##### **12.4.1.2.1 Recommended Requested Service Projects**

The Board is to review and may approve the Study Team's determination that each Recommended Requested Service Project (i) serves its underlying transmission service or interconnection request and (ii) does not result in any unmitigated Material Adverse Impacts on any transmission system; *provided that* no Recommended Requested Service Project is to be included in any Plan unless the requestor and all Affected Persons agree upon such Requested Service Project. If the Board determines that there are unmitigated Material Adverse Impacts, such Project is to be remanded to the Staff and Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team for further analysis.

##### **12.4.1.2.2 Staff-Recommended Requested Service Projects**

The Board is to review and may approve the Staff's determination that each Staff-Recommended Requested Service Project serves the underlying transmission service or interconnection request, the plan of service, transmission capacity allocation, sponsorship, and mitigation of Material Adverse Impacts resulting from such Project on any transmission system; *provided that* no Staff-Recommended Requested Service Project is to be included in any Plan unless the requestor and all Affected Persons agree upon such Requested Service Project. The Board is to review the documentation relating to any other alternative that was considered by the Study Team and the reason why the Staff did not select any such alternative. Those elements that are not approved by the Board are to be remanded to the Staff which may, in cooperation with the Study Team, revise the recommendation and resubmit it to the Board; *provided that* the Board may modify a recommended cost allocation or transmission capacity allocation to the extent such modification is supported by the record.

#### **12.4.1.3 Capacity Increase Projects**

With respect to Capacity Increase Projects for which the Project's sponsor has requested a Study Team for Project development:

(i) with respect to Recommended Capacity Increase Projects, the Board is to review and may approve the Study Team's determination that such Capacity Increase Project (a) meets its underlying Need Statement(s) and (b) does not result in any unmitigated Material Adverse Impacts on any transmission system. If the Board determines that there are unmitigated Material Adverse Impacts resulting from such a Project on any transmission system, the Board is to note such Material Adverse Impacts in the Plan and such Project is to be remanded to the Staff and Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team for further analysis or defer resolution of such Material Adverse Impacts to the WECC regional planning or path rating process; and

(ii) with respect to Staff-Recommended Capacity Increase Projects, the Board is to review and may approve the following with respect to each Staff-Recommended Capacity Increase Project: the Staff determination that it meets its underlying Need Statement(s), its plan

of service, sponsorship, schedule, cost allocation, transmission rights allocation, and mitigation of Material Adverse Impacts. The Board is to review the documentation relating to any other alternative that was considered by the Study Team and the reason why the Staff did not select any such alternative. Those elements that are not approved by the Board are to be remanded to the Staff which may, in cooperation with the Study Team, revise the recommendation and resubmit it to the Board; *provided that* the Board may modify a recommended cost allocation or transmission capacity allocation to the extent such modification is supported by the record.

#### **12.4.1.4 Single System Projects**

With respect to a Single System Project for which the Order 1000 Sponsor has requested Order 1000 Cost Allocation and a Study Team for Project development:

(i) with respect to Recommended Single System Projects, the Board is to review and may approve the Study Team's determination that such Single System Project (i) meets its underlying Need Statement(s) and (ii) does not impose unmitigated Material Adverse Impacts; and

(ii) with respect to Staff-Recommended Single System Projects, the Board is to review and may approve the following with respect to each Staff-Recommended Single System Project: the Staff determination that it meets its underlying Need Statement(s), its plan of service, sponsorship, schedule, cost allocation, transmission rights allocation, and mitigation of Material Adverse Impacts. The Board is to review the documentation relating to any other alternative that was considered by the Study Team and the reason why the Staff did not select any such alternative. Those elements that are not approved by the Board are to be remanded to the Staff which may, in cooperation with the Study Team, revise the recommendation and resubmit it to the Board; *provided that* the Board may modify a recommended cost allocation or transmission capacity allocation to the extent such modification is supported by the record.

#### **12.4.1.5 Expanded Scope Projects**

The Board is to review and may approve the Study Team's determination that there are no unmitigated Material Adverse Impacts resulting from each such Expanded Scope Project on any transmission system and, for Expanded Scope Projects that have an underlying EOP or Requested Service Project, the underlying EOP Need or request is still met with an equivalent or better service at no greater cost than it would have paid for the underlying Project. The Board is to not disapprove or modify Project elements associated with the Project expansion (developed by the Project's sponsor(s) or a Study Team). If the Board determines that there are unmitigated Material Adverse Impacts resulting from such a Project on any transmission system or that the underlying EOP Need or request is not met with an equivalent or better service at no greater cost than it would have paid for the underlying Project, the Board is to remand such Project to the Staff and Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team for further analysis.

#### **12.4.1.6 Order 1000 Information.**

The Board is to include in the Biennial Plan:

- (i) a list of Order 1000 Projects;

(ii) an Order 1000 Cost Allocation Report for each Order 1000 Project proposed in the current planning cycle; and

(iii) a determination as to whether each Project that received an Order 1000 Cost Allocation in a prior Plan or Plan Update continues to be expected to meet the underlying Need(s) in a timely manner, and, if not, whether such Project should be removed from the Plan, resulting in loss of its Order 1000 Project status.

#### **12.4.2 Other Information Included in the Draft Plan**

The Board is to include in the Biennial Plan for informational purposes all of the other content in the Draft Biennial Plan that was provided for informational purposes unless the Board determines it has good cause not to include such content.

#### **12.4.3 Remands**

In the event that the Board remands an item to the Staff and a Study Teams for further analysis and discussion, the Board is to identify specific questions or concerns to be answered or further researched by the Staff and Affected Persons identified by ColumbiaGrid that have actively participated in a related Study Team before the Board approves or confirms the matter that has been remanded. If the Board determines that a transmission alternative submitted in the public review process or that a transmission alternative to a Staff-Recommended Project is potentially preferable to the proposed Staff-Recommended Project, the Board may remand such alternative to the Staff, Planning Parties, and Interested Persons for further analysis and discussion. The Board and Staff are to attempt to minimize the total number of times a Project is remanded.

#### **12.4.4 Reconsideration Process**

The Board is to develop and make available a reconsideration process that provides Persons who are materially impacted by such decision and did participate in any underlying Study Team to request within ten days that the Board reconsider a specific decision within the Board's approval. If reconsideration of a Board decision is sought by any such Person, ColumbiaGrid is to promptly convene a meeting, chaired by the ColumbiaGrid President, to which it invites the chief executive officer or equivalent executive of all Affected Persons to determine whether they can reach agreement on the disputed decision. If agreement is not reached, the Board is to pursue the reconsideration process. The reconsideration process is to provide for input from all involved Persons (including Planning Parties) and Staff, and the Board is to make its reconsidered decision known within 90 days from the date of the request. If, upon reconsideration, the Board modifies its decision, the modification is to also be subject to a petition for reconsideration.

#### **12.4.5 Post-Board Approval Project Modifications**

In the event that a Project's sponsor(s) discover during siting and environmental review processes that modifications are needed to an EOP in order for such EOP to receive needed regulatory approval or in order to implement such EOP, the Staff is to review the proposed modification(s) in a public process to determine whether the proposed modified Project continues to satisfy the EOP Need and whether Material Adverse Impacts to transmission systems, if any, are mitigated. The Staff is to communicate the results of its findings to the Board as follows.

#### **12.4.5.1 Summary Change Statement**

Staff is to provide a summary change statement to the Board when such changes are found by Staff to resolve the problem, mitigate Material Adverse Impacts, if any, and have the support of Affected Persons. In these situations the Board is to not be required to take action for the revised plan to be included in the next Plan.

#### **12.4.5.2 Staff Recommendation**

Staff, when it finds any of the following,

(i) the plan of service being implemented does not resolve the EOP Need,

(ii) there is disagreement between or among the sponsors and participants as to the plan of service, sponsorship, schedule, cost allocation, or transmission rights allocation, or

(iii) mitigation of Material Adverse Impacts is lacking;

is to provide a recommendation to the Board on what actions if any the Board should take. For example, the Staff recommendation could be one or a combination of the following: (a) withdraw Board approval or acceptance of the Project, (b) address the situation in a subsequent system assessment, (c) start a Study Team to look at alternatives, or (d) bring the Affected Persons together to see if there is interest in having ColumbiaGrid mediate differences.

#### **12.4.5.3 Board Consideration**

In these situations, the Board is to consider the Staff recommendation and is to accept the recommendation or ask the Staff to reconsider its recommendation in light of additional factors that the Board may want included in the recommendation. No Project modification pursuant to section 11.4.5 of Appendix A to the PEFA is to be deemed to amend any Facilities Agreement, and any amendment to any Facilities Agreement is to be subject to and pursuant to the provisions of such Facilities Agreement for its amendment (and subject to the provisions of section 6.2 of the body of the PEFA).

### **13. ColumbiaGrid Non-Order 1000 Cost Allocation**

Under the PEFA, ColumbiaGrid provides cost allocation recommendations, which facilitate the development of mutual agreement by parties on cost allocation. As discussed above, broad-based Study Teams are used extensively in the ColumbiaGrid processes, including the development of cost allocation recommendations. Study Teams are intended to be the primary tool for participation by Planning Parties, Affected Persons, and Interested Persons, in the development of Projects defined and included in the Plan of ColumbiaGrid. Non-Order 1000 Cost Allocation recommendations by ColumbiaGrid under the PEFA with respect to various types of Projects are discussed above and are summarized as set forth below in this section.

ColumbiaGrid is to, subject to the PEFA, consider: (i) whether a cost allocation proposal fairly assigns costs among participants, including those who cause them to be incurred, and those who otherwise benefit from them; (ii) whether a cost allocation proposal provides adequate

incentives to construct new transmission; and (iii) whether the proposal is generally supported by State authorities and participants across the region.

### **13.1 EOPs**

**13.1.1** An EOP is to include an associated cost allocation to be included in a ColumbiaGrid Biennial Plan or Plan Update. In the event that Affected Persons do not reach agreement on cost allocations for a Proposed Near-Term EOP, ColumbiaGrid Staff is to make a recommendation for such cost allocation. The Staff is to inform the Study Team regarding Staff's recommendation and allow the Study Team the opportunity to comment. In the event there is still not agreement among the Affected Persons, the Staff is to include its recommendation in the Draft Plan. Where Affected Persons do not reach agreement on cost allocation for a Proposed Near-Term EOP, ColumbiaGrid is to recommend Persons to bear the costs of the EOP and an allocation of the costs of the EOP to such Persons. ColumbiaGrid is to, in the absence of an Order-1000 Cost Allocation, endeavor to recommend an equitable allocation of such costs taking into account (i) the causation of the EOP Need giving rise to the EOP or (ii) the delay or elimination during the Planning Horizon of any EOP Need as a result of the EOP.

**13.1.2** Under the circumstances described in paragraph 13.1.1, where a TOPP has an EOP Need and the best way to meet that EOP Need is to upgrade facilities on another TOPP or other Person, ColumbiaGrid is to endeavor to recommend an equitable allocation to Persons of the costs of an EOP taking into account (i) the causation of the EOP Need giving rise to such EOP or (ii) the delay or elimination during the Planning Horizon of any EOP Need of a TOPP as a result of the EOP. Further, the PEFA includes the following cost allocation provisions for specific circumstances:

- (a) where there are two affected TOPPs, and one has an EOP Need and the best way to meet that Need is to upgrade facilities on the other TOPP's system, ColumbiaGrid will allocate costs in a form of Facilities Agreement to the TOPP causing the EOP Need,
- (b) ColumbiaGrid may also allocate costs to a TOPP in a Facilities Agreement whose EOP Need does not give rise to the Staff-Recommended EOP but that has an EOP Need during the Planning Horizon that is met by such Staff-Recommended EOP; provided that ColumbiaGrid is to not allocate costs to such TOPP in an amount that exceeds the cost that would have been incurred by such TOPP had it met its EOP Need with a separate EOP, and
- (c) the ColumbiaGrid Staff is to not allocate costs based upon other potential future system benefits.

**13.1.3** When the ColumbiaGrid Staff submits the Draft Plan to the ColumbiaGrid Board for approval, the Staff is to make a recommendation for the cost allocation elements of any Near-Term EOP upon which Affected Persons have not reached agreement. The ColumbiaGrid Board is to review and may approve or remand to Staff a recommended cost-allocation for each Staff-Recommended EOP. Staff may, in cooperation with the Study Team, revise the remanded recommendation and resubmit it to the ColumbiaGrid Board. However, the

ColumbiaGrid Board may also modify a recommendation by ColumbiaGrid Staff of cost allocation for the EOP to the extent such modification is supported by the record.

### **13.2 Requested Service Projects**

A Requested Service Project is to include an associated cost allocation to be included in a ColumbiaGrid Biennial Plan or Plan Update. In the event that the Affected Persons do not reach agreement on cost allocations for a Proposed Requested Service Project within a reasonable time, ColumbiaGrid Staff is to make a recommendation for such cost allocations. The Staff is to inform the Study Team regarding Staff's recommendation and allow the Study Team the opportunity to comment. If there is an accompanying EOP Need which can be delayed or eliminated by the Staff-Recommended Requested Service Project within the Planning Horizon, ColumbiaGrid is to, in the absence of an Order 1000 Cost Allocation, endeavor to make an equitable allocation of costs of such Staff-Recommended Requested Service Project based upon the affected TOPP's OATT requirements and the delay or elimination of the EOP Need. ColumbiaGrid may allocate costs in a form of Facilities Agreement to a TOPP that has an EOP Need during the Planning Horizon that is met by the Staff-Recommended Requested Service Project; provided that ColumbiaGrid is to not allocate costs in an amount that exceeds the cost that would have been incurred by such TOPP had it met its EOP Need with a separate potential EOP. The Staff is to not allocate costs based upon other potential future system benefits.

### **13.3 Capacity Increase Project**

A Capacity Increase Project is to include an associated cost allocation to be included in a Biennial Plan (or Plan Update). If a Planning Party sponsors a Proposed Capacity Increase Project and requests a Study Team for project development, ColumbiaGrid is to convene such Study Team for such purposes. In the absence of an Order-1000 Cost Allocation, a TOPP may request a cost allocation recommendation from ColumbiaGrid on a Proposed Capacity Increase Project if the related Study Team is unable to come to voluntary agreement on the cost allocation. This recommendation is non-binding but can be used by the Study Teams to facilitate agreement on cost allocation. As indicated above, ColumbiaGrid has indicated that, when preparing cost allocation recommendations, it is to, subject to the PEFA, consider: (i) whether a cost allocation proposal fairly assigns costs among participants, including those who cause them to be incurred, and those who otherwise benefit from them; (ii) whether a cost allocation proposal provides adequate incentives to construct new transmission; and (iii) whether the proposal is generally supported by State authorities and participants across the region. If ColumbiaGrid is otherwise unable to arrive at a non-binding recommendation for cost allocation as provided above in this section IV.13.3.1, ColumbiaGrid's non-binding recommendation is to be to allocate 100 percent of the costs of such Proposed Capacity Increase Project among the Persons participating in such Project in proportion to the expected amount of added transmission capacity to be received by each such Person from such Project.

### **13.4 Expanded Scope Project and Project with Multiple Classifications**

An Expanded Scope Project and a Project with Multiple Classifications is to include an associated cost allocation to be included in a Biennial Plan or Plan Update. Prior to including any Proposed Project in a Draft Biennial Plan or Draft Plan Update, the Staff is to determine, in an open process, whether there is interest in expanding the scope of such Proposed Project;

provided that absent agreement of the TOPP(s) whose Transmission System(s) has a projected EOP Need, consideration of the request to expand the scope of a Proposed EOP may not unreasonably delay project development beyond the point where there is sufficient lead time for the original Project to be completed to meet such Need or as otherwise required. If there is interest, Staff is to establish a Study Team to evaluate and develop the expansion. An Expanded Scope Project may be a combination of one or more EOPs, Requested Service Projects, Capacity Increase Projects, and Single System Projects. The provisions governing ColumbiaGrid cost allocation recommendations for such types of Projects will be applied to the various portions of any Expanded Scope Project and Projects with Multiple Classifications as applicable.

#### **14. Dispute Resolution**

See Part VI below.

#### **15. Western Interconnection “Regional” or Western Interconnection “Sub-Regional” Economic Studies**

15.1 If a Planning Party forwards to ColumbiaGrid a request for an economic planning study that requires production cost modeling, ColumbiaGrid may forward the request to WECC. ColumbiaGrid will consider these requests during the last scheduled planning meeting of the year (typically held in November or December). The notification for this meeting will be posted on the ColumbiaGrid Website and widely distributed via e-mails. The agenda for this meeting will clearly state if an economic planning study request will be under consideration. The participants at the meeting may provide or receive input on any requested studies. Such input may include, without limitation, consideration of (i) the breadth of interest in, and support for, the requested economic planning study; (ii) the feasibility of the requested economic planning study; (iii) the relationship between the requested economic planning study and potential (a) congestion relief or (b) integration on an aggregated or Western Interconnection wide (or Western Interconnection “sub-regional”) basis of new resources or new loads. If the consensus of the participants at that meeting determines that any such request (or any request developed during any such meeting) has sufficient merit to be forwarded to WECC, ColumbiaGrid will submit the study request to WECC during the economic planning study request window, which is between November 1<sup>st</sup> and January 31<sup>st</sup> of each year. The TEPPC process and criteria for prioritization of economic planning studies are set forth in section 5 of the TEPPC Planning Protocol located on the ColumbiaGrid Website under the Planning and Expansion program under the Attachment K link at <http://www.columbiagrid.org>. ColumbiaGrid is a member of TEPPC and will participate in TEPPC processes.

15.2 ColumbiaGrid will treat requests received from a Planning Party for economic planning studies, not referred to WECC, as Capacity Increase Projects. Such requests will be processed pursuant to the provisions that govern Capacity Increase Projects of this Attachment K and the PEFA. The PEFA describes the process that ColumbiaGrid would use to form a Study Team. If a Study Team is formed to perform the economic planning study associated with the Capacity Increase Project, the Planning Party that submitted the economic planning study request will be deemed the Capacity Increase Project sponsoring party and will assume primary responsibility for leading and performing necessary analytical work.

## **16. Western Interconnection “Sub-Regional” Planning Group Coordination**

ColumbiaGrid is sometimes referred to as a Western Interconnection “sub-regional” planning group (“SPG”) that coordinates with other SPGs for projects and studies that involve ColumbiaGrid and one or more other SPGs. In addition, ColumbiaGrid participates in the Western Interconnection planning process through regular joint SPG meetings (which are held at least three times yearly). The purpose of these meetings is to review and coordinate work on development of WECC base case assumptions and requests, to share planning information, and to coordinate requests to WECC for economic studies.

## PART V

### COORDINATION WITH THE WESTERN INTERCONNECTION PLANNING PROCESS (WECC)

WECC coordinates aspects of Western Interconnection planning as follows:

- a. WECC develops the Western Interconnection wide data bases for transmission planning analysis such as power flow and stability studies.
- b. WECC also maintains a data base for reporting the status of significant planned projects throughout the Western Interconnection.
- c. WECC promotes coordination of significant planned projects through its WECC Regional Planning Project Review procedures. These procedures are implemented by the project sponsor within its planning process or by a Western Interconnection “sub-regional” planning group at the request of a project sponsor.
- d. The WECC Procedure for Project Rating Review provides a process for coordination of path ratings, including consideration of adverse impacts on existing paths.

The primary planning coordination forums in WECC include the Planning Coordination Committee and the Transmission Expansion Planning Policy Committee. These committees are to meet at least three times each year and are responsible for developing materials for the WECC coordination activities listed above. Individual entities can participate in planning at the WECC level by attending meetings of these committees and reviewing and commenting on proposed transmission plans and policies. Individual entities can participate in the majority of WECC activities without being a member of WECC although there are many privileges that come with membership such as access to data bases and committee voting rights.

Western Interconnection wide economic studies are conducted by a committee formed by WECC, TEPPC, in an open stakeholder process that holds region-wide stakeholder meetings on a regular basis. The TEPPC planning process is posted on the WECC website ([see www.wecc.biz](http://www.wecc.biz)). ColumbiaGrid has a position on TEPPC and is active in the TEPPC study process. The Transmission Provider participates in the TEPPC planning processes, as appropriate, to ensure data and assumptions are coordinated. TEPPC provides the following functions in relation to Economic Studies in the Transmission Provider transmission planning process:

- a. Development and maintenance of the west-wide economic study database.
- b. Performance of economic congestion studies. TEPPC has an annual study cycle in which it will update databases, develop and approve a study plan that includes customer high priority economic study requests as determined by the open TEPPC stakeholder process and perform the studies and document the results in a report.

Additional discussion regarding WECC Western Interconnection “regional” and Western Interconnection “subregional” planning coordination may be found in the WECC document

describing planning coordination, which is posted on the ColumbiaGrid website (*see* <http://www.columbiagrid.org/AttachK-overview.cfm>). ColumbiaGrid is to check the WECC materials at least once a year and post any revised versions of WECC's planning coordination document on the ColumbiaGrid website.

## **PART VI.**

### **DISPUTE RESOLUTION**

Disputes among PEFA Parties within the scope of the arbitration provisions of section 16.1 of the PEFA shall be addressed through the provisions of that section. However, nothing in this Attachment K restricts the rights of any person to file a Complaint with the Commission under relevant provisions of the Federal Power Act.

Disputes that are not within the scope of PEFA dispute resolution procedures but that arise out of Attachment K between a Transmission Provider and one or more of its Transmission Customers shall be addressed pursuant to section 12 (Dispute Resolution Procedures) of the OATT.

ColumbiaGrid is intended to provide a forum for resolving substantive and procedural disputes. Specifically, ColumbiaGrid is a separate and operationally independent entity that makes decisions or recommendations regarding multi-system planning issues, and thus provides a neutral forum through which transmission customers, transmission providers, Planning Parties, and other stakeholders can raise and address issues arising out of ColumbiaGrid planning activities. All interested persons have an additional opportunity to present their perspectives when the staff's recommendation is presented to the Board. When reviewing the draft Biennial Plan, the Board can remand items back to the staff for further work and public input.

Disputes that are not within the scope of the foregoing dispute resolution processes but that arise out of Attachment K in connection with the ColumbiaGrid planning processes may be addressed, with the agreement of all parties to the dispute, through non-binding mediation using the FERC Dispute Resolution Service or other non-binding mediation mechanism mutually agreeable to all parties to the dispute.

## APPENDIX A

### DEFINITIONS

The following terms shall have the following definitions when used in this Attachment K. Other terms defined elsewhere in this OATT and used in this Attachment K shall have the meanings set forth in the OATT.

- A.1** “Affected Persons” with respect to a Project or Proposed Project means those Planning Parties and Persons that would bear Material Adverse Impacts from such Project or Proposed Project or are otherwise materially affected thereby.
- A.2** “Biennial Plan” means each biennial transmission plan adopted by the Board pursuant to section 2 of the PEFA. A “Draft Biennial Plan” refers to a draft of a Biennial Plan presented by Staff to the Board for adoption pursuant to section 2 of the PEFA but not yet adopted by the Board.
- A.3** “Board of Directors” or “Board” means the Board of Directors of ColumbiaGrid.
- A.4** “BPA Plan” means the plan described in section III.4 of this Attachment K.
- A.5** “BPA Transmission Planning Interested Persons List” means that list maintained pursuant to section III.5.1 of this Attachment K.
- A.6** “Bylaws” means the then current bylaws of ColumbiaGrid.
- A.7** “Capacity Increase Project” means a voluntary modification of the Regional Interconnected Systems:
- (i) to the extent that it is for the purpose of providing new or increased transmission capacity (*e.g.*, increased rating or improved availability) on the Regional Interconnected Systems;
  - (ii) that is voluntarily undertaken by one or more Transmission Owner or Operator Planning Party(ies), whether or not undertaken in conjunction with one or more other Persons; and
  - (iii) to the extent that it is not an Existing Obligation Project, Requested Service Project, or Single System Project.

A “Proposed Capacity Increase Project” means a proposal for a Capacity Increase Project at such time as it is being discussed in the planning process, whether that be for purposes of identifying unmitigated Material Adverse Impacts of such Project or for purposes of developing the Project under section 8 of Appendix A of the PEFA; a “Recommended Capacity Increase Project” means a recommendation, developed by the agreement of Affected Persons pursuant to section 8 of Appendix A of the PEFA, for a Capacity Increase Project that is included as such in a Draft Biennial Plan or Draft Plan Update; a “Staff-Recommended Capacity Increase Project” means a recommendation, made by Staff pursuant to section 8 of Appendix A of the PEFA following the inability of Affected Persons to reach agreement in a timely manner on a Recommended Capacity Increase Project that is included as such in a Draft Biennial Plan or Draft Plan Update.

- A.8** “Commission” means the Federal Energy Regulatory Commission or any successor entity.
- A.9** “Confidential Information” shall mean: all information, regardless of the manner in which it is furnished, marked as “Confidential Information” at the time of its furnishing; *provided that* Confidential Information shall not include information: (1) in the public domain or generally available or known to the public; (2) disclosed to a recipient by a Third Person who had a legal right to do so; (3) independently developed by the receiving Party or known to such Party prior to its disclosure under this Agreement; (4) normally disclosed by entities in the Western Interconnection without limitation; (5) disclosed in aggregate form; or (6) required to be disclosed without a protective order or confidentiality agreement by subpoena, law or other directive of a court, administrative agency or arbitration panel.
- A.10** “Critical Energy Infrastructure Information” or “CEII” means information as defined in 18 C.F.R. § 388.113(c), as may be amended from time to time, about existing and proposed systems or assets, whether physical or virtual, relating to the production, generation, transportation, transmission, or distribution of energy that could be useful to a person in planning an attack on such systems or assets, the incapacity or destruction of which would negatively affect security, economic security, or public health or safety.
- A.11** “Demand Response Resource Data” has the meaning set forth in section III.6.2.
- A.12** “Designated Person” with respect to a form of Facilities Agreement means each of the Persons designated as such pursuant to section 6.1 of the PEFA by ColumbiaGrid in such form.
- A.13** “Economic Study” means a study of Transmission Provider’s Transmission System, separately or in conjunction with study of other transmission systems, to evaluate (i) congestion or (ii) the integration on an aggregated local, Western Interconnection-wide (or Western Interconnection “sub-regional”) basis of new generation resources or loads.
- A.14** “EOP Need” means any projected inability of a Transmission Owner or Operator Planning Party (anticipated to occur during the Planning Horizon) to serve, consistent with the Planning Criteria:
- (i) its network load or native load customer obligations, if any, as those terms are defined in such Transmission Owner or Operator Planning Party’s Open Access Transmission Tariff; or
  - (ii) other existing long-term firm transmission obligations.
- A.15** “Existing Obligation Project” or “EOP” means any modification to be made to the Regional Interconnected Systems
- (i) to the extent that it is for the purpose of meeting an EOP Need on a Transmission Owner or Operator Planning Party’s Transmission System;
  - (ii) to the extent that it is not a Capacity Increase Project, Requested Service Project, or Single System Project; and

(iii) that is approved by the Board and included as an Existing Obligation Project in a Plan.

A “Proposed Existing Obligation Project” or “Proposed EOP” means a proposal for an Existing Obligation Project at such time as it is being proposed in the planning process; a “Recommended Existing Obligation Project” or “Recommended EOP” means a recommendation, developed by the agreement of Affected Persons pursuant to section 5 of Appendix A of the PEFA, for an Existing Obligation Project that is included as such in a Draft Biennial Plan or Draft Plan Update; a “Staff-Recommended Existing Obligation Project” or “Staff-Recommended EOP” means a recommendation, made by Staff pursuant to section 5.4 of Appendix A of the PEFA, for a Near-Term Existing Obligation Project that is included as such in a Draft Biennial Plan or Draft Plan Update.

- A.16** “Expanded Scope Project” means any Project if and to the extent that is expanded pursuant to section 9 of Appendix A of the PEFA. A “Proposed Expanded Scope Project” means a proposal for an Expanded Scope Project at such time as it is being proposed in the transmission planning process.
- A.17** “Facilities Agreement” means, for purposes of Part IV of this Attachment K, a future agreement tendered by ColumbiaGrid to Designated Persons that may be separately entered into for purposes of effectuating an Existing Obligation Project pursuant to section 6 of the PEFA.
- A.18** “Grandfathered Transmission Service” means transmission service provided under non-OATT transmission contracts.
- A.19** “Interested Person” means, for purposes of Part IV of this Attachment K, any Person (including, but not limited to, any Relevant State or Provincial Agency, Tribe, Non-Incumbent Transmission Developer or Merchant Transmission Developer) who has expressed an interest in the business of ColumbiaGrid and has requested notice of its public meetings. Such Interested Persons will be identified on the Interested Persons List compiled by ColumbiaGrid in accordance with section 4.2 of the ColumbiaGrid Bylaws.
- A.20** “Material Adverse Impacts,” with respect to a Project or Proposed Project means, for purposes of Part IV of this Attachment K, a reduction of transmission capacity on a transmission system (or other adverse impact on such transmission system that is generally considered in transmission planning in the Western Interconnection) due to such Project that is material, that would result from a Project, and that is unacceptable to the Person that owns or operates such transmission system. For purposes of the PEFA, Material Adverse Impacts of a Project or Proposed Project are considered mitigated if there would not be any Material Adverse Impacts due to such Project.
- A.21** “Merchant Transmission Developer” means any Person that owns or operates, or proposes to own or operate, transmission facilities in the Order 1000 ColumbiaGrid Planning Region and intends to recover its costs through negotiated rates and is therefore not eligible to request Order 1000 Cost Allocation for such facilities.
- A.22** “Near-Term Existing Obligation Project” or “Near-Term EOP” means, at any time, an Existing Obligation Project that must be commenced prior to the end of the then next

Planning Cycle in order to have sufficient lead time for implementation to meet the EOP Need giving rise to such Existing Obligation Project.

- A.23** “Need,” for purposes of Part IV of this Attachment, means any of the following Needs as identified in a System Assessment Report pursuant to section 3 of Appendix A of the PEFA: EOP Need, Need for a Requested Service Project, Need for a Capacity Increase Project, and Need for a Single System Project, including any such Needs that are driven by Public Policy Requirements. “Potential Need” is an item that is proposed or considered for inclusion in the system assessment for possible identification in the System Assessment Report as a Need.
- A.24** “Need Statement” means, with respect to a Need, a statement developed by Staff pursuant to section 3 of Appendix A of the PEFA and included for informational purposes in a Plan. A “Draft Need Statement” means a proposal for a Need Statement presented by Staff to the Board for review and comment.
- A.25** “NERC” means North America Electric Reliability Corporation or its successor.
- A.26** “Non-Transmission Alternative” means a Non-Transmission Alternative that: (1) ColumbiaGrid has determined (i) results in the elimination or delay of a Need, (ii) results in a change in the loads or resources to be reflected in the system assessments, and (iii) is sponsored by one or more TOPPs; or (2) is considered by the Transmission Provider in planning for its own Transmission System. Examples of such alternatives that may constitute Non-Transmission Alternatives may include demand-side load reduction programs, peak-shaving projects, and distributed generation. The following examples are specifically excluded from Non-Transmission Alternatives: remedial action schemes, shunt capacitors, and reconductoring.
- A.27** “Open Access Transmission Tariff” or “OATT” means, for each Transmission Owner or Operator Planning Party, such Transmission Owner or Operator Planning Party’s open access transmission tariff and, if such Transmission Owner or Operator Planning Party does not have such a tariff, the Commission’s pro forma open access transmission tariff.
- A.28** “Or” shall be deemed to be disjunctive but not necessarily exclusive.
- A.29** “Order 1000” means the Commission’s Order No. 1000 (*Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, 136 FERC ¶ 61,051 (2011), *order on rehearing and clarification*, 139 FERC ¶ 61,132 (2012)) as it may be amended, supplemented, or superseded from time to time.
- A.30** “Order 1000 Beneficiary” means a Transmission Owner or Operator Planning Party that is identified in an Order 1000 Cost Allocation Report as a Transmission Owner or Operator Planning Party that would receive Order 1000 Benefits as a direct result of an Order 1000 Project.
- A.31** “Order 1000 Benefits” means, as more fully described in section 10.3.2 of Appendix A of the PEFA:
- (i) with respect to an Order 1000 Project and a Transmission Owner or Operator Planning Party that is not an Order 1000 Sponsor of such Project, the Order 1000

Benefits of such Transmission Owner or Operator Planning Party shall be equal to the sum of:

a. the projected costs that such Transmission Owner or Operator Planning Party is projected to avoid over the Planning Horizon due to elimination or deferral, as a direct result of such Order 1000 Project, of planned additions of transmission facilities in the Order 1000 ColumbiaGrid Planning Region, plus;

b. if and to the extent not reflected in item (i)a. above of this section, the value that such Transmission Owner or Operator Planning Party is projected to realize on its Transmission System over the Planning Horizon, as a direct result of such Order 1000 Project, where such value is equal to the lesser of:

1. the projected costs (excluding any projected costs included in item (i)a. above of this section) that such Transmission Owner or Operator Planning Party would, but for such Order 1000 Project, have otherwise incurred over the Planning Horizon to achieve an increase in capacity on its Transmission System equivalent to that resulting from such Order 1000 Project; or

2. the projected changes in revenues based on cost-based transmission rates over the Planning Horizon to such Transmission Owner or Operator Planning Party directly resulting from such Order 1000 Project or such Project's elimination or deferral of planned transmission facilities, which projected changes in revenues shall be based on projected changes of usage of such Transmission Owner or Operator Planning Party's Transmission System that are projected, using a robust economic analysis (including, as appropriate, production cost, power flow, and stability analyses and evaluation of transmission queues) and are repeatable over a wide range of reasonable assumptions, to result over the Planning Horizon from the projected changes in capacity on such Transmission Owner or Operator Planning Party's Transmission System resulting from such Order 1000 Project or such Project's elimination or deferral of planned transmission facilities; and

(ii) with respect to an Order 1000 Project and any Order 1000 Sponsor(s) of such Project, the aggregate Order 1000 Benefits of such Order 1000 Sponsor(s) shall be equal to the projected capital costs of such Project.

**A.32** “Order 1000 ColumbiaGrid Planning Region” means the Transmission Systems that Transmission Owner or Operator Planning Parties own or operate or propose to own or operate in the Regional Interconnected Systems. The transmission facilities, existing or proposed, of any Person that is enrolled in a neighboring transmission planning region (as such term is used in Order 1000) of the Order 1000 ColumbiaGrid Planning Region shall not be part of the Order 1000 ColumbiaGrid Planning Region, and such facilities shall

not be part of or comprise an intraregional project (as such term is used in Order 1000) of the Order 1000 ColumbiaGrid Planning Region for purposes of Order 1000 Cost Allocation.

- A.33** “Order 1000 Cost Allocation” means an allocation, using the Order 1000 Cost Allocation Methodology, pursuant to section 10.3.3 of Appendix A of the PEFA, of costs of an Order 1000 Project among one or more Transmission Owner or Operator Planning Parties. A cost allocation with respect to an interregional project (as such term is used in Order 1000) is specifically excluded from the meaning of Order 1000 Cost Allocation. “Non-Order 1000 Cost Allocation” means a cost allocation pursuant to provisions of the PEFA other than section 10.3 of Appendix A (such as sections 5.4, 6.4, 8.4, or 9.4 of Appendix A). Any Non-Order 1000 Cost Allocation does not constitute a cost allocation for purposes of Order 1000. The term “any cost allocation” includes any Order 1000 Cost Allocation or any Non-Order 1000 Cost Allocation.
- A.34** “Order 1000 Cost Allocation Methodology” means the cost allocation methodology set out in section 10.3 of Appendix A of the PEFA that is to be applied by ColumbiaGrid in making an Order 1000 Cost Allocation.
- A.35** “Order 1000 Cost Allocation Report” means the report prepared by Staff and approved and finalized by the Board in accordance with section 10 of Appendix A of the PEFA that includes: (i) with respect to each Order 1000 Project selected for inclusion in a Biennial Plan, the results of and documentation relating to ColumbiaGrid’s application of the Order 1000 Cost Allocation Methodology to such Order 1000 Project, including (a) the identified Order 1000 Benefits and an explanation of such Order 1000 Benefits, and (b) the identified Order 1000 Beneficiaries of such Order 1000 Project, and, (ii) with respect to any Proposed Project for which Order 1000 Cost Allocation was requested in accordance with section 10 of Appendix A but that was not selected as an Order 1000 Project, an explanation of why such Proposed Project was not selected as an Order 1000 Project.
- A.36** “Order 1000 Preliminary Cost Allocation Report” means, with respect to an Order 1000 Project, the Staff’s results of and documentation in accordance with section 10 of Appendix A of the PEFA relating to the Staff’s application of the Order 1000 Cost Allocation Methodology to such Order 1000 Project, including the comments of the relevant Study Team’s participants.
- A.37** “Order 1000 Project” means any Project in the Order 1000 ColumbiaGrid Planning Region, for which Order 1000 Cost Allocation has been requested and that has been selected as an Order 1000 Project, all in accordance with section 10 of Appendix A of the PEFA; *provided that*, if and to the extent any transmission facilities of such Project are not located in the Order 1000 ColumbiaGrid Planning Region, such Project for purposes of section 10 of Appendix A of the PEFA and any other provisions of the PEFA relating to selection of a Project as an Order 1000 Project or relating to Order 1000 Cost Allocation shall be deemed to not include such transmission facilities not located in the Order 1000 ColumbiaGrid Planning Region. For the avoidance of doubt, Order 1000 Project specifically excludes (i) any facilities if and to the extent they are not located in the Order 1000 ColumbiaGrid Planning Region or are not owned or operated or proposed

- to be owned or operated by a Transmission Owner or Operator Planning Party, and (ii) any Project, notwithstanding the fact that the Project otherwise satisfies the requirements to be an Order 1000 Project, for which the Transmission Owner or Operator Planning Party(ies) that requested Order 1000 Cost Allocation has subsequently withdrawn such request in accordance with section 10 of Appendix A of the PEFA.
- A.38** “Order 1000 Sponsor” means, with respect to any Project for which Order 1000 Cost Allocation has been requested in accordance with section 10 of Appendix A of the PEFA, any Transmission Owner or Operator Planning Party that proposes to own or operate transmission facilities of such Project. Order 1000 Sponsor specifically excludes a Merchant Transmission Developer with respect to a Project in the Order 1000 ColumbiaGrid Planning Region.
- A.39** “Pacific Northwest” means the (i) sub region within the Western Interconnection comprised of Alberta, British Columbia, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming and (ii) any portions of the area defined in 16 U.S.C. § 839a(14) that are not otherwise included in (i).
- A.40** “Party” means, for purposes of Part IV of this Attachment K, a signatory to the PEFA.
- A.41** “Person” means an individual, corporation, cooperative corporation, municipal corporation, quasi-municipal corporation, joint operating entity, limited liability company, mutual association, partnership, limited partnership, limited liability partnership, association, joint stock company, trust, unincorporated organization, government entity or political subdivision thereof (including a federal power marketing administration), or organization recognized as a legal entity by law in the United States or Canada.
- A.42** “Plan” means, for purposes of Part IV of this Attachment K, at any time the then current Biennial Plan, as then revised by any Plan Updates. A “Draft Plan” refers to a Draft Biennial Plan or a Draft Plan Update.
- A.43** “Plan Update” means an update to the then current Plan adopted by the Board pursuant to section 2.4 of Appendix A of the PEFA. A “Draft Plan Update” means a plan update presented by Staff to the Board for adoption but not yet adopted by the Board.
- A.44** “Planning and Expansion Functional Agreement” or “PEFA” means the ColumbiaGrid Planning and Expansion Functional Agreement on file with the Commission.
- A.45** “Planning Criteria” means the then current planning standards that ColumbiaGrid shall apply, as provided in section 2.1 of the PEFA, in any system assessment, System Assessment Report, or Needs Statement.
- A.46** “Planning Cycle” means a period of approximately 24 months during which a Draft Biennial Plan is to be prepared and presented to the Board for adoption and during which a Biennial Plan is to be subsequently adopted by the Board.
- A.47** “Planning Horizon,” for purposes of Part IV of this Attachment K, means, with respect to any Biennial Plan (or Plan Update), the period for which the system assessment for such Biennial Plan (or Plan Update) is made, which period shall be the longer of (i) ten years

or (ii) the planning period required by the Commission in its pro forma OATT, as it may be amended from time to time.

- A.48** “Planning Party” means, for purposes of Part IV of this Attachment K, each Party other than ColumbiaGrid. ColumbiaGrid is to maintain a list of the Planning Parties on its Website.
- A.49** “Planning Process” means the BPA planning process described in Part III of this Attachment K.
- A.50** “Project” means, for purposes of Part IV of this Attachment K, any of the following included in a Plan, under development in the transmission planning processes under the PEFA, or under consideration for inclusion in a Plan, as the concept requires: (i) Capacity Increase Project, (ii) Existing Obligation Project, (iii) Requested Service Project, or (iv) Single System Project. A Project may be classified as one or more of the foregoing types of Projects. A Project that is classified as more than one of the foregoing types is sometimes referred to in the PEFA as a "Project with Multiple Classifications". An "Expanded Scope Project" is a Project the scope of which is expanded in accordance with section 9 of Appendix A of the PEFA and may be a combination of one or more Existing Obligation Projects, Requested Service Projects, Capacity Increase Projects, and Single System Projects. A “Proposed Project” means a proposal for a Project at such time as it is being discussed in the transmission planning process.
- A.51** “Public Policy Requirements” means enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level
- A.52** “Regional Interconnected Systems” or “RIS” means the interconnected transmission systems in the Pacific Northwest.
- A.53** “Relevant State or Provincial Agency” means any State or Provincial agency with authority over energy regulation, transmission, or planning that has expressed an interest in the ColumbiaGrid transmission planning process and has requested to be included on ColumbiaGrid’s Interested Persons list. For example, these may include the Washington Utilities and Transportation Commission, Idaho Public Utilities Commission, Oregon Public Utility Commission, Washington Department of Commerce (specifically the Energy Office within that department), Washington Energy Facility Site Evaluation Council, and the appointees to the Northwest Power and Conservation Council. If requested by a governor in the Pacific Northwest, Relevant State and Provincial Agency may also include a representative from such governor’s office. For the purposes of the PEFA, the term also includes any successor to these agencies.
- A.54** “Replication Data” means basic criteria, assumptions and data necessary to replicate the results of Transmission Provider’s planning studies performed pursuant to this Attachment K that underlie the BPA Plan.
- A.55** “Requested Service Assessment” means, with respect to a request to a Transmission Owner or Operator Planning Party for study related to a transmission service or interconnection, an assessment of the effect of such request on such Transmission Owner or Operator Planning Party’s Transmission System and on other transmission systems.

**A.56** “Requested Service Project” means any modification of the Regional Interconnected Systems

- (i) to the extent that it is for the purpose of providing service pursuant to a transmission service or interconnection request made to a Transmission Owner or Operator Planning Party;
- (ii) to the extent that it is not an Existing Obligation Project, Capacity Increase Project, or Single System Project; and
- (iii) that involves more than one Transmission System.

A “Proposed Requested Service Project” means a proposal for a Requested Service Project at such time as it is being proposed in the planning process under the PEFA; a “Recommended Requested Service Project” means a recommendation for a Requested Service Project that is developed by the agreement of Affected Persons and that is included in a Plan; a “Staff-Recommended Requested Service Project” means a recommendation by the Staff for a Requested Service Project following the inability of Affected Persons to reach agreement in a timely manner on a Recommended Requested Service Project.

**A.57** “Single System Project” means any modification of a single Transmission System of a Transmission Owner or Operator Planning Party that

- (i) is for the purpose of meeting a Need or other purpose of such Transmission Owner or Operator Planning Party that impacts only such single Transmission System;
- (ii) does not result in Material Adverse Impacts on any transmission system;
- (iii) to the extent that it is not an Existing Obligation Project, Capacity Increase Project, or Requested Service Project; and
- (iv) is included as a Single System Project in a Plan.

**A.58** “Staff” means, for purposes of Part IV of this Attachment K, the ColumbiaGrid staff, officers, or consultants hired or retained by ColumbiaGrid to perform the Staff’s responsibilities under the PEFA. The activities of Staff under this Agreement are to be performed under the supervision and guidance of the ColumbiaGrid Board.

**A.59** “Study Team” with respect to a Project being defined means a team that is comprised of ColumbiaGrid and the following that choose to participate in such team: (i) any Planning Parties, (ii) any Affected Persons identified with respect to such Project, and (iii) any Interested Persons; *provided that* participation in a Requested Service Project Study Team may be limited due to tariffs or applicable law.

**A.60** “System Assessment Report” means each system assessment report developed by Staff pursuant to section 3 of Appendix A of the PEFA.

**A.61** “TEPPC” means the WECC Transmission Expansion Planning Policy Committee.

**A.62** “Third Person” means, for purposes of Part IV of this Attachment K, any Person other than a Party.

**A.63** “Transmission Owner or Operator Planning Party” or “TOPP” means a Party that is, or proposes to be, an owner or operator of transmission facilities in the Pacific Northwest..

For purposes of the PEFA an “owner” includes, but is not limited to, a Party that has a leasehold interest in or other beneficial use of the subject facilities, where, for financing purposes, legal title is held by another entity.

**A.64** “Transmission Provider’s Need” means:

(i) any projected inability of the Transmission Provider to serve (anticipated to occur during the planning horizon), consistent with the Transmission Provider’s Planning Criteria:

(a) its network load and native load customer obligations, if any, as those terms are defined in the Transmission Provider’s Open Access Transmission Tariff; and

(b) other existing long-term firm transmission obligations.

(ii) any transmission need driven by Public Policy Requirements selected by the Transmission Provider for further evaluation in accordance with Part III section 2.1.7 of this Attachment.

**A.65** “Transmission Provider’s Planning Criteria” means the then current planning standards that the Transmission Provider shall apply, as provided in Part III section 3 of this Attachment in any system assessment.

**A.66** “Transmission System” means with respect to a Transmission Owner or Operator Planning Party the transmission facilities in the Pacific Northwest owned or operated or proposed to be owned or operated by such a Transmission Owner or Operator Planning Party.

**A.67** “Website” means, for purposes of Part IV of this Attachment K, the website maintained by ColumbiaGrid at [www.columbiagrid.org](http://www.columbiagrid.org).

**A.68** “Western Electricity Coordinating Council” or “WECC” means the Western Electricity Coordinating Council or any successor entity.