

CREPC

Committee on Regional Electric Power Cooperation

FERC Order 890

Transmission Planning

Overview of the Transmission Principles

**Robert E. Kondziolka, P.E.
Manager, Transmission Planning
Salt River Project**

**April 4, 2007
Denver, Colorado**

CREPC 4/4/07 Denver
Order 890 Planning Principles Overview - Kondziolka

What is Required

Each Transmission Provider must submit a proposal for planning that complies with the 9 principles or submit a compliance filing describing their existing coordinated and regional planning processes showing they are consistent or superior to the Final Rule. ¶426

1. **Coordination**
2. **Openness**
3. **Transparency**
4. **Information Exchange**
5. **Comparability**
6. **Dispute Resolution**
7. **Regional Participation**
8. **Congestion Study**
9. **Cost Allocation**

Transmission Providers must amend the existing *pro forma* OATT to require coordinated, open, and transparent transmission planning on both a local and regional level. ¶435 and 602

Planning Strawman

- FERC will use these to inform technical conferences and give further guidance
- Describe how the proposed planning process complies with each Order 890 planning principles
- Include a specification of the broader region in which the transmission provider will conduct coordinated regional planning
- Consult with stakeholders to develop the strawman

Stakeholder process strongly encouraged in development of strawman. ¶443

Strongly encourages state regulator participation in the planning process. ¶574

Time Frame

Strawman Planning Proposals – May 29

FERC Regional Conferences – June or July

Planning Process Compliance Filings – October 11

Appendix K

1. Coordination

The Rule Requires

Identification of the number of meetings, scope of meetings, notice requirements, and other features. ¶451

Appropriate lines of communication between Transmission Providers, neighboring Transmission Providers, State Authorities, Customers, and other Stakeholders.

2. Openness

The Rule Requires

Transmission planning meetings be open to all affected parties including, but not limited to, all transmission and interconnection customers, state commissions, and other stakeholders. ¶460

3. Transparency

The Rule Requires

The need to disclose basic criteria, assumptions, and data that underlie the transmission system plans as well as methodology, criteria, and processes used to develop plans. ¶471

The methodologies, criteria, and processes must be published so that they are consistently applied. Others are expected to provide the same information. Standards of Conduct compliance is critical as well as CEI safeguards.

4. Information Exchange

The Rule Requires

The need to develop guidelines and a schedule for the submittal of information. ¶486

Transmission customers are required to submit information on projected loads and resources. Transmission Providers must develop a process, format, and schedule for submittals.

5. Comparability

The Rule Requires

The transmission provider, after considering the data and comments supplied by customers and other stakeholders, to develop a transmission system plan that (1) meets the specific service requests of its transmission customers and (2) otherwise treats similarly situated customers (network and retail native load) comparably in transmission system planning. Customer demand resources should be considered on a comparable basis to the service provided by comparable generation resources where appropriate . ¶494

6. Dispute Resolution

The Rule Requires

Transmission providers to develop a dispute resolution process to manage disputes that arise from the Final Rule's planning process. ¶501

Dispute resolution must address both substantive and procedural planning disputes. Three steps should be included: 1) negotiation 2) mediation 3) arbitration.

7. Regional Participation

The Rule Requires

Transmission Providers will be required to coordinate with interconnected systems to 1) share system plans to ensure they are simultaneously feasible and otherwise use consistent assumptions and data and 2) identify system enhancements that could relieve congestion or integrate new resources. ¶523

Sub-regions must have adequate scope and coordination.

8. Congestion Studies

The Rule Requires

Need to address both reliability and economic considerations. ¶542

Stakeholders given the right to request a defined number of high priority studies annually to address congestion or integration of new resources or load. Intent is to allow customers, not Transmission Providers, to identify key parameters. ¶547 & 548

Economic planning studies for individual transmission systems. ¶551

9. Cost Allocation

The Rule Requires

Transmission Providers and stakeholders to identify their own specific criteria that best fits their experiences and regional needs. ¶558

The planning process must address cost allocation for joint projects, economic projects, and projects that do not fit into existing OATT cost allocation principles.

Cost allocation must address fair allocation to beneficiaries, adequate incentives to construct, and supported by state authorities and region wide participants.

Independent Facilitation

The Rule Encourages

The use of independent 3rd party facilitator and involvement by state commissions. ¶427

The use of an independent third party to lead or coordinate the planning process. ¶567

Development of Strawman Proposals Implementing the Action Required

Western Electricity Coordinating Council Transmission Expansion Planning Policy Committee

- **April 10 Workshop in Salt Lake City**

Sub-Regional Planning Groups Workshops

- **Northern Tier – March 14**
- **WestConnect – April 18**
- **ColumbiaGrid**
- **California**

Communication with Regulatory Entities