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Sierra Subregional Planning Group CHARTER

I. Purpose

The Sierra Subregional Planning Group (SSPG) subregional planning group is a collaborative study group that has been created to meet the following purpose:

To provide an open and collaborative forum where interested parties are encouraged to participate in the planning, coordination, and implementation of a robust transmission system in northern California and northern Nevada. The open stakeholder participation envisioned in this process are intended to result in transmission expansion plans that meet a variety of needs and have a broad basis of support.

II. Goals

The goals of SSPG are to assist its members to:

- Promote efficient use of the transmission system
- Avoid duplication of facilities
- Encourage development of robust transmission systems to support a variety of resources
- Serve customers with reliable electric service at reasonable costs
- Promote access to resources of choice
- Promote energy efficiency and demand side management options
- Provide a forum for discussion of access to renewable resources
- Facilitate development of new transmission projects
- Meet NERC and WECC reliability standards, criteria, policies, and guidelines
- Coordinate with WECC TEPPC and PCC and other subregional planning groups
- Provide a forum for interaction with regulatory bodies as plans are developed

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III. Principles

SSPG will operate in accordance with the following principles:

1. **Coordination** – SSPG will coordinate between the entities developing the transmission system, including the regulatory community, and the entities that utilize and benefit from the transmission system. SSPG will make an effort to perform technical study work that is not duplicative of work done by others and will rely as much as possible on the technical studies conducted by project sponsors and work conducted in other forums to supplement the study work performed directly by SSPG.
2. **Openness** – SSPG meetings will be open to all stakeholders and conducted in accordance with critical energy infrastructure information (CEII) regulations, FERC Standards of Conduct, and Transmission Provider Standards of Conduct. The meetings provide an open forum for transmission project sponsors to introduce specific transmission projects to interested stakeholders and potential partners.
3. **Transparency** – SSPG will provide a forum for transmission owners, transmission operators, generators, and developers to clearly disclose the criteria, assumptions, and data that underlie the transmission system plans to Stakeholders.
4. **Information Exchange** – SSPG will provide a forum for the exchange of information among transmission owners, transmission operators, transmission customers, generators, developers, market participants, and regulators that utilize and benefit from the transmission system.
5. **Comparability** – SSPG will develop technical transmission studies and alternatives that utilize the same base cases and assumptions to meet the needs of the subregion and region and treat all members comparably.
6. **Dispute Resolution** – SSPG disputes will be resolved through the processes defined in the WECC TEPPC protocols.
7. **Regional Participation** – SSPG will coordinate its subregional efforts with other Western Interconnection subregional planning groups and WECC planning committees (PCC and TEPPC).
8. **Economic Planning Studies** – SSPG neither conducts nor has a role in conducting economic studies other than any data collection as required by TEPPC.
9. **Cost Allocation** – SSPG will perform transmission planning studies that support the development of joint participation transmission projects. SSPG will not directly address cost allocation but will defer to documented methodologies such as those set forth in a Transmission Provider's Attachment K of its Open Access Transmission Tariff.
10. **Collaboration with Regulators** – SSPG transmission studies will be open so they can be developed in collaboration with regulators to facilitate the implementation of energy policy and information sharing, and to enhance and streamline project permitting, financing, and construction.

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11. **Shared Workload** – SSPG has no permanent staff and utilizes its members to complete required study work. Members proposing specific studies will be responsible for the performance and completion of the work with the cooperation of the other members. In general, members will study the geographic areas in which they have an interest. Study results will be shared with all SSPG stakeholders.

IV. Membership

SSPG is a voluntary organization and membership is open to all transmission owners that have an interest in participating in an open stakeholder process for the development of the electric transmission system within the SSPG footprint. Stakeholders include all who have an interest in an open planning process for the development of the electric transmission system within the SSPG footprint. The organization exists for the benefit of its members and stakeholders and the value that they derive in achieving the goals of the planning group. To become a member of SSPG, a transmission owner must notify the Chair of the SSPG and request to be added to the SSPG membership list. The membership list will be posted. Stakeholders do not require any registration, but a list of stakeholder attending SSPG Stakeholder Meetings will be maintained for communication purposes.

V. Organization

The SSPG organization consists of Members and Stakeholders. Other electrical topographic-based Subcommittees, footprint-wide Work Groups and Task Forces (collectively known as the “SSPG committee structure”) will be formed as required.

Members - The responsibilities of the Members are to manage SSPG, develop Member Meeting agendas, provide coordination amongst any SSPG study groups, and ensure progress in the overall SSPG activities. The Member Meeting will consist of the one voting representative from each member company and other member company representatives as chose to participate. The SSPG membership will elect a SSPG Chair for 2 year terms. The Chair of the SSPG will appoint the Chair of each Task Force.

Stakeholders - The responsibilities of the Stakeholders are to ensure accuracy and technical adequacy of SSPG study work, provide public input to the planning process, consistency among the various studies, proper focus on objectives, and adherence to principles and processes.

Subcommittees (if required) - The responsibilities of SSPG Subcommittees are to address a variety of needs and issues defined by the Subcommittee membership for a specific geographic

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portion of the SSPG footprint. Subcommittees are formed for a multi-year duration to serve a long term purpose. Each Subcommittee will elect a Chair for a two-year term.

Work Groups (if required) - The responsibilities of SSPG Work Groups are to address a single or highly focused need defined by the Work Group membership for the entire SSPG footprint. Work Groups are formed for a multi-year duration to serve a long term purpose. Each Work Group will elect a Chair for a two-year term.

Task Forces (if required) - The responsibilities of SSPG Task Forces are to address a single or highly focused need defined by SSPG or the Task Force membership, but for either a portion of or the entire SSPG footprint for a one or two year duration to serve a short term purpose. The Chair of SSPG will appoint the Chair of each Task Force.

Each Subcommittee, Work Group, and Task Force will address needs identified by its membership. Subcommittees and Work Groups can be expected to evolve or change over time to reflect the current interest and focus.

See Exhibit A for SSPG organization chart.

VI. Voting

Each SSPG planning and study effort undertaken within the SSPG committee structure described in Section V above will be self defined by those SSPG members who participate in the process. Study plans and final reports will require approval by the sponsoring Subcommittee, Work Group or Task Force and the SSPG Member meeting.

Decisions and actions by the SSPG Member meeting, SSPG Stakeholder meeting, Subcommittees, Work Groups, and Task Forces will be reached, to the maximum extent possible, through consensus. To facilitate consensus-building, SWAT members will seek individual inputs, rely on data and expert advice, and encourage minority reporting where differences are not resolved. SSPG's success has been largely based on the use of an open vetting process, with ultimate decisions being reached on the basis of unanimous agreement.

The goal will be to reach consensus on all approval items. If approval by consensus within the SSPG committee structure cannot be achieved, SSPG members attending the committee meeting will conduct a formal vote. SSPG members not attending a meeting in person may vote in advance by submitting their selection by fax or e-mail to the Chair at least one day in advance of the meeting. A motion will pass by simple majority of those voting.

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The Stakeholders will be provided the opportunity to submit an explanation for a different opinion from the Members on Member votes and this explanation will be added to the meeting notes.

VII. Planning Functions

SSPG planning functions include:

- Development and implementation of a planning process that results in transmission expansion plans that meet a variety of needs and have a broad basis of support through an open stakeholder process.
- Identification of long-term transmission needs.
- Identification of congestion impacts of potential energy zones, generation facilities, or new transmission facilities.
- Development, through open and collaborative processes, of strategic transmission options and specific alternative plans for expanding or reinforcing the transmission system.
- Review of technical studies performed by a transmission project sponsor.
- Coordination of data, modeling, assumptions, processes, and other planning activities with WECC (PCC and TEPPC), Western Interconnection subregional planning groups, regulatory/governmental entities, and other industry entities involved in transmission planning.
- Coordination with federal and state agencies on transmission corridor planning.
- Provision of a subregional forum to meet WECC Regional Planning requirements.
- Provision of a forum to evaluate impacts of proposed transmission or energy policy changes at state and federal levels.
- Response to requests and directives from regulatory entities.
- Provision of briefings and sponsorship of educational workshops.
- Develop a 10 year planning case to that is a reasonably representation of Stakeholder forecasted additions.

VIII. Coordination and Study Process

SSPG will conduct both a Coordination Process and a Study Process.

Coordination Process – The SSPG Coordination Process enables sponsors of transmission projects to coordinate project development through receipt of input from participating technical planning experts who are knowledgeable about the electric system in the northern California

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and northern Nevada. Transmission project sponsors are encouraged to present results of their independent study efforts to participating SSPG stakeholders.

Study Process –The SSPG Study Process will focus on the development of transmission plans with medium- and long-range planning horizons. This work is intended to assist and enhance the development of transmission projects, not to impede the efforts of individual transmission providers.

SSPG will provide technical support for implementation by transmission project sponsors of medium- and long-range transmission plans developed within the Study Process. Implementation of projects by developers may involve phased construction of a variety of short term projects that will ultimately support implementation of a long-term plan. As a result, SSPG long- term plans will be revised periodically to incorporate changes in system assumptions.

The Study Process will generally follow an annual study cycle. A study plan must include:

- Purpose and need
- Objectives
- Assumptions
- Development of base case and other data
- Methodology
- Schedule
- Assignment/allocation of study work

Once the study plan is approved by a Member meeting, the study participants will conduct the study work, agree upon findings, share the results with SSPG, and document the work in writing.

In general, SSPG study participants will study geographic areas in which they have an interest. Members seeking specific studies will be responsible for the completion of the work. Studies performed within SSPG will:

- Focus on local and subregional needs
- Consider a variety of alternatives to allow for a wide range of options
- Consider the flexibility of alternatives, including non-transmission alternatives
- Comply with established reliability standards, criteria, policies, and guidelines
- Be summarized in reports to be made available for general review, in compliance with applicable CEII requirements

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Transmission plans developed by SSPG will be incorporated into regional transmission plans. SSPG Subcommittees, Work Groups and Task Forces will publish individual reports.

Study work conducted within the SSPG committee structure is not intended to focus solely on or substitute for the study work required for implementation of a specific transmission project. For example, SSPG study work will not address generation interconnection requests and transmission service requests in a transmission provider's queue. SSPG study work is intended to support the most efficient use of the existing transmission system and facilitate the development of long-term plans that meet the transmission objectives (load serving, resource delivery, etc.) for the subregion.

IX. Meetings

SSPG Stakeholder meetings are open to all parties and may be attended in person or by conference call. The SSPG Stakeholder meetings and the Subcommittees, Work Groups and Task Forces will meet periodically, generally following an annual study cycle. The SSPG Stakeholder meeting will generally meet quarterly and will approve an annual meeting plan and post these plans on a public website. The Member meetings will be held at least one meeting in between each Stakeholder meeting. SSPG meeting notices will be posted on a public website and issued to the SSPG e-mail distribution lists at least 30 days in advance of meetings. If shorter notice time is required, attendees of the last two Stakeholder meeting will be sent notice of the meeting. Proposed agendas will be provided at least 2 weeks in advance of meetings. Meeting notes will be posted on a public website.