

WestConnect Objectives and Procedures for Regional Transmission Planning For the WestConnect Planning Area Revision 1

1. Introduction

These WestConnect Objectives and Procedures for Regional Transmission Planning for the WestConnect Planning Area (“Objectives and Procedures”), Revision 1, are approved by the WestConnect Planning Management Committee (“WestConnect PMC”) pursuant to Section 3 of the WestConnect Project Agreement for Subregional Transmission Planning, effective May 23, 2007 (“WestConnect Planning Project Agreement”). The WestConnect PMC may agree from time to time to revise these Objectives and Procedures for any reason deemed appropriate, including but not limited, to changes in applicable statutes and regulations.

2. Objectives

The objectives of the WestConnect Planning Parties are to:

- 2.1 Promote coordination of regional transmission planning for the WestConnect Planning Area by
 - 2.1.1 Formalizing a relationship among the WestConnect Planning Parties, the Southwest Area Transmission Planning Group (“SWAT”), the Colorado Coordinated Planning Group (“CCPG”), the Sierra Subregional Planning Group (“SSPG”), and any other subregional transmission planning group formed within the WestConnect Planning Area that wishes to participate in the WestConnect Transmission Planning Process; and
 - 2.1.2 Extending participation in the WestConnect Transmission Planning Process to transmission providers that are not parties to the WestConnect Amended and Restated Memorandum of Understanding, effective February 14, 2007, but have executed the WestConnect Planning Project Agreement and are coordinating transmission planning with one or more of the WestConnect Planning Parties.
- 2.2 Provide resources for the development of an annual ten (10) year integrated regional transmission plan and report for the WestConnect Planning Area and the production of other studies, e.g. load saturation or fault studies, for the WestConnect Planning Area or sub-areas therein as are approved by the WestConnect PMC. The 10 year plan and report and other studies will be derived from Subregional Transmission Planning Group efforts that best meet all transmission needs across the WestConnect Planning Area;
- 2.3 Promote comment, input and exchange of information by all interested Stakeholders during all phases of development of the annual WestConnect Transmission Plan and WestConnect Transmission Planning Report through use of documented, open and transparent Stakeholder and industry peer review planning processes; and
- 2.4 Promote the coordination of the annual WestConnect Transmission Planning Process with other sub-regional transmission planning efforts within the Western Interconnection and the Western Electricity Coordinating Council (“WECC”).

3. Definitions

- 3.1 Applicable Reliability Criteria: The reliability standards of the NERC and WECC, and Local Reliability Criteria, as amended from time to time, and including any

requirements of the Nuclear Regulatory Commission and reliability standards promulgated pursuant to Section 215 of the Federal Power Act.

- 3.2 Base Cases: The agreed-upon standard WECC power flow base cases that use common topology will be used as the starting point for the WestConnect Transmission Planning Process.
- 3.3 Bulk Transmission Facilities or Bulk Transmission: The facilities and control systems necessary for operating an interconnected transmission network (or any portion thereof), and the electric energy from generating facilities needed to maintain transmission system reliability, excluding facilities used in the local distribution of electricity to serve native load.
- 3.4 Colorado Coordinated Planning Group (“CCPG”): The Colorado Coordinated Planning Group, formed pursuant to the Joint Transmission Access Principles and the Electric Transmission Service Policy Statement, dated December 16, 1991.
- 3.5 FERC: The Federal Energy Regulatory Commission.
- 3.6 Generating Unit: An electric generator and its associated plan and apparatus whose electrical output is capable of being separately identified and metered. A Generating Unit may be an individual unit or a group of units with a common connection point and meter.
- 3.7 Local Reliability Criteria: The reliability criteria unique to a WestConnect Planning Party’s Bulk Transmission Facilities located in the WestConnect Planning Area.
- 3.8 NERC: The North American Electric Reliability Corporation or the successor organization certified as the Electric Reliability Organization pursuant to Section 215 of the Federal Power Act.
- 3.9 Planning Objectives: The transmission planning objectives for the WestConnect Transmission Planning Process that are developed and approved by the Subregional Transmission Planning Groups.
- 3.10 Planning Standards: The transmission planning methods and procedures adopted for the WestConnect Transmission Planning Process by the Subregional Transmission Planning Groups. Such Planning Standards will be consistent with the Applicable Reliability Criteria.
- 3.11 Resource: A Generating Unit, import or export of energy, or demand response resource.
- 3.12 Sierra Subregional Planning Group (“SSPG”): A joint, high voltage transmission system planning forum for the purpose of assuring a high degree of reliability in the planning, development and operation of the high voltage transmission system in the Sierra Pacific region.
- 3.13 Southwest Area Transmission Planning Group (“SWAT”): The Southwest Area Transmission Planning Group, which is comprised of transmission regulators/governmental entities, transmission users, transmission owners, transmission operators, and environmental interests that participate in developing a coordinated transmission plan for the Desert Southwest sub-region.
- 3.14 Stakeholders: Entities with an interest in the production and delivery of electricity in interstate commerce in the Western Interconnection and within the WestConnect

Planning Area. Such Stakeholders would include, but not be limited to transmission providers, transmission customers, load serving entities, independent power producers, demand side interests, environmental interests, consumer interests and federal, state and local regulators.

- 3.15 Subregional Transmission Planning Groups: SWAT, CCPG, SSPG and other subregional transmission planning groups formed in the WestConnect Planning Area that wish to participate in the WestConnect Planning Process.
- 3.16 WECC: Western Electricity Coordinating Council (<http://www.wecc.biz>), or successor organization certified as the Regional Reliability Organization for the Western Interconnection pursuant to Section 215 of the Federal Power Act.
- 3.17 WestConnect MOU: The WestConnect Amended and Restated Memorandum of Understanding, effective February 14, 2007.
- 3.18 WestConnect Planning Area: The Bulk Transmission Facilities located within the Western Interconnection that are owned by WestConnect Planning Parties or to which the WestConnect Planning Parties have rights. The WestConnect Planning Area may change depending on the entities that are WestConnect Planning Parties.
- 3.19 WestConnect Planning Management Committee (“WestConnect PMC”): The committee established pursuant to the WestConnect Planning Project Agreement to oversee the WestConnect Planning Parties’ compliance with these Objectives and Procedures and carry out other functions specified in the WestConnect Planning Project Agreement.
- 3.20 WestConnect Planning Party: A transmission provider that has executed the WestConnect Planning Project Agreement.
- 3.21 WestConnect Planning Project Agreement: The WestConnect Project Agreement for Subregional Transmission Planning, effective May 23, 2007
- 3.22 WestConnect Steering Committee: The committee organized pursuant to the WestConnect MOU to lead and coordinate the efforts of WestConnect.
- 3.23 WestConnect Transmission Plan or Planning Process: The ten year integrated regional transmission plan, or planning process, for the WestConnect Planning Area performed on an annual basis.
- 3.24 WestConnect Transmission Planning Report: The annual report that documents the annual WestConnect Transmission Planning Process and the Subregional Transmission Planning Groups’ proposed study plans for the subsequent study cycle.

4. Responsibilities of the WestConnect Planning Parties

The responsibilities of the WestConnect Planning Parties are to:

- 4.1 Provide resources for and, as needed, facilitate the procurement of manpower and other goods and services necessary for the WestConnect PMC and the Subregional Transmission Planning Groups to develop the WestConnect Transmission Plan and WestConnect Transmission Planning Report and to conduct other studies, e.g. load saturation or fault studies, for the WestConnect Planning Area or sub-areas therein, as approved by the WestConnect PMC. To the extent resources require funding from the WestConnect Planning Parties, such funding shall be detailed in a budget approved by the WestConnect PMC pursuant to the WestConnect Planning Project Agreement;

- 4.2 Utilize and make available to all study participants the Planning Standards, Planning Objectives, assumptions and Base Cases developed by the Subregional Transmission Planning Groups for the WestConnect Transmission Plan and WestConnect Transmission Planning Report. It is anticipated that study work conducted by the Subregional Transmission Planning Groups will address the following considerations:
- 4.2.1 Meeting WestConnect Planning Party load requirements, including forecasted load growth;
 - 4.2.2 Compliance with and adherence to Applicable Reliability Criteria;
 - 4.2.3 Consideration of wholesale market perspectives and identification of transmission system expansions that will facilitate competition and reliability objectives;
 - 4.2.4 The reliable and efficient use and expansion of Bulk Transmission Facilities within the WestConnect Planning Area and avoidance of unnecessary duplication of facilities;
 - 4.2.5 Simultaneous import studies;
 - 4.2.6 The legal and regulatory obligations of WestConnect Planning Parties with regard to electric transmission, including conformance with FERC regional transmission planning requirements, state renewable portfolio standards, state resource adequacy requirements, and other similar programs;
 - 4.2.7 Evaluation of a broad range of assumptions and alternatives. This evaluation may address various strategies and scenarios that the WestConnect Planning Area may encounter, and development of a study plan that analyzes the defined range of assumptions and alternatives, comparing how each proposed project and scenario performs with respect to the Base Cases;
 - 4.2.8 Performance of feasibility and cost analyses for alternative projects;
 - 4.2.9 Participation and comment by all Stakeholders and interested parties in all phases of the WestConnect Planning Process;
 - 4.2.10 Coordination and cooperation with WECC Transmission Expansion Planning Policy Committee with regard to economic planning studies and working with federal agencies to identify congestion and national interest electric transmission corridors, pursuant to Section 216 of the Federal Power Act;
 - 4.2.11 The integration of the WestConnect Transmission Planning Process with the WECC Transmission Expansion Planning Policy Committee and other sub-regional planning efforts within the Western Interconnection;
 - 4.2.12 To the maximum extent practical, the use of open season solicitation for project participation, multi-party transmission ownership, and the potential co-existence of both physical and financial transmission rights for transmission projects planned under the WestConnect Transmission Planning Process; and
 - 4.2.13 In the release of Base Cases to Stakeholders, adherence to applicable WECC procedures governing release of such information, consistent with FERC Critical Energy Infrastructure Information ("CEII") procedures.
- 4.3 Participate in the WestConnect Transmission Planning Process conducted by the Subregional Transmission Planning Groups by giving input and commenting on policy issues, objectives, study scope, assumptions and methodologies, and alternatives for consideration in the planning and study process. Specifically, each WestConnect Planning Party will:

- 4.3.1 On an annual basis, consistent with the time requirements of applicable regulatory bodies, regional planning groups and/or WECC, propose to the appropriate Subregional Transmission Planning Group(s) a minimum ten (10) year expansion plan for its transmission system consistent with the Planning Objectives and Planning Standards, including plans for addressing all currently identified or projected system needs. Each WestConnect Planning Party's expansion plan will adhere to the common methodology and format developed jointly by the Subregional Transmission Planning Groups for this planning purpose. Expansion plans will cover enhancements and additions for Resources and Bulk Transmission Facilities.
- 4.3.2 Perform or cause to be performed the necessary technical, engineering or analytical study work required to ensure that expansion plans meet the Planning Objectives and Planning Standards. Each WestConnect Planning Party will submit its respective expansion plan, associated study work and pertinent financial, technical and engineering data to the appropriate Subregional Transmission Planning Group(s) to support the validity of its expansion plan.
- 4.3.3 Use the Base Cases developed in common by the Subregional Transmission Planning Groups for study work associated with the WestConnect Transmission Planning Process. The Base Cases will include all previously assumed facilities and agreed upon additions for the baseline scenario.
- 4.3.4 Complete additional study work if required to do so by the Subregional Transmission Planning Groups to address agreed-upon deficiencies.
- 4.4 Through the WestConnect PMC, on an annual basis review and approve the WestConnect Transmission Plan and WestConnect Transmission Planning Report produced through the Subregional Transmission Planning Groups that identify combinations of projects that are common to all or the most likely planning scenarios and that best meet all transmission needs of the WestConnect Planning Parties and other Stakeholders.
- 4.5 Maintain a Regional Planning section on the WestConnect website where all WestConnect transmission planning information, including meeting notices, meeting minutes, reports, presentations, and other pertinent information, is posted.
- 4.6 Work with the Subregional Transmission Planning Group processes in the development of the WestConnect Transmission Plan and WestConnect Transmission Planning Report. The Subregional Transmission Planning Groups' committees, subcommittees, and work groups will use documented, open and transparent Stakeholder and industry peer review processes to develop such plans.
- 4.7 Incorporate Planning Objectives specific to each Subregional Transmission Planning Group in the WestConnect Transmission Planning Process.
- 4.8 Coordinate, develop and update the Base Cases to be used in the Subregional Transmission Planning Groups' sub-regional planning areas.
- 4.9 Coordinate the development of the WestConnect Transmission Planning Report for the WestConnect Planning Area.