

**RTO WEST**  
**Filing Utilities Meeting**  
**September 20, 2000**  
**Notes**

**IMPORTANT NOTICE TO READERS:** These meeting notes were prepared by Kristi Wallis. The filing utilities agreed to Kristi's attendance as a neutral note taker at filing utility meetings to enable interested parties to be aware of the general scope and progress of filing utility discussions. These notes were never intended to represent a verbatim report of the filing utilities' discussions, but rather to provide a summary. Although meeting participants were given an opportunity to review notes in draft form, workloads of all concerned (particularly as the deadline for filing with the Federal Energy Regulatory Commission approached) were such that notes often could not be circulated quickly after meetings or reviewed thoroughly. In some cases there was a period of several months between the date a meeting was held and the time the meetings notes were available for review. In addition, a number of meeting participants may not have reviewed these notes at all. There may, therefore, be some inaccuracies in these notes.

**Attendees:**

Richard Goddard, PGE	Frank Afranji, PGE
Don Furman, PacifiCorp	Cindy Crane, PacifiCorp
Marcus Wood, PacifiCorp	Bill Pascoe, Montana Power
Mike Coleman, FERC	Jamie Simlar, FERC
Ted Williams, Montana Power	Rich Bayless, PacifiCorp
Wayman Robinett, Puget Sound Energy	Chris Reese, Puget Sound Energy
Carolyn Cowan, Sierra Pacific	Randy Cloward, Avista
Chuck Durick, Idaho Power	Malcolm McLellan, Idaho Power
Jim Collingwood, Idaho Power	Mark Maher, BPA
Peggy Olds, BPA	Brian Silverstein, BPA
Doug Nichols, PGE	John Boucher, KEMA
Bud Krogh, K&L	Dave Hackett, KEMA
Kristi Wallis, Neutral Notetaker	

**Agenda**

RRG Meeting  
DC Trip/FERC Meeting  
10/16 Filing

**Agenda Item No. 1 – RRG Meeting**

Bud Krogh confirmed the individuals responsible for presenting the Filing Utilities' decisions to the RRG.

Facilities Inclusion – Chuck Durick (general agreement) and Vickie Van Zandt (exception)  
Pricing – Marcus Wood (general agreement) and Frank Afranji (concerns regarding treatment of exports)  
Congestion Management – Brian Silverstein  
Planning – Marv Landauer  
Governance – Doug Nichols  
Benefit/Cost – Vickie Van Zandt  
Participation of Canadian Entities – Mark Maher  
Filing Status – Bud Krogh

**Agenda Item No. 2 – DC Trip/FERC Meeting**

Bud Krogh reviewed the following tentative schedule:

**27<sup>th</sup>**

Travel

Meet for dinner to coordinate and finalize plans

**28<sup>th</sup>**

9 – 11:30      FERC/RTO West prefiling meeting

Approximately 25 staff members will attend. Mike Coleman stated that some people might need to leave early so that the Filing Utilities should prioritize and address the important matters at the beginning of the meeting.

Lunch          No plans

1 – 3            Lawyers meeting (Probable attendees: Brian Gish, Mike Bardee, and Mike Coleman of FERC, Malcolm McLellan, Marcus Wood, Gary Bachman, Mike Neave (PGE), maybe Stan Berman or someone from Heller’s DC office, Connie Westadt, Steve Larson, Preston Michie, and Sarah Dennison-Leonard)

**29<sup>th</sup>**

9 – 11          ITC FERC Briefing

9:30            Senate Staff

11:00          House Staff

While at this time nothing is scheduled with FERC Commissioners, Bud Krogh asked the parties to consider whether they should set up some meetings.

Frank Afranji referenced that the ITC companies might want to meet with Commissioner Hebert. (Bud will make the arrangements.)

At this point, the following people are planning to go to DC: Bill Pascoe, Carolyn Cowan, Richard Goddard, Frank Afranji, Don Furman, Cindy Crane, Mark Maher, Peggy Olds, Jim Miller, Bud Krogh, and Sarah Dennison-Leonard.

Bud Krogh will put together an agenda and propose individuals to be responsible for presentations.

### **Agenda Item No. 3 – 10/16 Filing**

Bud Krogh started the discussion by stating that as of today, the following items will be in the 10/16 filing for FERC approval:

Governance  
Scope and Geography  
TOA

Bill Pascoe stated that there is not universal agreement about the ability of the parties to have a final TOA for FERC approval by 10/16. While Bill understands that a lot of work has been done on the TOA, many critical policy decisions were not made until recently. Bill reviewed a copy of the TOA last week (Bill acknowledged it was available earlier, but he had not had time to read it), and he believes there is still a lot of work to be done and there is not sufficient time between now and 10/16 for Montana Power to sign off on a final TOA. He is concerned that once a document is filed for approval it is hard to modify it, and he believes that the Filing Utilities should be more realistic about the amount of time it will take to finalize the TOA.

Frank Afranji stated that PGE is of the same mind. PGE has hired a DC lawyer to look at the TOA and they are moving as fast as they can, however, Frank has major discomfort with the proposition that the TOA can be given the proper consideration by 10/16. PGE is trying to avoid the situation where they file in haste and then spend the next 10 years trying to undo certain areas.

Don Furman stated that PacifiCorp would be very uncomfortable making a filing without knowing what the deal is. That doesn't mean that everything has to be tied down, but if parties are not committed to the TOA, Don doesn't know why the Filing Utilities would be making a filing.

Mark Maher indicated that he is not sure what surprises there are in TOA as the parties have been working through these issues continuously. Bonneville would like to file the

most complete TOA as possible on the 10/16 and then, if necessary, amend or tweak it later.

Bill Pascoe came back to the issue of “what represents the deal.” Governance is clearly a piece, but the tariff is also a part of the deal and the Filing Utilities have already decided that will not be part of the 10/16 filing. Doug Nichols noted that the specific treatment for existing contracts would not be worked out by 10/16. Don Furman responded that that was always the case, and as long as the parties know the principles of how those contracts would be treated PacifiCorp is comfortable going forward. Don reiterated his position that PacifiCorp would not file if not all of the critical parts of the deal were done.

Bill Pascoe suggested that if PacifiCorp is uncomfortable having the governance piece get ahead of the TOA, that maybe the Filing Utilities should delay filing anything for approval for 30 days.

Doug Nichols disagreed and said the Filing Utilities should make a stab at the filing in any event and should not ask for an extension. Doug indicated that PGE could probably file the TOA for informational purposes, but there is still more work to be done.

Randy Cloward stated that Avista was very nervous about having the TOA included for approval and that it needed to be finalized before it is sent in for approval. If the Filing Utilities can finalize it, Avista would be OK with it being submitted, but only if it were truly finalized.

Marcus Wood discussed the schedule going forward for completion of the TOA. He anticipates have a redlined version of the TOA out next Monday that incorporates all of the recent Filing Utilities decisions, leaving the parties three weeks to finalize the contract. The legal subgroup spent two months working through those provisions that reflected consensus items.

Bill Pascoe noted that the process Marcus laid out is acceptable, but the deadlines for comments are too tight.

Peggy Olds asked what would be an appropriate cycle, and Doug Nichols responded that the TOA and the tariff should be prepared together. Don Furman noted that the tariff would not be completed until the end of the year, if then.

Richard Goddard asked why the Filing Utilities would not go forward on 10/16 with a request for approval of governance and geographic scope. Peggy Olds responded that that would not describe the deal. Don Furman added that while it was best to have everything submitted at the same time that was not practical. There has been a lot of agreement on the major issues and PacifiCorp would like to have those agreements memorialized. This is not accomplished if there is only an informational filing. There are certain issues that are more important than others, and there is a risk to the Filing Utilities if anything is submitted to FERC for approval prior to the tariff being done, but

that is a risk that PacifiCorp is willing to take. PacifiCorp is not willing to take the risk of going forward with anything for approval without the TOA.

Frank Afranji asked what would happen if fewer than all of the Filing Utilities went forward with a filing, and indicated his opinion that that would not be a RTO West filing as RTO West included all of the Filing Utilities.

Don Furman expressed his belief that if the parties wanted to get the TOA done they could. He suggested that the parties work on what the scope of the TOA should be for 10/16 – what are the major elements of the deal that need to be finalized (Don acknowledged that there were probably things that could be explicitly left open.) The Filing Utilities could then focus their time on getting those key elements done. Don asked whether the other parties would be willing to commit to trying to get that done by 10/16. Bill Pascoe responded by suggesting that the Filing Utilities get together again on Friday and try to work through this issue.

Peggy Olds asked whether the parties had a common goal of trying to have a final TOA in the 10/16 filing or whether that was stretching it, and Doug Nichols responded that that was probably stretching it.