

## Brief Summary of RTO West RRG Meeting September 22 and 23, 2003

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### Introduction

This summary is intended to describe the major topics of discussion during the September 22 and 23, 2003 meeting of the RTO West Regional Representatives Group (RRG). It is not intended to be a verbatim transcript of anyone's remarks, and it is not intended to suggest that any particular representative or entity at the RRG meeting agreed with or endorsed the views described in this summary.

### Overview of September 22 and 23 Meeting

- A RTO West RRG meeting was held at the Sheraton Portland Airport Hotel on September 22 from 10:00 a.m. to 5:30 p.m. and September 23 from 8:00 a.m. to 1:30 p.m.
- Approximately 70 people attended the RRG meeting, including approximately 26 designated RRG representatives. Three state representatives attended the meeting and three state representatives listened by phone.
- The RRG was briefed on the recent Western Governors Association meeting on September 14-16, including hearing from the conference that there is a lot of interest in transmission needs and concern about the inability to get infrastructure built.
- Each of the three option groups gave hour-long presentations to the RRG.
- The RRG next turned to attempting to identify commonalities or compatibilities among the three options.
- It was decided that the three option groups would meet further to cross-pollinate ideas, further flesh out the options and describe details of each option. The RRG will meet again on October 9 to hear about and discuss this work.

### Option Group Presentations

- Option papers 1, 2 and 3 were posted on the RTO West website by September 18. Spokepersons for each option group gave approximately a one-hour presentation explaining details and answering clarifying questions.
- Option 1 presented first. This option is based on a transmission coordination contract (TCC) approach that relies on existing entities, such as NTAC for planning and PNSC for reliability coordination, and minimizes formation of new entities.
- Option 2, which presented second, is in the concept stage. Option 2 proposes an independent administrator (IA) that does not operate the system nor have FERC-approved transmission service tariff. This option proposes offering "probability" blocks of transmission service based on varying degrees of curtailment risk.
- Option 3 was covered third by a panel describing the elements of the proposal. The Option 3 panel emphasized that RTO West Stage 2 "reloaded" is based on a cohesive package for an independent grid operator and a single operator of centralized markets. The group reported focusing a lot of time on reloaded provisions and phased implementation.

### **Identification of Commonalities and Compatibilities Among the Options**

- After hearing the presentations, the RRG began identifying common elements and compatibilities among the three options.
- The importance of independent decision-making was a theme threaded throughout the discussion of functions. There was general agreement that independence is good and that for some functions, such as planning, calculation of ATC, and market monitoring, independence from market participants is a desired characteristic. However, perspectives varied on the means to achieve it.
- The RRG decided to try to identify commonalities and compatibilities between the options for each issue group in the option template. Brainstorming ideas were noted for each issue group – planning and expansion, use of the existing system, long-term access, control area functions, cost-recovery, and market power. The notes of this brainstorming will be posted on the RTO West website for option group reference.

### **Option Work Group Meetings Followed by Next RRG Meeting on October 9, 2003**

Option work groups will schedule meetings as needed before the next RRG meeting to cross-pollinate, add more detail to each option proposal, and further elaborate on the reasons driving the necessary elements of each option package. Groups were encouraged to relax the boundaries that restricted the way each option was defined and look for ways options could be flexible.

The next RRG meeting is scheduled for Thursday, October 9, 2003, from 8:00 a.m. to 4:00 p.m. PDT at the Portland Sheraton Portland Airport Hotel.