

REGIONAL PLANNING ORGANIZATION

BPA WEBEX

FEB. 5, 2019

(UPDATED MARCH 25, 2019)

1:30 TO 3 P.M.



Agenda

- Overview & background
- Purpose & benefits
- Organizational structure
- Planning process
- Roadmap and next steps

Background

- Members of Northern Tier Transmission Group and ColumbiaGrid are scoping the formation of a single organization to perform coordinated regional transmission planning.
- Discussions began in 2015. The initial phase focused on design and financial analysis/business case development which continue to evolve.
- A letter of commitment signed by participant CEOs in 2018 initiated drafting efforts for governance documents.
- Target start date for implementation is Jan. 1, 2020.

BPA Strategic Plan alignment

Objective 4b

Develop and implement policies, pricing and procedures for regional planning and incentivize grid optimization and efficient regional resource development.



Delivering on our public responsibilities through a commercially successful business



BPA 2018–2023 Strategic Plan

Why a new RPO?

- Broader footprint based on expanded membership.
- Enhanced coordination and improved efficiency in the planning process by using common set of data and assumptions and eliminating duplicative efforts for regional planning.
- Efficiency in cost-sharing and reduced exposure to cost volatility with potential expanded membership base.

Participants

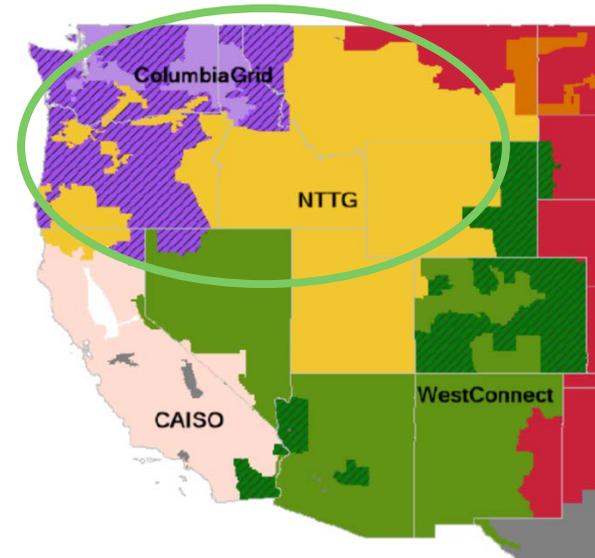
ColumbiaGrid

- Avista
- Bonneville Power Administration
- Chelan PUD
- Puget Sound Energy
- Seattle City Light
- Snohomish PUD
- Grant PUD*
- Tacoma Power*

NTTG

- Deseret
- Idaho Power
- Enbridge/MATL
- NorthWestern Energy
- PacifiCorp
- Portland General Electric
- Utah Associated Municipal Power Systems

COLUMBIA
NORTHERN GRID
TIER TRANSMISSION GROUP



Key differences

- Expanded membership and footprint.
- Association structure.
- Would combine membership and footprint of the two current RPOs.
- Cost.
- Governance.
- Updated planning process.

Key similarities

- Open and transparent coordinated transmission planning process.
- Two-year planning cycle to develop and adopt regional plan.
- Allows for jurisdictional and non-jurisdictional participation.
 - Facilitates compliance with FERC requirements (including order numbers 890 and 1000).
 - Non-jurisdictional participation in FERC Order 1000 cost allocation is on voluntary basis.

Stakeholder engagement

- Engagement during development of the RPO
 - BPA stakeholder meetings
 - Feb. 5 initial overview.
 - Moving forward, BPA will provide quarterly updates on progress.
 - FERC proceedings of jurisdictional entities
 - BPA will engage with stakeholders before and during the pendency of FERC proceedings.
 - *Targeted for Q2 2019 (updated 3/25/2019)*
 - BPA Terms & Conditions Proceeding

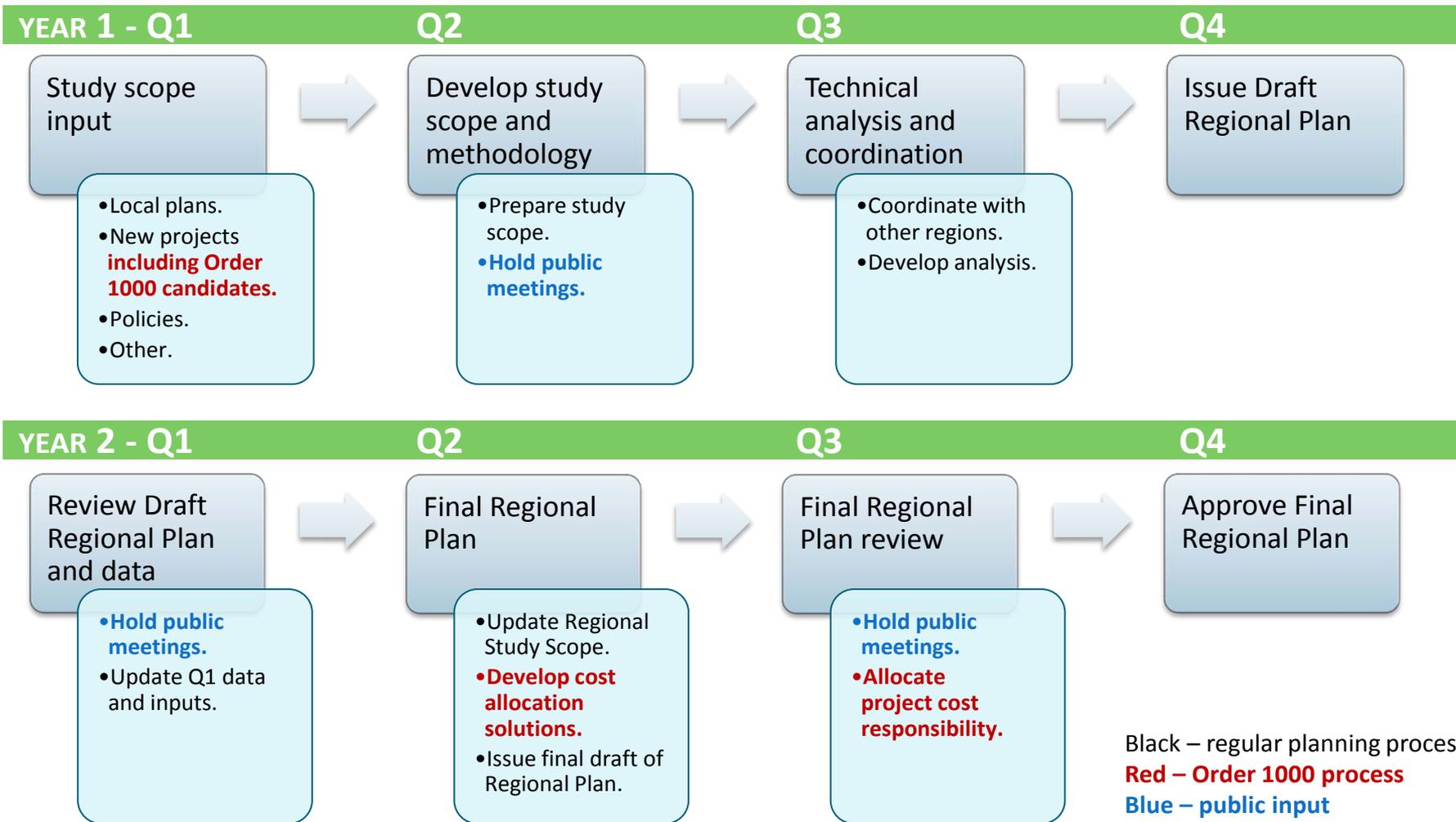
Organizational structure

- Association of members.
- Committees.
 - All members participate in the Members and Planning committees.
 - Jurisdictional members will participate in the Cost Allocation Committee (addresses FERC Order 1000 cost allocation requirements).
 - State transmission planning advisors to provide input to the Cost Allocation Committee.
- Project Coordinator (vendor) will manage day-to-day activities.

Governing documents

- **Contracts** (*participants must execute all agreements*)
 - RPO Funding Agreement.
 - RPO Planning Agreement(s).
 - Finance Administrator Agreement.
 - Project Coordinator (Vendor) Agreement.
- **Charters**
 - Planning Charter.
 - Member Committee Charter.
 - Cost Allocation Charter.
- **Tariff language**
 - Planning process will be incorporated into Attachment K for jurisdictional utilities, and non-jurisdictional utilities with tariffs.

Planning process



Roadmap to NorthernGrid

KEY MILESTONES & HIGHLIGHTS	DUE
Develop draft tariff language to revise Attachment Ks.	Q1 2019
<p>FERC filing goal of March 29, 2019.</p> <ul style="list-style-type: none"> The jurisdictional utilities will file revised tariff language with FERC. BPA's tariff process for revising Attachment K will follow. <i>(Includes customer and stakeholder engagement.)</i> 	<p>Q1 2019 <i>(through date of implementation)</i></p>
Select vendor.	Q2 2019
Launch NorthernGrid.	Jan. 1, 2020 <i>(anticipated)</i>

Questions?