



Priority Access to New Participant-Funded Transmission

AD11-11-000

March 15, 2011

Agenda

9:30 – 9:45 a.m. Welcome and Opening Remarks

Introduction

The electric industry has evolved since Order No. 888 was adopted. In addition to the traditional utility structure of vertical integration, new models for developing, owning, and operating electric transmission infrastructure have been the subject of petitions before the Commission. In several of these proceedings, various proposals have been made regarding priority access to the transmission capacity developed. Commission staff would like to explore issues related to priority rights to use transmission infrastructure developed under these new business models in two contexts: independent and/or merchant transmission¹ and generator lead lines.²

In both contexts, participants are encouraged to identify and discuss the appropriate balance between the Commission's requirements for open access and the needs of project developers. Participants are encouraged to propose and discuss possible regulatory alternatives that are consistent with the Commission's open access policies and its statutory responsibility to ensure that rates, terms, and conditions of service are just and reasonable and not unduly discriminatory or preferential.

¹ See, e.g., *Chinook Power Transmission, LLC*, 126 FERC ¶ 61,134 (2009).

² See, e.g., *Milford Wind Corridor, LLC*, 129 FERC ¶ 61,149 (2009).

Panel 1**9:45 – 11:45 a.m. Independent and/or Merchant Transmission Lines**

Transmission infrastructure is no longer solely developed, owned, and operated by incumbent utilities serving native load within their traditional footprint, but also by non-incumbent, independent developers on a cost-of-service or negotiated rate basis. The purpose of this panel is to discuss whether to allow these non-traditional entities flexibility in the allocation of priority rights to the use of transmission facilities and, if so, how such flexibility could be implemented consistent with Commission open access policies. Panelists are encouraged to address:

- The effect of the Commission's current affiliate rules and pricing structures (e.g., cost-based or negotiated rates) on the economics of a proposed project, as well as on efforts to right-size/up-size a proposed project;
- The need for and appropriate application of mechanisms to ensure customer interest in and access to new transmission (including, but not necessarily limited to anchor shipper/tenant arrangements and open seasons) and how such mechanisms can be implemented to accommodate developers' project development and customers' needs, while satisfying the Commission's open access policies and responsibility to ensure that rates are just and reasonable and not unduly discriminatory or preferential.

Panelists

- Stephen Conant, Senior Vice President for Strategic Development, Anbaric Transmission, LLC & New England Independent Transmission Company (NEITC)
- Terry J. Wolf, Manager, Transmission Services, Missouri River Energy Services
- David G. Gates, PE, Vice President of Wholesale Operations, NorthWestern Energy
- Cynthia Marlette, Special Counsel, Patton Boggs LLP, on behalf of the Western Independent Transmission Group (WITG)
- Michael Skelly, President, Clean Line Energy Partners LLC
- David Raskin, Partner, Steptoe & Johnson LLP
- Robert van Beers, Chief Development Officer, Tonbridge Power Inc.
- Tyson Utt, Project Development Manager, Northeast Region, Horizon Wind Energy LLC
- Kenneth Houston, Director, Transmission Services, PacifiCorp

11:45a.m. – 1:00 p.m. BREAK

Panel 2**1:00 – 3:00 p.m. Generator Lead Lines**

Increasingly, generation owners have chosen to build, administer, and operate the transmission facilities that interconnect their generation facilities with the network transmission system, referred to herein as generator lead lines. In that situation, generation owners also have sought to secure priority rights to use the capacity on these lines. The purpose of this panel is to address the application of the Commission's open access policies to generator lead lines in the instance when affiliated or unaffiliated third-party generators also seek to use these facilities. Panelists are encouraged to address:

- The unique attributes of generator lead lines among transmission facilities (including ownership structures, physical or operational characteristics, etc.);
- The implications for generation developers and potential transmission customers of the Commission applying open access policies in the same manner to generator lead lines as it applies those policies to other transmission facilities, and whether the Commission should apply its open access policies to generator lead line facilities in a manner different from the way it applies such policies to other transmission facilities;
- The showing required to justify priority usage allocations (e.g., types of ownership/lease arrangements and expansion/development plans with definite dates and milestones for construction), and the extent to which this showing accommodates developers' project development and customers' needs, while satisfying the Commission's open access policies and responsibility to ensure that rates are just and reasonable and not unduly discriminatory or preferential.

Panelists

- Bradley W. Oachs, Chief Operating Officer, Minnesota Power
- Joel Newton, Senior Attorney, NextEra Energy Resources, LLC
- Tom DeBoer, Director, Federal & State Regulatory Affairs, Puget Sound Energy
- Richard M. Lorenzo, Partner, Loeb & Loeb LLP
- Adam Wenner, Partner, Chadbourne & Parke LLP
- Kurt Adams, Executive Vice President & Chief Development Officer, First Wind
- Kris Zadlo, Vice President, Regulatory Affairs and Transmission, Invenergy LLC

3:00 – 3:15 p.m. Wrap-Up