

**e-on** | U.S.

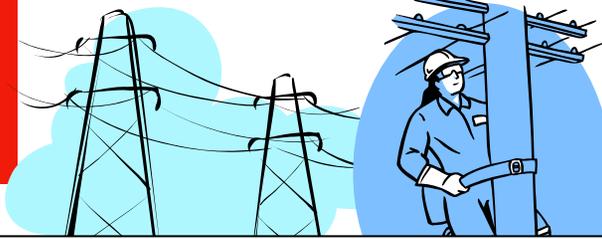


# **Transmission Planning Criteria and Strawman**



# Coordination Principle

- 1. Coordination** – *The transmission provider must meet with all of its transmission customers and interconnected neighbors to develop a transmission plan.*
  - Spring Stakeholder Meeting –The strawman was presented and Stakeholders were asked for comments. Stakeholders will have thirty days after the spring presentation to comment and provide input into next year’s plan. E.ON met with stakeholders individually also and solicited input.



# Coordination Principle

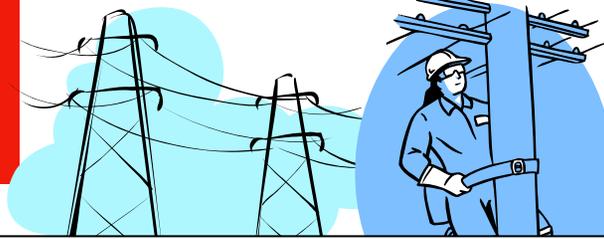
- Draft plan for next year to be presented to stakeholders in the Fall. Stakeholders will have thirty days after Fall presentation to submit written comments on draft plan.
- Final draft plan submitted to ITO for review and approval in January; will reflect consideration of stakeholder comments.
- Process repeats in the Spring.



## Openness Principle

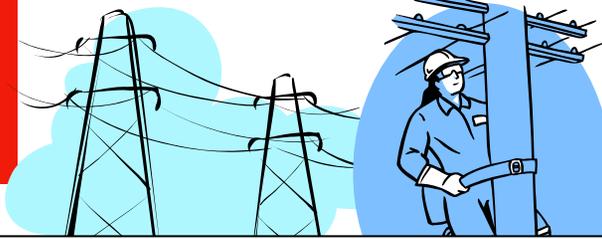
### **2. Openness** – *Transmission planning meetings must be open to all affected parties.*

- The transmission planning portion of stakeholder meetings will be open to current Transmission and Network Customers, representatives from the KPSC, and interconnecting utilities.



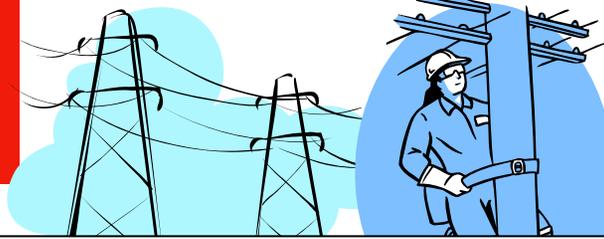
# Openness Principle

- In order to participate, and gain access to transmission planning links on OASIS, must execute confidentiality agreement.
- Once confidentiality agreement is executed, ITO will contact regarding certificates, passwords, or key encryption necessary to access transmission planning links on OASIS.



# Transparency Principle

**3. Transparency** – *The transmission provider is required to disclose to all customers and other stakeholders the basic criteria, assumptions, and data that underlie its planning.*



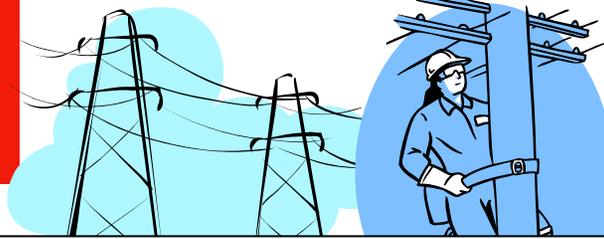
# Transparency

- Transmission System Planning Guidelines will be available on OASIS. Guidelines outline the basic criteria, assumptions, and data that underlie transmission planning for the Transmission System.
- Guidelines have been designed to allow others to replicate transmission modeling process.
- Updates on project status will be provided semi-annually.



# Information Exchange Principle

**4. Information Exchange** – *Transmission customers are required to submit information on their projected loads and resources, and the transmission provider must allow market participants the opportunity to review and comment on draft transmission plans.*



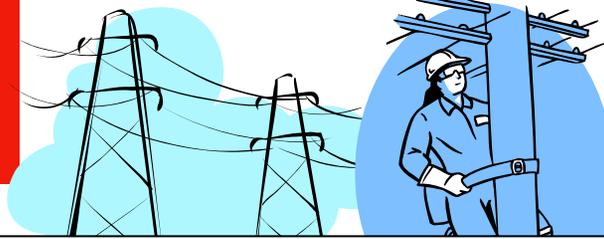
# Information Exchange Principle

- Under the terms of the NOA, Network Customers are required to provide Network Resource availability forecast by the following year. This is due on September 1 of each year.
- Network customers should also provide their load forecasts for the next 10 years.
- Firm Point-to-Point customers are invited to provide information regarding their usage that will exceed 5 years.



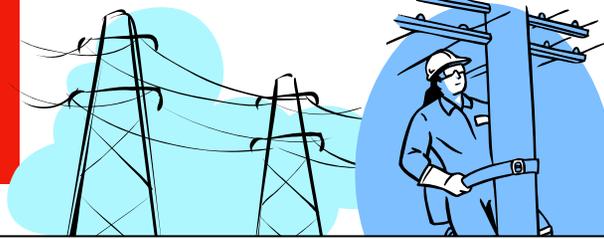
## Planning Principles

**5. Comparability** – *The transmission system plan should meet the specific service requests of transmission customers and otherwise treat similarly-situated customers comparably.*



# Comparability Principle

- For transmission planning purposes, all Network Customers, including E.ON's native load, will be treated comparably.
- If demand resources can meet the same criteria as generation resources, demand and generation will be treated comparably.



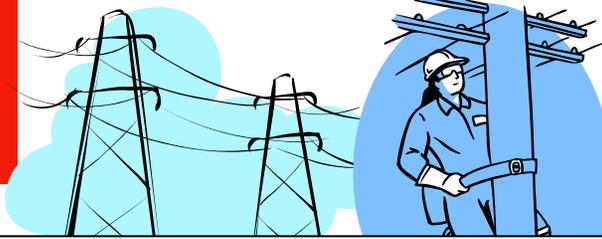
# Planning Principles

**6. Dispute Resolution** – *FERC adopts the NOPR's proposal to require transmission providers to develop a dispute resolution process.*



# Dispute Resolution Principle

- E.ON's Strawman contains a dispute resolution provision, which outlines the process for resolving a conflict resulting under the Transmission Planning Procedures among the TO, ITO, and a Transmission Customer.



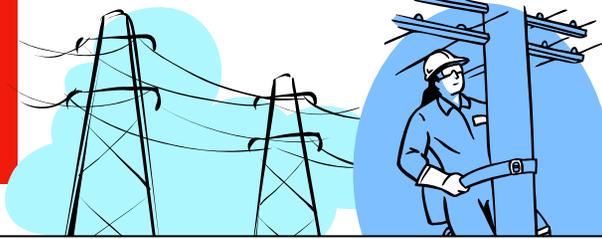
## Regional Coordination Principle

**7. Regional Participation** – *The transmission provider is required to coordinate with interconnected systems to share system plans and ensure that they are simultaneously feasible and identify system enhancements that could relieve significant and recurring transmission congestion.*



# Regional Coordination Principle

- E.ON currently participates in in SERC Regional Assessment Process which gathers information to be included in the NERC annual MMWG process.
- E.ON has identified itself as a part of the southeastern region for Order 890 coordination, and is here to participate in this effort.



## Economic Planning Principle

**8. Economic Planning Studies – At customer(s)’ request, the transmission provider is required to annually prepare studies identifying “significant and recurring” congestion and to post such studies on OASIS.**



# Economic Planning Principle

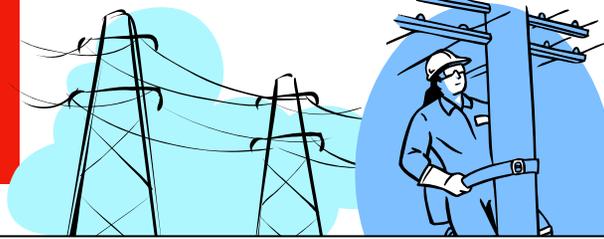
- **Transmission customers may jointly choose up to 5 economic studies per year.**
- **Studies will evaluate:**
  - Additions or upgrades not needed to maintain reliability, but that may alleviate congestion; or
  - Additions or upgrades necessary to integrate new generation resources or load.
- **Study performance does not require E.ON to build.**



## Cost Allocation Principle

**9. Cost Allocation for New Projects** – *For a planning process to comply with the Rule, it must address cost allocation for new projects.*

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# Cost Allocation

- If an economic project is requested by multiple transmission customers, those customers will be required to determine how the costs will be allocated equitably among the requesting customers.
- E.ON will not build an economic project unless it receives a guarantee that it will recover its costs from the customers requesting the economic project.