

Mid-Continent Area Power Pool

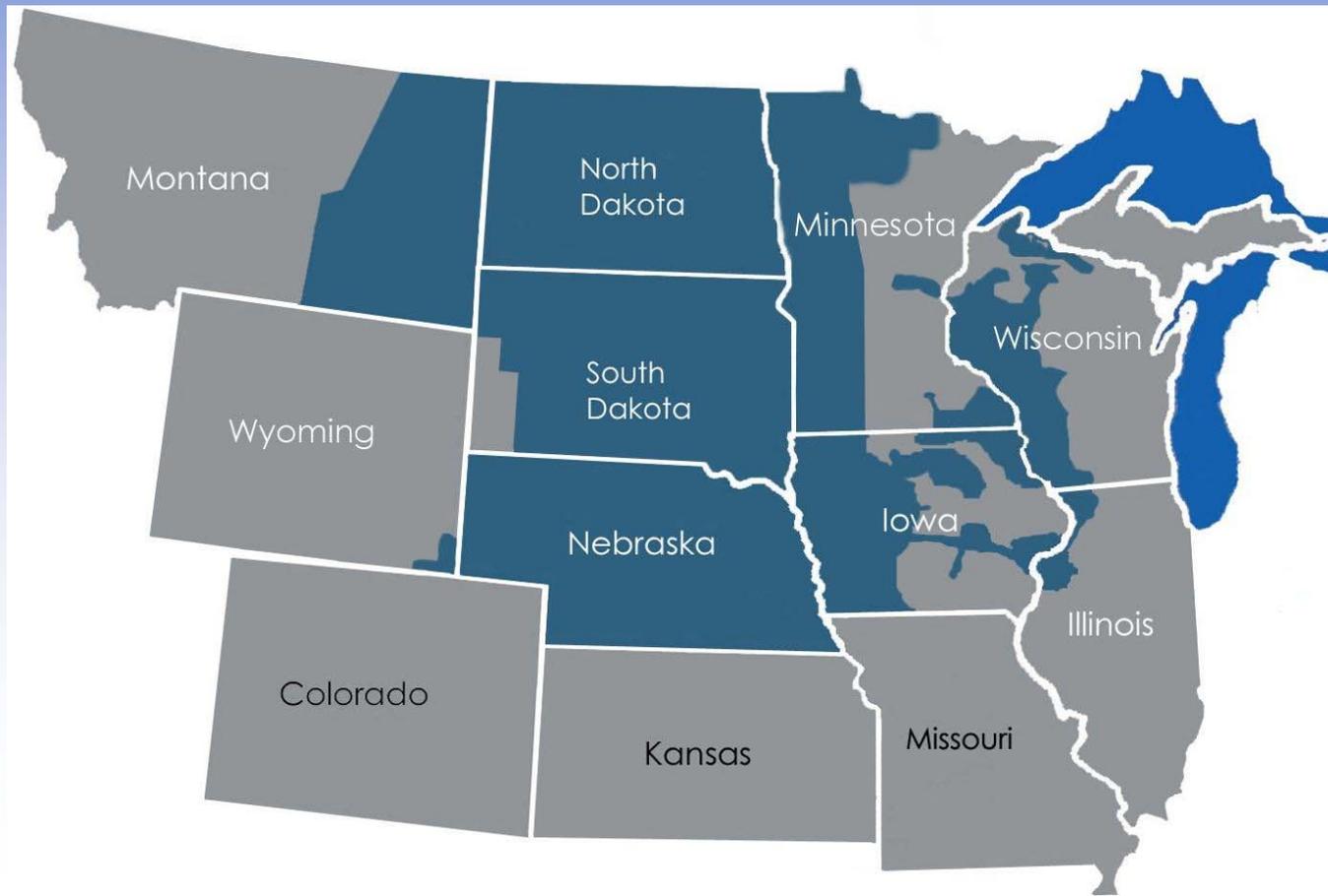
Strawman Proposal for
Compliance with Planning Principles
Established in FERC Order No. 890

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MAPP Regional Transmission Committee (RTC) Region

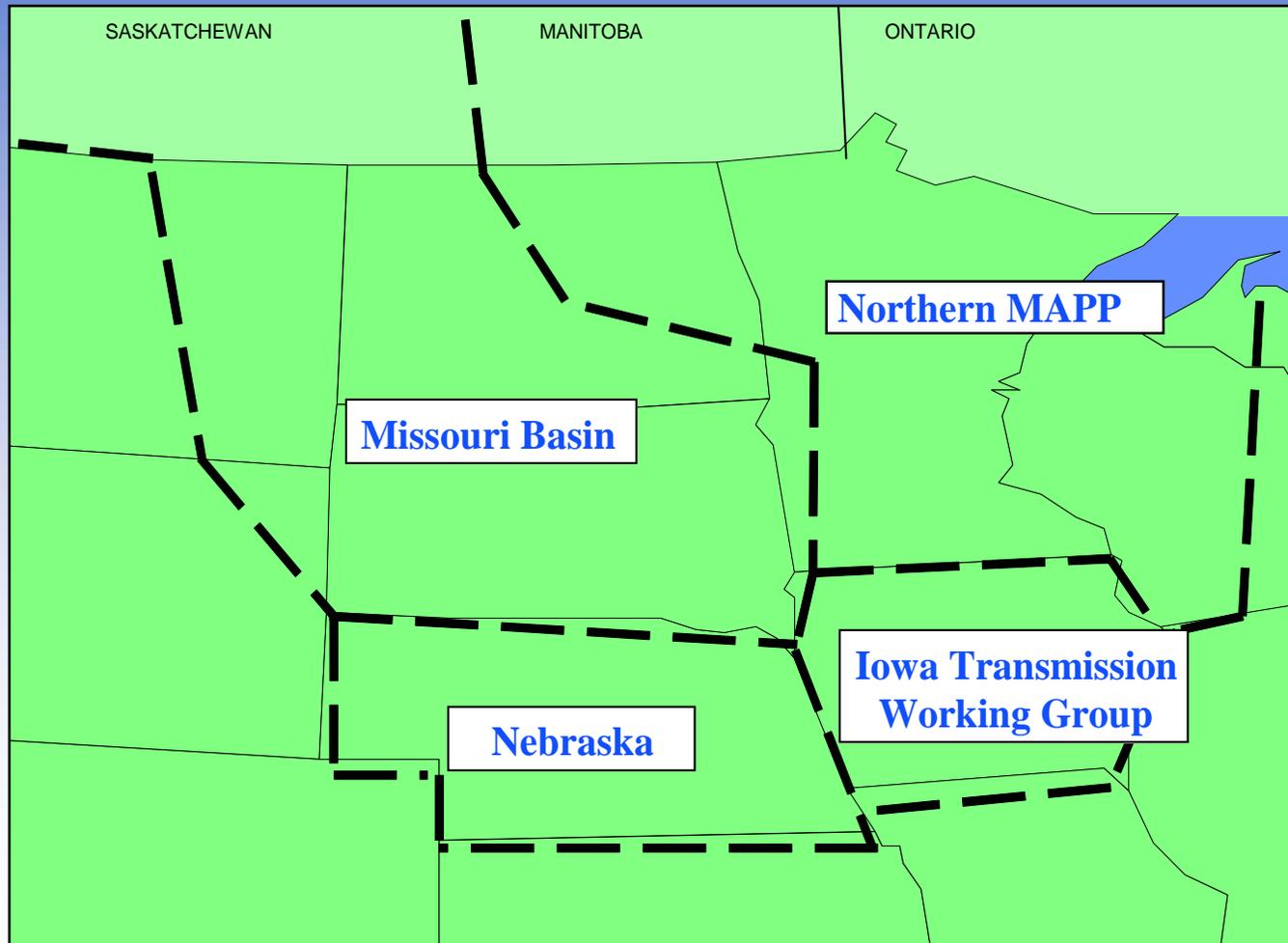
- A significant portion (approximately 70% by load) of the MAPP RTC Region is served by non-jurisdictional entities



Coordination

- MAPP Restated Agreement requires MAPP Members to coordinate plans with neighboring systems.
- Subregional Planning Groups (SPGs) provide a public forum for coordination between MAPP member and non-member neighboring systems' plans.

MAPP Subregional Planning Groups



Coordination

- Transmission Planning Subcommittee (TPSC) routinely coordinates plans between MAPP Members, SPGs, neighboring non-MAPP systems and state regulators
- Seams Operating Agreement includes collaborative coordination of planning process with Midwest ISO.

Openness

- All interested parties may attend any TPSC or SPG meeting.
- SPG membership is open to any MAPP Member and to actual or potential users of the transmission facilities, including non-MAPP transmission owners and RTOs.

Transparency

- Basic criteria, assumptions and data underlying the MAPP Regional Plan are available through:
 - The Regional Plan report
 - MAPP OASIS
 - MAPP Study Procedures Manual
 - NERC & MRO websites
 - NERC & MRO Reliability Standards
 - MRO power flow models

Transparency

- Basic methodology, criteria, and processes for TPSC's development of the Regional Plan are posted on MAPP OASIS
 - MAPP Regional Transmission Planning Procedures Manual
 - TPSC Subregional Planning Group Guidelines

Transparency

- TPSC simultaneously discloses transmission planning information by posting on MAPP OASIS:
 - Meeting notices & materials
 - Minutes, reports, plans, etc.
- MAPP provides any and all current and potential customers and other stakeholders equal access, notice and opportunity to attend planning meetings.

Information Exchange

- SPG Guidelines currently contain schedule for biennial MAPP Regional Plan
 - Consultation with customers and other stakeholders
 - Will require point-to-point customers to submit projections for service over the planning horizon and at what receipt and delivery points.

Comparability

- MAPP Regional Transmission Planning Procedures Manual and Subregional Planning Group Guidelines ensure that all similarly-situated customers are treated comparably in transmission planning.

Dispute Resolution

- Article 9 of the MAPP Restated Agreement sets forth mediation and arbitration procedures that address both procedural and substantive planning issues related to MAPP's regional planning.
- MAPP Restated Agreement also provides for the MAPP Regional Transmission Committee, upon request, to review or modify a subcommittee's action or decision.

Regional Participation

- MAPP Restated Agreement requires Members to coordinate their plans with neighboring systems
- Subregional Planning Groups are a forum for coordination with MAPP and non-MAPP systems
- Coordination with Midwest ISO and other RTOs through SOA and other mechanisms such as the Eastern Interconnection Reliability Assessment Group (ERAG)

Economic Planning Studies

- MAPP TPSC currently performs much of the economic planning analysis required in Order No. 890.
 - An example: TLR analysis on MAPP flowgates
- MAPP Members are reviewing current process to determine possible amendments to address the details in Order No. 890

Cost Allocation for New Projects

- MAPP's cost allocation proposal is sensitive to non-jurisdictional issues and maintains the flexibility necessary to ensure the broad participation that MAPP currently enjoys
- Identify cost responsibility on a regional & subregional basis for Network Upgrades identified in the MAPP Regional Plan

Cost Allocation for New Projects

- Three categories of Network Upgrade projects potentially to fall under these developing cost allocation principles:
 - Baseline Reliability Projects required to ensure MAPP system is in compliance with NERC and MRO standards applicable to the Transmission Provider
 - New Transmission Access Projects needed for maintaining system reliability
 - Generation Interconnection Projects
 - Transmission Service Projects
 - Regionally Beneficial Projects
- MAPP TPSC to adopt any additional procedures to carry out cost allocation principles

MAPP TPSC Cost Allocation Procedures

- Categorize Network Upgrades
- Determine what, if any, part of existing transmission facilities should be classified as Regionally Beneficial
- Determine Network Upgrade projects eligible for cost sharing
- Identify potential benefits and cost sharing of parties, and non-binding cost responsibilities.

In Conclusion...

- MAPP's coordinated regional planning process complies with the nine planning principles of Order No. 890
- MAPP will continue to develop its regional planning processes in response to guidance from the Commission and to meet the needs of transmission users

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