

169 FERC ¶ 61,249  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;  
Richard Glick and Bernard L. McNamee.

Puget Sound Energy, Inc.	Docket Nos. ER19-2760-000
NorthWestern Corporation	ER19-2762-000
PacifiCorp	ER19-2763-000
Avista Corporation	ER19-2764-000
MATL LLP	ER19-2765-000
Idaho Power Company	ER19-2766-000
Portland General Electric Company	ER19-2768-000

ORDER ON TARIFF REVISIONS

(Issued December 27, 2019)

1. On September 6, 2019, Puget Sound Energy, Inc. (Puget), NorthWestern Corporation (NorthWestern), PacifiCorp, Avista Corporation (Avista), MATL LLP (MATL), Idaho Power Company (Idaho Power), and Portland General Electric Company (Portland General) (collectively, Filing Parties) submitted, pursuant to section 205 of the Federal Power Act (FPA)<sup>1</sup> and Part 35 of the Commission's regulations,<sup>2</sup> proposed revisions to Attachment K to their respective Open Access Transmission Tariffs (OATT) to create a new transmission planning region called NorthernGrid, which would replace the existing ColumbiaGrid and Northern Tier Transmission Group (NTTG) transmission planning regions. In this order, we reject the proposed tariff revisions without prejudice to Filing Parties submitting revised filings that address the issues discussed below.

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<sup>1</sup> 16 U.S.C. § 824d (2018).

<sup>2</sup> 18 C.F.R. pt. 35 (2019).

## I. Background

2. In Order No. 1000,<sup>3</sup> the Commission adopted a package of reforms addressing transmission planning and cost allocation that, taken together, are designed to ensure that Commission-jurisdictional services are provided at just and reasonable rates and on a basis that is just and reasonable and not unduly discriminatory or preferential. The transmission planning reforms in Order No. 1000 require that each public utility transmission provider: (1) participate in a regional transmission planning process that produces a regional transmission plan; (2) amend its OATT to describe procedures for the consideration of transmission needs driven by public policy requirements established by local, state, or federal laws or regulations in the local and regional transmission planning processes; (3) remove federal rights of first refusal from Commission-jurisdictional tariffs and agreements for certain new transmission facilities; and (4) improve coordination between neighboring transmission planning regions for new interregional transmission facilities.

3. Order No. 1000's cost allocation reforms require that each public utility transmission provider participate in a regional transmission planning process that has: (1) a regional cost allocation method or methods for the cost of new transmission facilities selected in a regional transmission plan for purposes of cost allocation; and (2) an interregional cost allocation method or methods for the cost of new transmission facilities that are located in two neighboring transmission planning regions and are jointly evaluated by the two regions in the interregional transmission coordination procedures required by Order No. 1000. Order No. 1000 also requires that each cost allocation method satisfy six cost allocation principles.

## II. Filings

4. Each Filing Party is currently a member of either ColumbiaGrid or NTTG, two neighboring Order No. 1000 transmission planning regions located in the northwestern United States. Avista and Puget are currently members of ColumbiaGrid, while Idaho Power, MATL, NorthWestern, PacifiCorp, and Portland General are currently members of NTTG.

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<sup>3</sup> *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

5. Filing Parties submitted, in separate dockets, coordinated revisions of their respective Attachment Ks that seek to create the NorthernGrid transmission planning region and regional transmission planning process.<sup>4</sup> Filing Parties request that the Commission approve their Attachment K revisions contemporaneously, to be effective January 1, 2020.<sup>5</sup>

6. Filing Parties explain that the proposed NorthernGrid regional transmission planning process has a two-year planning cycle, proposed to begin on January 1, 2020, that will restart in each even numbered year thereafter.<sup>6</sup> As proposed, the planning cycle commences with a submittal window that begins on January 1 and runs through March 31 of the first year, during which stakeholders submit data, including new proposed transmission projects, to address any need for transmission facilities of entities that enroll in the NorthernGrid transmission region. Using the submissions made during the first quarter, the Enrolled Parties Planning Committee (Planning Committee) then will develop a draft study scope to underlie the preparation of the NorthernGrid regional transmission plan. Filing Parties explain that the Planning Committee will modify (as needed) and finalize the draft study scope after evaluating comments provided by the Enrolled Parties and States Committee<sup>7</sup> and stakeholders.<sup>8</sup> Under the proposed process, the Planning Committee will then use the study scope to identify local and regional transmission needs, and publish the draft regional transmission plan, which may be

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<sup>4</sup> Filing Parties' individual filings contain a largely uniform transmittal letter and proposed Attachment K revisions. Given the uniformity, the Commission will cite to the transmittal letter and proposed OATT of a single Filing Party, PacifiCorp, when referencing Filing Parties' proposal. Where differences between or among the filings are addressed, we will cite to individual Filing Party's filings as appropriate.

<sup>5</sup> PacifiCorp Transmittal Letter at 1.

<sup>6</sup> *Id.* at 2; PacifiCorp OATT, Att. K Transmission Planning Process (9.0.0), § 1.53.

<sup>7</sup> The Enrolled Parties and States Committee is composed of representatives of the parties enrolled in NorthernGrid and states in which any party enrolling in the NorthernGrid transmission region provides retail load service. States may appoint representatives from agencies such as state utility commissions, state customer advocates, or state transmission siting agencies. The Enrolled Parties and States Committee convenes the Cost Allocation Task Force, reviews the drafts of the study scope and regional transmission plan, and operates independently of any other NorthernGrid committee. PacifiCorp OATT, Att. K, Ex. C (Enrolled Parties and States Committee Charter).

<sup>8</sup> *Id.* § 6.2.

modified based on comments provided by the Enrolled Parties and States Committee, and by stakeholders.<sup>9</sup>

7. Filing Parties' proposed regional transmission planning process provides that, if cost allocation has been requested for a proposed transmission project that is identified as eligible to be selected for purposes of cost allocation, the cost allocation process will begin after the Planning Committee addresses any aforementioned comments.<sup>10</sup> The Planning Committee and the Cost Allocation Task Force will document the analyses and results of the transmission planning and cost allocation processes, respectively, in the draft regional transmission plan. Following consideration of comments from the Enrolled Parties and States Committee and stakeholders, the Planning Committee will issue the regional transmission plan by the end of the planning cycle.<sup>11</sup>

8. Filing Parties assert that non-jurisdictional utilities with transmission facilities that interconnect with the Filing Parties' transmission systems, such as Bonneville Power Administration (Bonneville), will not enroll in NorthernGrid. Filing Parties note that a separate planning agreement has been created to provide coordinated transmission planning by and between public utilities and non-jurisdictional utilities in a manner that is substantially similar to the planning that occurs under Attachment K, but excludes cost allocation provisions. According to Filing Parties, this structure is substantially similar to ColumbiaGrid's existing structure, and does not affect the Commission-jurisdictional transmission planning process under the proposed Attachment Ks.<sup>12</sup>

9. Filing Parties indicate that unenrolled non-jurisdictional utilities will not be part of the NorthernGrid transmission region and will not be required to accept involuntary cost allocation, consistent with Order No. 1000's Regional Cost Allocation Principle 4.<sup>13</sup> However, as discussed in more detail below, Filing Parties' revised Attachment Ks will: (1) allow entities that are not enrolled in the NorthernGrid transmission region (including non-jurisdictional utilities) to voluntarily assume costs if a project sponsor selects the

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<sup>9</sup> PacifiCorp Transmittal Letter at 3; PacifiCorp OATT, Att. K, §§ 6.3, 6.4.

<sup>10</sup> PacifiCorp Transmittal Letter at 3; PacifiCorp OATT, Att. K, § 8.1.

<sup>11</sup> PacifiCorp Transmittal Letter at 4.

<sup>12</sup> *Id.* at 2.

<sup>13</sup> *Id.* (citing Order No. 1000, 136 FERC ¶ 61,051 at P 657).

hybrid allocation option;<sup>14</sup> and (2) provide a process for becoming an enrolled party in NorthernGrid.<sup>15</sup>

### **III. Notice and Responsive Pleadings**

10. Notice of the Puget, NorthWestern, PacifiCorp, Avista, MATL, and Idaho Power filings was published in the *Federal Register*, 84 Fed. Reg. 48,136 (2019), and notice of Portland General's filing was published in the *Federal Register*, 84 Fed. Reg. 48,349 (2019), with interventions and protests for all of the filings due on or before September 27, 2019. On September 27, 2019, the deadline for filing interventions and protests was extended to October 11, 2019.<sup>16</sup>

11. Timely motions to intervene were filed by: Bonneville; Xcel Energy Services Inc. (Xcel);<sup>17</sup> GridLiance West LLC (GridLiance);<sup>18</sup> Idaho Power; Avista; Portland General; Snohomish County Public Utility District No. 1; Puget; PacifiCorp; MATL; LSP Transmission Holdings II, LLC (LS Power); Transmission Agency of Northern California;<sup>19</sup> and American Public Power Association.

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<sup>14</sup> The hybrid allocation process allows for a 30-day negotiation period to arrange participant funding for a Preliminary Cost Allocation Project (i.e., a transmission project that is determined to be more efficient or cost-effective with a benefit-to-cost ratio greater than or equal to 1.25, and which is therefore eligible for regional cost allocation). PacifiCorp OATT, Att. K, § 8.5.4.

<sup>15</sup> *Id.* § 4.2.

<sup>16</sup> Notice of Extension of Time, Docket No. ER19-2760-000, *et al.* (Sept. 27, 2019).

<sup>17</sup> Xcel filed a motion to intervene only in Docket No. ER19-2763-000.

<sup>18</sup> GridLiance filed a motion to intervene only in Docket No. ER19-2763-000.

<sup>19</sup> Transmission Agency of Northern California filed a motion to intervene only in Docket No. ER19-2763-000.

12. On September 26, 2019, Joint State Commissions<sup>20</sup> filed comments in support of the NorthernGrid proposal.<sup>21</sup> On October 7, 2019, LS Power filed a protest. On October 18, 2019, Filing Parties filed an answer to LS Power's protest. On October 21, 2019, Bonneville filed an answer to LS Power's protest, in support of the NorthernGrid proposal. On November 4, 2019, LS Power filed an answer to Filing Parties' answer. On November 26, 2019, Senators James E. Risch, Patty Murray, Mike Crapo, Ron Wyden, and Jeffrey A. Merkley submitted a letter in support of the NorthernGrid proposal.

13. On November 18, 2019, the Commission issued a notice of conference call with Filing Parties, which occurred on November 25, 2019.

#### **IV. Discussion**

##### **A. Procedural Matters**

14. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2019), the timely, unopposed motions to intervene serve to make the entities that filed them parties to the proceedings in which they filed them.<sup>22</sup>

15. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2019), prohibits an answer to a protest or answer unless otherwise ordered by the decisional authority. We accept the answers because they have provided information that assisted us in our decision-making process.

##### **B. Substantive Matters**

16. We recognize that, by combining the existing ColumbiaGrid and NTTG transmission planning regions, the establishment of NorthernGrid would be a significant step forward for regional transmission planning in the Northwest. The Commission has long recognized that transmission planning over a broader footprint has the potential to

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<sup>20</sup> Joint State Commissions are the Idaho Public Utilities Commission, Public Utility Commission of Oregon, Washington Utilities and Transportation Commission, and Wyoming Public Service Commission.

<sup>21</sup> Joint State Commissions filed their comments only in Docket Nos. ER19-2760-000, ER19-2762-000, ER19-2763-000, ER19-2764-000, ER19-2765-000, and ER19-2766-000.

<sup>22</sup> The entities that filed comments or protests but did not file a notice of intervention or motion to intervene are not parties to these proceedings. 18 C.F.R. §§ 385.102(c)(3), 385.214(a)(3) (2019).

yield benefits for customers, and we appreciate the efforts by the region's stakeholders to establish NorthernGrid as a new transmission planning region.

17. However, as discussed below, we find that several aspects of the proposed NorthernGrid transmission planning process contained in Filing Parties' proposed Attachment Ks are inconsistent with the requirements of Order No. 1000 or otherwise not just and reasonable.<sup>23</sup> Although we reject the proposed tariff revisions, we do so without prejudice and also provide guidance, should the Filing Parties choose to submit a modified proposal that addresses the issues discussed below.<sup>24</sup> We underscore that the deficiencies identified in this order involve elements of Filing Parties' proposal and not the broader goal of combining the two transmission planning regions.

1. **Requirement to Plan on a Regional Basis to Identify More Efficient or Cost-Effective Transmission Solutions**

18. Through the regional transmission planning process, public utility transmission providers must evaluate, in consultation with stakeholders, alternative transmission solutions that might meet the needs of the transmission planning region more efficiently or cost-effectively than solutions identified by individual public utility transmission providers in their local transmission planning process.<sup>25</sup> Public utility transmission providers have the flexibility to develop, in consultation with stakeholders, procedures by which the public utility transmission providers in the region identify and evaluate the set of potential solutions that may meet the region's needs more efficiently or cost-effectively.<sup>26</sup>

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<sup>23</sup> Because Filing Parties have not shown that these enumerated aspects of its proposal are consistent with Order No. 1000 or otherwise just and reasonable, we make no findings regarding the other aspects of Filing Parties' proposal.

<sup>24</sup> We acknowledge that Filing Parties requested that, "[t]o the extent the Commission determines that any aspect of this filing is inconsistent with its requirements, [each Filing Party] respectfully requests that the Commission accept this filing, subject to a further compliance filing." PacifiCorp Transmittal Letter at 1. We decline to do so in the circumstances presented here, noting the requirements of *NRG Power Marketing, LLC v. FERC*, 862 F.3d 108 (D.C. Cir. 2017).

<sup>25</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 148.

<sup>26</sup> *Id.* P 149.

a. **Filing**

19. Filing Parties' proposed Attachment Ks describe the steps that Filing Parties will take on a quarterly basis over the biennial transmission planning cycle to develop the regional transmission plan. As proposed, the planning cycle commences with a submittal window that begins on January 1 and runs through March 31 of the first year, during which each enrolled party must submit to NorthernGrid, among other things, its local transmission plan and its enrolled party needs.<sup>27</sup> During this same submittal window, any stakeholder may submit data, including projects, for evaluation as part of the preparation of the draft regional transmission plan to address enrolled party needs.<sup>28</sup> With respect to transmission project proposals, during the submittal window, a party enrolled in NorthernGrid, a non-incumbent transmission developer, or a merchant transmission developer may propose a new transmission project, called a sponsored project, for evaluation in the planning cycle. When a party submits a sponsored project, it must provide, at minimum, information that includes details about the proposed transmission project, whether the project sponsor is requesting cost allocation, and a list of the enrolled party needs that the proposed transmission project intends to address.<sup>29</sup> The Planning Committee will use the information that it receives in the submittal window to create the draft study scope, which will describe, among other things, the projects submitted and data gathered, detailed study methodology, reliability criteria to be considered, evaluation scenarios, assumptions, enrolled party needs, baseline projects of parties enrolled in NorthernGrid, and each alternative project to be considered.<sup>30</sup>

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<sup>27</sup> PacifiCorp OATT, Att. K, § 5.2.2. Enrolled party needs are any need for transmission facilities of a party enrolled in NorthernGrid, including any need that is driven by reliability requirements, that addresses economic considerations, or is driven by Public Policy Requirements. *Id.* § 1.31.

<sup>28</sup> *Id.* § 5.2.1.

<sup>29</sup> *Id.* § 5.2.3.

<sup>30</sup> *Id.* § 6.1. Baseline projects of parties enrolled in NorthernGrid are transmission projects included in their local transmission plans plus those projects included in the prior regional transmission plan that will be reevaluated. *Id.* § 1.6. Alternative projects are any sponsored projects or interregional transmission projects (including those carried over from a prior regional transmission plan), as well as merchant projects and unsponsored projects (a concept that includes non-transmission alternatives and conceptual solutions), if any, including those projects identified by the Planning Committee. *Id.* § 1.2.



**b. Protest and Answers**

20. In its protest, LS Power asserts that the NorthernGrid planning process does not identify local or regional transmission needs until after developers and stakeholders propose projects to address those needs. LS Power states that there is no reasonable opportunity for developers to identify and propose a regional transmission solution that more efficiently or cost-effectively addresses local needs, and that requiring developers to propose projects before needs have been identified is unlikely to lead to the identification of more efficient or cost-effective solutions. LS Power argues that other than the submittal window in the first quarter, which is used for enrolled parties to submit regional planning needs, there is no opportunity in the planning cycle for a developer to propose a project or regional solution to meet identified needs.<sup>31</sup>

21. In their answer, Filing Parties maintain that stakeholders and developers have an adequate opportunity to propose regional solutions to satisfy enrolled party transmission needs prior to the region identifying those needs, because potential project sponsors have access to Filing Parties' transmission needs and previous regional transmission plans. Filing Parties also state that local transmission planning processes are open to stakeholder review and participation. Additionally, Filing Parties assert that the process of finalizing the study scope provides for the opportunity to suggest alternative regional solutions that a stakeholder believes better meets regional transmission needs.<sup>32</sup>

22. In its answer, LS Power states that Filing Parties' answer does not respond to LS Power's argument that important information is gathered and decided on during the development of the study scope, which takes place after stakeholders and developers must propose regional projects. LS Power states that this information is necessary for developers and stakeholders to effectively identify more efficient or cost-effective regional transmission solutions, including: (1) the detailed study methodology; (2) reliability criteria considered; (3) assumptions about load, resources, desired flows and constraints; (4) databases to be utilized; and (5) updates to projects previously included in the regional transmission plan. LS Power contends that Filing Parties' argument – that developers and stakeholders could track multiple local planning processes – is a tacit admission that the NorthernGrid process is not intended as a regional planning process but merely as a collection of various local planning processes. Additionally, LS Power asserts that Filing Parties do not explain how the proposed process produces a more efficient or cost-effective regional plan when developers and stakeholders must propose regional solutions at the start of the planning process,

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<sup>31</sup> LS Power Protest at 5-8.

<sup>32</sup> Filing Parties Answer at 6-8.

before local needs are combined or the study scope has determined cumulative regional data and needs.<sup>33</sup>

**c. Commission Determination**

23. We find that the proposed NorthernGrid regional transmission planning process does not satisfy Order No. 1000's requirement to evaluate alternative transmission solutions that might meet the needs of the transmission planning region more efficiently or cost-effectively than solutions identified by individual public utility transmission providers in their local transmission planning processes.<sup>34</sup>

24. Specifically, the proposed NorthernGrid regional transmission planning process does not provide transmission developers, including nonincumbent transmission developers, with a reasonable opportunity to submit project proposals after local and regional needs are identified and made available to stakeholders through the regional transmission planning process. Rather, by requiring the contemporaneous submission of both needs and proposed transmission projects, the proposed Attachment Ks would require developers to submit proposed transmission projects to address regional transmission needs prior to the identification of those needs by the regional transmission planning process. We find that this structure deprives developers and stakeholders of a sufficient opportunity to propose solutions in response to needs identified through the regional transmission planning process.

25. Although Filing Parties state that potential developers have access to Filing Parties' transmission needs through the local transmission planning processes and from previous regional transmission plans, we find that requiring potential developers to access each separate local transmission plan and the previous regional transmission plan to individually identify potential regional needs incorrectly shifts the identification of regional transmission needs from the transmission planning region to project developers. Furthermore, it is possible that the regional transmission planning process could identify regional needs that are not already identified and "rolled up" through the local transmission plans after the closure of the submittal window, without providing developers an opportunity to propose solutions in the same planning cycle. Therefore, we find that stakeholders' ability to obtain information on transmission needs from the enrolled parties' local transmission planning processes and prior regional transmission plans does not resolve our concern.

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<sup>33</sup> LS Power Answer at 7-8.

<sup>34</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 148.

26. If Filing Parties refile their proposal, the revised process should provide a meaningful opportunity for transmission developers to submit project proposals after regional transmission needs have been identified through the regional transmission planning process, and for that process to evaluate those proposed projects for possible selection in the regional transmission plan for purposes of cost allocation.

**2. Order No. 890 and other Regional Transmission Planning Process General Requirements**

27. Order No. 1000 requires that a regional transmission planning process used to produce a regional transmission plan must satisfy the following Order No. 890 transmission planning principles: (1) coordination; (2) openness; (3) transparency; (4) information exchange; (5) comparability; (6) dispute resolution; and (7) economic planning.<sup>35</sup> These transmission planning principles, which the Commission adopted with respect to local transmission planning processes pursuant to Order No. 890, must now be applied to the regional transmission planning processes established in Order No. 1000. The coordination and openness principles are relevant to our analysis in this order.

28. The coordination principle requires public utility transmission providers to provide customers and other stakeholders with the opportunity to participate fully in the planning process. The purpose of this requirement is to eliminate the potential for undue discrimination in planning by opening appropriate lines of communication between public utility transmission providers, their transmission-providing neighbors, affected state authorities, customers, and other stakeholders. The planning process must provide for the timely and meaningful input and participation of customers and other stakeholders regarding the development of transmission plans, allowing customers and other stakeholders to participate in the early stages of development.<sup>36</sup>

29. The openness principle requires that transmission planning meetings be open to all affected parties including, but not limited to, all transmission and interconnection customers, state authorities, and other stakeholders. Although the Commission recognized in Order No. 890 that it may be appropriate in certain circumstances to limit participation in a meeting to a subset of parties, such as a particular meeting of a sub-regional group, the Commission emphasized that the overall development of the transmission plan and the planning process must remain open. Public utility transmission providers, in consultation with affected parties, must also develop mechanisms to

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<sup>35</sup> Order No. 1000, 136 FERC ¶ 61,051 at PP 146, 151. Order No. 890 more fully explains these transmission planning principles.

<sup>36</sup> *Id.* P 151; Order No. 890, 118 FERC ¶ 61,119 at PP 451-454.

manage confidentiality and Critical Energy Infrastructure Information concerns, such as confidentiality agreements and password protected access to information.<sup>37</sup>

**a. Filing**

30. Filing Parties state that their proposed Attachment Ks satisfy the Commission's coordination requirement because they provide for public meetings open to all stakeholders, including transmission customers and interconnected neighbors, and a minimum of one annual interregional coordination meeting. Filing Parties also state that their proposed Attachment Ks satisfy the Commission's openness requirement because they provide for public meetings and comment periods at each milestone during the regional transmission planning process, which allow stakeholders to review the draft study scope, the regional projects selected into the draft regional transmission plan, and the draft final regional transmission plan. Filing Parties explain that meetings of both the Planning Committee and the Enrolled Parties and States Committee are open to stakeholder participation; that notice of the public meetings will be posted on the NorthernGrid website at least seven days in advance of these meetings; and that any person may request information and such information will be provided consistent with the defined Critical Energy Infrastructure Information and confidentiality requirements.<sup>38</sup>

31. Specifically, under the proposal, at the point in the transmission planning process when the Planning Committee completes each of the draft study scope, the draft regional transmission plan, and the draft final regional transmission plan, the Planning Committee will first provide these drafts to the Enrolled Parties and States Committee, and that committee has 30 days to provide its written comments to the Planning Committee. The Planning Committee will then make modifications to the draft study scope, the draft regional transmission plan, and the draft final regional transmission plan, as the Planning Committee deems appropriate, in response to the Enrolled Parties and States Committee comments. Thereafter, the Planning Committee will schedule public meetings and will post on the NorthernGrid website the draft study scope, the draft regional transmission plan, and the draft final regional transmission plan (as such drafts may be modified as a result of consideration of the Enrolled Parties and States Committee's comments), each at least seven calendar days before the meeting at which the specific draft document will be discussed with stakeholders.<sup>39</sup>

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<sup>37</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 151; Order No. 890, 118 FERC ¶ 61,119 at P 460.

<sup>38</sup> PacifiCorp Transmittal Letter at 7.

<sup>39</sup> PacifiCorp OATT, Att. K, §§ 6.2, 6.4, 9.2.

32. As discussed further below, the Cost Allocation Task Force will perform analyses to determine whether transmission projects proposed for selection in the regional transmission plan for purposes of cost allocation are more efficient or cost-effective transmission solutions to meet enrolled party needs, and whether they meet the proposed 1.25-to-1.0 benefit-to-cost ratio threshold.<sup>40</sup> The Cost Allocation Task Force will also determine the benefits that are directly attributable to the transmission project and to each enrolled party beneficiary.<sup>41</sup> As proposed, the regional transmission planning process and the Cost Allocation Task Force Charter do not provide for stakeholder participation in Cost Allocation Task Force meetings or activities.<sup>42</sup>

**b. Protest and Answer**

33. In its protest, LS Power notes that stakeholders may attend and participate, but not vote, in the Enrolled Parties and States Committee's and the Planning Committee's public meetings, and they cannot attend or vote in the Cost Allocation Task Force's meetings.<sup>43</sup> LS Power asserts that, although Filing Parties claim to have modeled the NorthernGrid regional transmission planning process on the ColumbiaGrid and NTTG regional transmission planning processes, they are taking a step backwards when it comes to the role of stakeholders in the planning process.<sup>44</sup> For example, LS Power explains that, in ColumbiaGrid, stakeholders can join the committee responsible for managing the regional transmission planning process and vote through their membership sector.<sup>45</sup> LS Power states that enrolled transmission providers effectively have veto authority over the regional transmission planning process.<sup>46</sup>

34. In their answer, Filing Parties note that developers who propose projects in the NorthernGrid transmission region may enroll and obtain voting rights,<sup>47</sup> and state that it would not be appropriate for the Commission to modify the NorthernGrid governance

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<sup>40</sup> *Id.* §§ 8.3, 8.5.2.

<sup>41</sup> *Id.* § 8.4.

<sup>42</sup> *Id.* Ex. A (Cost Allocation Task Force Charter).

<sup>43</sup> LS Power Protest at 15.

<sup>44</sup> *Id.* at 15.

<sup>45</sup> *Id.*

<sup>46</sup> *Id.* at 16-17.

<sup>47</sup> Filing Parties Answer at 15-16.

structure in this proceeding, as the structure generally mirrors the one currently used by NTTG, which has previously been approved by the Commission.<sup>48</sup>

**c. Commission Determination**

35. We find that Filing Parties' revised Attachment Ks do not fully comply with the coordination and openness regional transmission planning principles. The coordination principle requires public utility transmission providers to provide customers and other stakeholders with the opportunity to participate fully in the transmission planning process, which must provide for timely and meaningful input and participation of customers and other stakeholders regarding the development of transmission plans (including at the early stages of development).<sup>49</sup> The openness principle requires that transmission planning meetings be open to all affected parties including, but not limited to, all transmission and interconnection customers, state authorities, and other stakeholders.<sup>50</sup> We find that the Filing Parties' proposed Attachment Ks do not satisfy the coordination and openness principles because they: (1) exclude broad stakeholder participation in the initial review of the development of the draft study scope, draft regional transmission plan, and draft final regional transmission plan; (2) do not allow stakeholders to participate in Cost Allocation Task Force meetings; and (3) do not provide for timely and meaningful input and participation of stakeholders regarding the development of the transmission plan as it relates to the work performed by the Cost Allocation Task Force.<sup>51</sup>

36. First, Filing Parties' proposed Attachment Ks provide the Enrolled Parties and States Committee the opportunity to provide non-public comments to the Planning Committee on the draft study scope, the draft regional transmission plan, and the draft final regional transmission plan before either plan is provided to the broader stakeholders.<sup>52</sup> These comments may lead the Planning Committee to change those documents without other stakeholders having an opportunity to review either the

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<sup>48</sup> *Id.* at 15 (citing *PacifiCorp*, 147 FERC ¶ 61,057, at P 62 (2014)).

<sup>49</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 151; Order No. 890, 118 FERC ¶ 61,119 at PP 451-454.

<sup>50</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 151; Order No. 890, 118 FERC ¶ 61,119 at P 460.

<sup>51</sup> *Cf. PacifiCorp*, 143 FERC ¶ 61,151, at P 40 (2013) (finding that NTTG's proposal provided adequate opportunity for stakeholder participation because, among other things, stakeholders could attend cost allocation committee meetings).

<sup>52</sup> *PacifiCorp OATT*, Att. K, §§ 6.2, 6.4, 9.2.

comments or the initial drafts. Therefore, the information available to stakeholders may not reflect all of the changes that may have taken place during the initial review by the Enrolled Parties and States Committee. We believe that this structure creates the potential for parties enrolled in NorthernGrid and states to provide preferential, non-public comments that are incorporated into the regional transmission plan, without either the participation or knowledge of other stakeholders.<sup>53</sup> As a result, stakeholders do not have an opportunity to participate fully in the transmission planning process or to provide timely and meaningful input and participation regarding the development of transmission plans, including at the early stage of development.

37. Second, the proposed NorthernGrid regional transmission planning process does not allow stakeholders to participate in the cost allocation analysis performed by the Cost Allocation Task Force, which determines whether a proposed transmission project is a more efficient or cost-effective solution to enrolled party needs and therefore is eligible for regional cost allocation.<sup>54</sup> As proposed, stakeholders do not appear to have an opportunity to attend meetings held by the Cost Allocation Task Force. This structure creates the potential for parties enrolled in NorthernGrid and states to provide preferential input into the cost allocation analysis and project selection, without the participation of other stakeholders. Because they cannot participate in the Cost Allocation Task Force, stakeholders do not have a reasonable opportunity to participate fully in the transmission planning process or to provide timely and meaningful input and participation regarding the development of regional transmission plans.

38. For these reasons, we find that stakeholder participation in the proposed NorthernGrid regional transmission planning process does not comply with the Commission's coordination and openness principles for regional transmission planning processes. Although we are rejecting Filing Parties' proposal, our rejection is without prejudice to Filing Parties refiling a revised proposal with a regional transmission planning process that: (1) provides opportunities for stakeholders to provide input and participate in the initial review of the development of the draft study scope, draft regional transmission plan, and draft final regional transmission plan; (2) allows stakeholders to participate in Cost Allocation Task Force meetings; and (3) enables stakeholders to

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<sup>53</sup> Our concern is compounded by the fact that the same entities may be members of both the Planning Committee and the Enrolled Parties and States Committee, which could incentivize them to make non-public modifications to the draft study scope and draft regional transmission plan, eliminating the need to discuss those modifications at Planning Committee meetings that are open to other stakeholders.

<sup>54</sup> PacifiCorp Transmittal Letter at 19; PacifiCorp OATT, Att. K, § 8.3.

provide timely and meaningful input and participation regarding the development of the transmission plan as it relates to the work performed by the Cost Allocation Task Force.

### 3. Cost Allocation

39. Order No. 1000 requires each public utility transmission provider to have in place a method, or set of methods, for allocating the costs of new transmission facilities selected in the regional transmission plan for purposes of cost allocation.<sup>55</sup> Each public utility transmission provider must show that its regional cost allocation method or methods are just and reasonable and not unduly discriminatory or preferential by demonstrating that each method satisfies six Regional Cost Allocation Principles described in Order No. 1000.<sup>56</sup> The Commission took a principles-based approach because it recognized that regional differences may warrant distinctions in cost allocation methods among transmission planning regions.<sup>57</sup> Regional Cost Allocation Principles 1 and 3 are relevant to our analysis in this order.

40. Regional Cost Allocation Principle 1 specifies that the cost of transmission facilities must be allocated to those within the transmission planning region that benefit from those facilities in a manner that is at least roughly commensurate with estimated benefits. Cost allocation methods must clearly and definitively specify the benefits and the class of beneficiaries,<sup>58</sup> and an allocation is precluded when the benefits received are trivial in relation to the costs to be borne.<sup>59</sup> Moreover, Order No. 1000 requires public utility transmission providers in each transmission planning region to be definite about benefits and beneficiaries for purposes of their cost allocation methods.<sup>60</sup> Therefore, a benefit used by public utility transmission providers in a regional cost allocation method or methods must be an identifiable benefit, and the transmission facility cost allocated must be roughly commensurate with that benefit.<sup>61</sup> In addition, each regional transmission planning process must provide entities who will receive regional or

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<sup>55</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 558.

<sup>56</sup> *Id.* P 603.

<sup>57</sup> *Id.* P 604.

<sup>58</sup> Order No. 1000-A, 139 FERC ¶ 61,132 at P 678.

<sup>59</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 639.

<sup>60</sup> Order No. 1000-A, 139 FERC ¶ 61,132 at P 679.

<sup>61</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 625.



interregional cost allocation an understanding of the identified benefits on which the cost allocation is based.<sup>62</sup>

41. Regional Cost Allocation Principle 3 specifies that if a benefit-to-cost threshold is used to determine which transmission facilities have sufficient net benefits to be selected in a regional transmission plan for the purpose of cost allocation, the threshold must not be so high that transmission facilities with significant positive net benefits are excluded from cost allocation. Public utility transmission providers may choose to use such a threshold to account for uncertainty in the calculation of benefits and costs. If adopted, such a threshold may not include a benefit-to-cost ratio that exceeds 1.25 unless the transmission planning region or public utility transmission provider justifies, and the Commission approves, a higher ratio.<sup>63</sup>

**a. Filing**

42. Filing Parties' proposed regional transmission planning process allows any enrolled party, nonincumbent transmission developer, or interregional transmission project proponent to submit a transmission project to be evaluated for selection in the regional transmission plan for purposes of cost allocation.<sup>64</sup> Under the proposal, a transmission project's estimated cost must exceed \$20 million in order to be eligible to be selected in the regional transmission plan for purposes of cost allocation.<sup>65</sup> Such transmission projects are referred to as "Potential Cost Allocation Projects."<sup>66</sup>

43. Under the proposed regional transmission planning process, the Cost Allocation Task Force will evaluate Potential Cost Allocation Projects to determine whether any such projects are a more efficient or cost-effective solution to meet enrolled party needs. In making the determination, the Cost Allocation Task Force will consider the following factors: (1) sponsorship and degree of development; (2) feasibility; (3) coordination with any affected transmission system; (4) economics; (5) effectiveness of performance;

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<sup>62</sup> Order No. 1000-A, 139 FERC ¶ 61,132 at P 746.

<sup>63</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 646.

<sup>64</sup> Un-sponsored transmission projects may be proposed for purposes of cost allocation; however, to be eligible to be selected in the regional transmission plan for purposes of cost allocation, each un-sponsored transmission project is dependent upon a qualified sponsor to submit a request for cost allocation on behalf of the project. PacifiCorp OATT, Att. K, § 5.2.3.3.

<sup>65</sup> *Id.* § 8.1.

<sup>66</sup> *Id.* § 5.2.3.2.

(6) satisfaction of an enrolled party need, including the extent to which the proposed solution satisfies multiple enrolled party needs; (7) mitigation of any material adverse impact on any transmission system; and (8) consistency with applicable state, regional, and federal planning requirements and regulations. The proposal provides that no single factor is necessarily determinative in evaluating Potential Cost Allocation Projects.<sup>67</sup>

44. If the Cost Allocation Task Force determines that a Potential Cost Allocation Project is the more efficient or cost-effective solution to meet enrolled party needs, the Cost Allocation Task Force will determine the benefits that are directly attributable to the transmission project. Under the proposal the following benefit types will be considered: (1) deferred costs; (2) avoided capital costs; and (3) increased useful available transfer capability directly attributable to such transmission project. The Cost Allocation Task Force will only consider the benefits accrued over the ten-year regional planning horizon.<sup>68</sup>

45. Filing Parties propose to establish a benefit-to-cost ratio threshold of 1.25-to-1.0. The Cost Allocation Task Force will calculate the benefit-to-cost ratio of the transmission project by summing the identified benefits for all enrolled party beneficiaries and dividing that sum by the cost of the transmission project. Transmission projects that meet the 1.25-to-1.0 benefit-to-cost ratio will be considered a “Preliminary Cost Allocation Project.”<sup>69</sup>

46. The Cost Allocation Task Force will calculate the cost allocation to each enrolled party beneficiary of a Preliminary Cost Allocation Project. Specifically, the costs of each Preliminary Cost Allocation Project will be allocated to each enrolled party beneficiary based upon the benefits applicable to each such enrolled party beneficiary divided by the total benefits applicable to all enrolled party beneficiaries of such Preliminary Cost Allocation Project, with that result multiplied by the cost of the project.<sup>70</sup>

47. Filing Parties also propose to allow a negotiation period, under which the project sponsor will have 30 days to arrange participant funding for the Preliminary Cost Allocation Project. After the negotiation period the project sponsor must notify the Cost Allocation Task Force of the project sponsor’s election to proceed with one of three options: (1) continue with cost allocation (whereby the Cost Allocation Task Force is to proceed with notifying the Planning Committee of the results of its cost allocation);

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<sup>67</sup> *Id.* § 8.3.

<sup>68</sup> *Id.* § 8.4.

<sup>69</sup> *Id.* § 8.5.2.

<sup>70</sup> *Id.* § 8.5.3.

(2) hybrid allocation (whereby one or more persons (excluding beneficiaries) voluntarily agree(s) to accept a specific allocation of cost for a Preliminary Cost Allocation Project); or (3) withdrawal (whereby the project sponsor voluntarily withdraws its request for cost allocation). If the hybrid allocation option is selected, the Cost Allocation Task Force will subtract the amount of cost allocation voluntarily accepted from the cost of the Preliminary Cost Allocation Project, and the remainder of the costs will be allocated to the beneficiaries in accordance with the methodology set forth in section 8.5.3.<sup>71</sup> Unless a Preliminary Cost Allocation Project is removed from cost allocation consideration, the Cost Allocation Task Force will select Preliminary Cost Allocation Projects submitted for purposes of cost allocation in the draft final regional transmission plan.<sup>72</sup>

48. The Cost Allocation Task Force will document its analysis and results in the draft regional transmission plan, including any reasons for its determinations of why transmission projects are or are not more efficient or cost-effective solutions, and any benefit-to-cost ratio determinations.<sup>73</sup>

**b. Comments/Protests/Answer**

49. No comments or protests were filed regarding this issue.

**c. Commission Determination**

50. We find that the benefit-to-cost ratio analysis under the proposed NorthernGrid regional transmission planning process is not just and reasonable because it contains an incongruence in the time periods measuring the estimated project costs and project benefits, which could improperly exclude proposed transmission projects with positive net benefits from eligibility for selection in the regional transmission plan for purposes of cost allocation.

51. The Commission has recognized the importance of measuring costs and benefits over the same time period and has required changes to the benefit-to-cost ratio analysis to ensure that project benefits and costs are calculated over the same time period.<sup>74</sup> In

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<sup>71</sup> *Id.* § 8.5.4.

<sup>72</sup> *Id.* § 8.5.5.

<sup>73</sup> *Id.* §§ 8.3, 8.5.2.

<sup>74</sup> *See, e.g., Tampa Elec. Co.*, 148 FERC ¶ 61,172, at P 305 (2014) (requiring transmission providers to add further specificity in their OATTs with respect to the time period over which certain benefits would be calculated, stating that “this information is

this case, the NorthernGrid proposal defines Estimated Costs to include “the estimated annualized operation and maintenance costs of a proposed project over the Regional Planning Horizon *plus estimated total project cost...*”<sup>75</sup> The total costs for a transmission project are typically recovered over an extended period, often in excess of 40 years. However, when measuring benefits (deferred costs, avoided capital costs, and increased useful available transfer capability), NorthernGrid only proposes to consider the benefits gained during the 10-year regional planning horizon. By accounting for the project’s full costs but only a limited period of benefits, this asymmetry could result in the exclusion of proposed transmission solutions with positive net benefits.

52. For these reasons, we find that the benefit-to-cost ratio analysis under the proposed NorthernGrid regional transmission planning process is not just and reasonable. Although we are rejecting Filing Parties’ proposal, our rejection is without prejudice to Filing Parties refiling their proposal with a revised regional transmission planning process that synchronizes the time periods measuring the estimated project costs and project benefits.

#### **4. Consideration of Transmission Needs Driven by Public Policy Requirements**

53. Order No. 1000 required public utility transmission providers to amend their OATTs to describe procedures that provide for the consideration of transmission needs driven by Public Policy Requirements in the local and regional transmission planning processes.<sup>76</sup> Public Policy Requirements are requirements established by local, state, or federal laws or regulations (i.e., enacted statutes passed by the legislature and signed by the executive and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level).<sup>77</sup>

54. To comply with the requirement to identify transmission needs driven by Public Policy Requirements, public utility transmission providers, in consultation with their stakeholders, must establish procedures in their OATTs to identify at the local and regional levels those transmission needs driven by Public Policy Requirements for which

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necessary to ensure that all of the benefits and all of the costs of proposed [] projects are being calculated over the same time horizon”).

<sup>75</sup> PacifiCorp OATT, Att. K, § 1.33 (emphasis added).

<sup>76</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 203.

<sup>77</sup> *Id.* P 2. Order No. 1000-A clarified that Public Policy Requirements included local laws and regulations passed by a local governmental entity, such as a municipal or county government. Order No. 1000-A, 139 FERC ¶ 61,132 at P 319.

potential transmission solutions will be evaluated.<sup>78</sup> The process for identifying transmission needs driven by Public Policy Requirements must allow stakeholders, including, but not limited to, those responsible for complying with the Public Policy Requirements at issue and the developers of potential transmission facilities that are needed to comply with one or more Public Policy Requirements, an opportunity to provide input and to offer proposals regarding the transmission needs they believe are driven by Public Policy Requirements.<sup>79</sup>

55. In addition, public utility transmission providers, in consultation with stakeholders, must establish a just and reasonable and not unduly discriminatory process through which public utility transmission providers will identify, out of this larger set of needs, those needs for which transmission solutions will be evaluated.<sup>80</sup> Public utility transmission providers must explain in their compliance filings how their open and transparent transmission planning process determines whether to move forward regarding transmission needs driven by Public Policy Requirements.<sup>81</sup> Each public utility transmission provider must post on its website an explanation of: (1) those transmission needs driven by Public Policy Requirements that have been identified for evaluation for potential solutions in the local and regional transmission planning processes; and (2) how other transmission needs driven by Public Policy Requirements introduced by stakeholders were considered during the identification stage and why they were not selected for further evaluation.<sup>82</sup>

**a. Filing**

56. Idaho Power, NorthWestern, and Portland General propose various changes to their local transmission planning processes. Although not discussed in their transmittal letters, Idaho Power, NorthWestern, and Portland General propose to delete language in their current Attachment K local planning processes stating that they will post on their websites explanations for why other transmission needs driven by public policy will not be evaluated.<sup>83</sup> For instance, Idaho Power's proposed revised Attachment K states

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<sup>78</sup> Order No. 1000, 136 FERC ¶ 61,051 at PP 206, 207.

<sup>79</sup> *Id.* PP 207, 208.

<sup>80</sup> *Id.* P 209.

<sup>81</sup> Order No. 1000-A, 139 FERC ¶ 61,132 at P 335.

<sup>82</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 209; *see also* Order No. 1000-A, 139 FERC ¶ 61,132 at P 325.

<sup>83</sup> *See, e.g.*, Idaho Power Marked Tariff, Att. K, § 3.2.1.

instead that: “Transmission Provider will post on its OASIS website the transmission needs driven by Public Policy Requirements that will be evaluated for potential solutions in the biennial transmission planning process.”<sup>84</sup>

**b. Comments/Protests/Answer**

57. No comments or protests were filed regarding this issue.

**c. Commission Determination**

58. We find that Idaho Power, NorthWestern, and Portland General’s proposed Attachment Ks do not comply with the requirements of Order No. 1000 because their proposed local transmission planning processes do not fully comply with the posting requirements for transmission needs driven by Public Policy Requirements.

59. Order No. 1000 requires that each public utility transmission provider post on its website an explanation of: (1) those transmission needs driven by Public Policy Requirements that have been identified for evaluation for potential solutions in the local and regional transmission planning processes; and (2) how other transmission needs driven by Public Policy Requirements introduced by stakeholders were considered during the identification stage, and why they were not selected for further evaluation.<sup>85</sup> Although Idaho Power, NorthWestern, and Portland General’s revised local transmission planning processes include language that requires them to post transmission needs driven by public policy requirements that will be evaluated,<sup>86</sup> the proposed processes do not require them to post an explanation of how other transmission needs driven by Public Policy Requirements introduced by stakeholders were considered during the

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<sup>84</sup> Idaho Power OATT (12.0.0), Att. K, § 3.2.1.

<sup>85</sup> Order No. 1000, 136 FERC ¶ 61,051 at P 209; *see also* Order No. 1000-A, 139 FERC ¶ 61,132 at P 325.

<sup>86</sup> Idaho Power OATT, Att. K, § 3.2.1 (“Transmission Provider will post on its OASIS website the transmission needs driven by Public Policy Requirements that will be evaluated for potential solutions in the biennial transmission planning process.”); NorthWestern Montana OATT, Att. K (2.0.0), § 2.1.10.2.3 (“Transmission provider will post on its OASIS website a list of Public Policy Requirements that will be evaluated in the biennial transmission planning process.”); Portland General OATT, Att. K (13.0.0), § 3.2.1 (“Transmission Provider will post on its OASIS website the transmission needs driven by Public Policy Requirements that will be evaluated for potential solutions in the biennial transmission planning process.”).

identification stage, and why they were not selected for further evaluation.<sup>87</sup> Idaho Power, NorthWestern, and Portland General do not explain why their proposed local transmission planning processes do not include this posting requirement. While these parties' proposed Attachment Ks indicate that *all* stakeholder-submitted transmission needs driven by Public Policy Requirements "will be evaluated,"<sup>88</sup> the proposed Attachment Ks do not state that all stakeholder-submitted transmission needs driven by Public Policy Requirements will be evaluated *for potential solutions* in their local transmission planning processes. Given that their current local transmission planning processes contemplate that not all transmission needs driven by Public Policy Requirements will be evaluated for potential solutions,<sup>89</sup> Idaho Power, NorthWestern, and Portland General do not explain what, if anything, they have proposed changing about their local transmission planning processes that would now cause all transmission needs driven by Public Policy Requirements to be evaluated for potential solutions. If not all stakeholder-submitted transmission needs driven by Public Policy Requirements are evaluated for potential solutions, then the public utility transmission provider is required to post on its website an explanation of how those transmission needs were considered during the identification stage, and why they were not selected for further evaluation. If Idaho Power, NorthWestern, and Portland General will evaluate all

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<sup>87</sup> See, e.g., Idaho Power OATT, Att. K, § 3.2.1. This language is in their existing, Commission-approved Attachment Ks and was found to comply with Order No. 1000. *PacifiCorp*, 143 FERC ¶ 61,151 at P 139.

<sup>88</sup> See, e.g., Idaho Power OATT, Att. K, § 3.2.1 ("All stakeholder submissions, including transmission needs driven by Public Policy Requirements, will be evaluated on a basis comparable to data and submission required for planning the transmission system for both retail and wholesale customers, and alternative proposals, including proposals driven by Public Policy, will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria.").

<sup>89</sup> See *PacifiCorp*, 147 FERC ¶ 61,057 at PP 89-91 (explaining that Idaho Power, NorthWestern, and Portland General's local transmission planning processes identify which transmission needs driven by Public Policy Requirements will be included in the transmission planning process or further evaluated). Moreover, NorthWestern's proposed Attachment K appears to indicate that not all transmission needs driven by Public Policy Requirements will be evaluated for potential solutions. See NorthWestern OATT, Att. K, § 2.1.10.4 ("[I]n Quarter 1, from the larger set of Public Policy Requirements that have been received, the Public Policy Requirements that will be used to develop the Local Transmission Plan will be identified." (citation omitted)).

potential transmission needs driven by public policy requirements for potential solutions, then this should be clearly stated in their proposed Attachment Ks.<sup>90</sup>

60. We therefore find that the proposed Attachment Ks of Idaho Power, NorthWestern, and Portland General, as filed, do not comply with Order No. 1000's local transmission planning process requirement to post on their websites explanations of how transmission needs driven by public policy requirements introduced by stakeholders in their local transmission planning processes were considered during the identification stage and why they were not selected for further evaluation. Although we are rejecting Filing Parties' proposal, our rejection is without prejudice to Idaho Power, NorthWestern, and Portland General refiling their local transmission planning process proposals with: (1) further explanation about why all transmission needs driven by Public Policy Requirements introduced by stakeholders will be evaluated for potential solutions under the proposed language; (2) additional language that clearly states that all transmission needs driven by public policy requirements will be evaluated for potential solutions; or (3) if not all transmission needs driven by public policy requirements will be evaluated for potential solutions, additional language stating that the public utility transmission provider will post on its website an explanation of how other transmission needs driven by Public Policy Requirements introduced by stakeholders were considered during the identification stage, and why they were not selected for further evaluation.

The Commission orders:

Filing Parties' proposed tariff revisions are hereby rejected without prejudice, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>90</sup> See *Tampa Elec. Co.*, 143 FERC ¶ 61,254, at P 88 (2013).