

Business Practice: Transmission Planning Pursuant to OATT Attachment K**Posted: September 14, 2009****Effective: October 29, 2009****Revision No.: 2.0**

Policy Reference

In Order No. 890, the Commission reformed the *pro forma* OATT to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. One of the Commission's primary reforms was designed to address the lack of specificity regarding how customers and other stakeholders should be treated in the transmission planning process. To remedy the potential for undue discrimination in planning activities, the Commission directed all transmission providers to develop a transmission planning process at a local, sub-regional and regional level that satisfies nine principles and to clearly describe that process in a new attachment (Attachment K) to their OATTs.

Definitions

No definitions other than those currently contained in the OATT are required for this Business practice.

Practice**A. Introduction and Overview**

This Business Practice is designed to complement Deseret's OATT Attachment K, which is located in the Deseret OATT beginning at Substitute Original Sheet No. 171A. It provides additional descriptions related to the planning process and direct links to documents referenced in Attachment K and which assist Eligible Customers and stakeholders in understanding Deseret's planning practice. In addition to the information contained herein, Deseret has and continues to post documents or links to publicly available information that explains its planning obligations and planning process, including documents explaining Deseret's involvement in the Northern Tier Transmission Group (NTTG) and Western Electricity Coordinating Council (WECC) processes, all as set out in its OATT Attachment K. Please see: <http://www.oasis.pacificorp.com/oasis/dgt/main.html>

Transmission planning processes are dynamic and involve interactions with multiple stakeholders. Some of the links and documents described herein are not under the direct control of Deseret and may be updated periodically during the biennial planning cycles. They are provided here to facilitate an open and transparent transmission planning process as prescribed in Deseret's OATT Attachment K. As such, Deseret will periodically validate and update links and

documents. Most documents will contain a version or date to indicate the last revision. Documents may be valid, even if older than one year.

If any links contained in this document are broken, please immediately contact James Tucker by email at: jtucker@deseretpower.com

B. Description of the Deseret Transmission System

The Deseret Transmission System comprises four transmission lines located in the northeastern corner of Utah and the Bonanza substation adjacent to its Bonanza generating plant. This system includes a single, 171-mile, 345-kV transmission line from Bonanza to PacifiCorp’s Mona substation and three 138-kV transmission lines emanating from the Bonanza substation to each of the following interconnections: (1) a 25-mile line to Moon Lake’s Rangely substation; (2) a 26-mile line to Western Area Power Administration’s (“WAPA”) Vernal substation; and (3) a 52-mile line to PacifiCorp’s Upalco substation. WAPA’s 345-kV Bears Ears Bonanza line also terminates in the Bonanza substation. In May, 2007, a new 138-kV interconnection at the Bonanza substation was completed to serve a transmission customer’s radial load.

Deseret’s transmission system is fully embedded in other control areas; Deseret does not provide any control area services or act as a balancing authority. A depiction of Deseret’s Transmission System is shown in Figure 2, below:

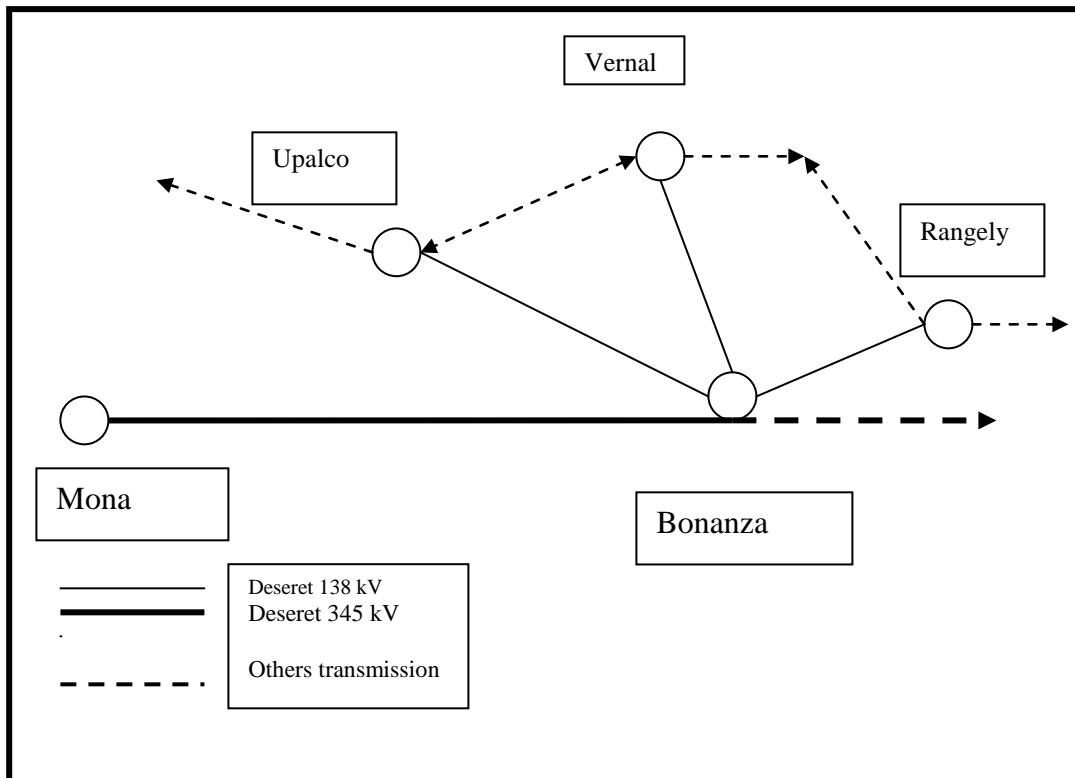


Figure 1: Deseret’s Transmission System

The Deseret transmission system integrates the 460-MW Bonanza generating unit into the Utah/Colorado power system. Deseret owns 96.25% of the Bonanza unit and is the unit operator. Bonanza generation is delivered to the Bonanza, Rangely, Upalco and Vernal substations to supply a portion Deseret's member requirements' load and to PacifiCorp at Mona to supply various Deseret Power merchant contracts and additional requirements' load of Deseret's member systems (through transmission service purchased from PacifiCorp). Other entities with ownership or current service entitlements in the Deseret transmission system include the following:

- The Utah Municipal Power Agency owns 6.25% of the transmission system (excluding the Bonanza Vernal 138 kV line).
- The Utah Associated Municipal Power Systems has a perpetual transmission entitlement of 54 MW between Bonanza and Mona.
- PacifiCorp merchant has 35 MW of long-term, firm point-to-point transmission service from Bonanza to Mona, subject to re-dispatch.
- Deseret merchant has 436 MW and 35 MW of long-term, firm point-to-point transmission service from Bonanza to Mona. Deseret merchant also has 45 MW of long term, firm point-to-point transmission service from Bonanza to Mona, subject to re-dispatch, beginning October 1, 2008.

All transmission service purchased or requested on the Deseret transmission system under its OATT has been point-to-point service; there are no network integration transmission service customers. Similarly, other than the Bonanza generating facility described above, there are no existing generators interconnected to the Deseret Transmission System, nor are there any pending interconnection requests in the queue.

Deseret Power contracts with PacifiCorp to operate the transmission system and to provide the hosting of Deseret Power's OASIS.

Deseret is currently not subject to any state integrated resource plan requirements.

C. Transmission Planning Process

Deseret's transmission planning processes include three parts: local, sub-regional (NTTG), and regional (WECC). Obligations regarding each of these concurrent processes are outlined in Attachment K. To provide stakeholders an overview of the processes, please refer to the information below and the document at:

<http://www.oasis.pacificorp.com/oasis/dgt/guidancedoclink.doc>

***Note:** This document is updated periodically and may not always contain the most current information regarding the transmission planning processes.

D. Local Transmission Planning Process – Part A of Attachment K

1. Biennial Planning Cycle and Sequence of Events Pursuant to Part A, Section 2.2 of Deseret’s Attachment K

Deseret’s Local Transmission Plan (LTP) is developed during the biennial planning cycle, and intended to correspond with and fulfill transmission planning obligations under the OATT. Interactions with sub-regional and regional planning processes are further described at:

<http://www.oasis.pacificorp.com/oasis/dgt/guidancedoclink.doc>

Deseret’s biennial schedule and study cycle for the Local Transmission Plan (LTP) eight quarter process is shown in Figure 2, below. This left column of this schedule corresponds to the narrative description in Deseret’s Attachment K, Part A, Section 2.2.1 through 2.2.7. Commencement of the first study cycle shall begin January 1, 2008, and repeat thereafter.

Biennial Planning Cycle and Schedule				
Biennial Transmission Planning Cycle				Economic Study Cycle
	Months	Quarter	Activity	Activity
Even Years	JAN-MAR	Qtr 1	Information Gathering	Receive and Prioritize Requests
	APR-JUN	Qtr 2	Study Plan and Assumptions	Study
	JUL-SEP	Qtr 3	Draft Plan Analysis	Report/Review Results
	OCT-DEC	Qtr 4		
Odd Years	JAN-MAR	Qtr 5	Draft Study Results and Review	Receive and Prioritize Requests
	APR-JUN	Qtr 6	Economic Studies and Cost Allocation Process	Study
	JUL-SEP	Qtr 7	Final Plan Report and Review	Report/Review Results
	OCT-DEC	Qtr 8	Final Plan	

Figure 2: Biennial Planning Cycle and Schedule

Per Part A, Sections 2.2.1 and 2.2.4 of Deseret’s Attachment K, stakeholders may submit data to be evaluated as part of the preparation of the Local Transmission Plan. The information must include a sufficient level of detail (e.g., location, data sources, resource type, existing and expected peak capacity, transmission voltage levels, in service date(s), associated loads/resources, etc.) to properly evaluate the proposal. All stakeholder submissions will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria. Submissions should

be directed to James Tucker (jtucker@deseretpower.com) by no later than the end of Quarters 1 or 5, as applicable. Incomplete requests will first be returned for completion to the requesting party. If not completed, such request will be rejected.

2. Economic Study Requests Pursuant to Part A, Section 6 of Deseret's Attachment K

Deseret maintains its Economic Study Request form, a list of Economic Study Requests received (if any), and responses to Economic Study Requests (if any) on its OASIS under a heading of "Economic Study Requests." To submit an economic study request to Deseret under Attachment K, the requestor must complete the written Economic Study Request form located on Deseret OASIS site and submit the form to: James Tucker jtucker@DeseretPower.com

The Economic Study Request form can be found at:

http://www.oasis.pacificorp.com/oasis/dgt/StudyRequestEconomicFinalDraft_12_07_07.pdf

The right column of Figure 2, above, corresponds to the narrative description of treatment of Economic Study Requests in Part A, Section 6 of Attachment K in conjunction with the biennial planning cycle.

Economic Study Requests will be classified by Deseret as Local, Subregional or Regional per Part A, subsection 6.4 of Attachment K.

3. Local Transmission Plan Meeting Information

Deseret maintains on a section with the heading "Local Transmission Planning" on the main page of its OASIS website a link with information concerning local transmission planning meeting announcements and notes taken of any prior local transmission plan meetings. Please see:

<http://www.oasis.pacificorp.com/oasis/dgt/main.html>

E. Sub-regional Transmission Planning Process – Part B of Attachment K

1. Interaction with the NTTG

Sub-regional transmission planning is performed in conjunction with NTTG. Deseret is a Funding Member of NTTG, and maintains a tariff or rate schedule on file with the FERC for its NTTG Planning Agreement obligations and the Amended and Restated NTTG 2008-2009 Funding Agreement. To provide stakeholders an overview of the processes, please refer to the information below and the document at:

<http://www.oasis.pacificorp.com/oasis/dgt/guidancedoclink.doc>

Additional sub-regional and regional transmission planning information is maintained by NTTG and WECC. The link to the NTTG web site is <http://www.nttg.biz>.

2. The NTTG Planning Committee and the NTTG Planning Committee Charter

The **NTTG Planning Committee page** on the NTTG web site contains members, process documents and meeting information, data submittals, reports, and other general information, in addition to the links to other documents described below.

http://nttg.biz/site/index.php?option=com_content&task=view&id=13&Itemid=85

The **NTTG Planning Committee Charter** contains the biennial study process, timelines, data submittal process, participation, information concerning Economic Study Requests and decision processes for the NTTG sub-regional planning process:

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=800&Itemid=31

3. The NTTG Study Cycle Timeline

Diagram 3 is taken from the NTTG Planning Charter (identified as “Figure 1” therein). The comprehensive transmission planning process will be comprised of the following milestone activities during an eight (8) quarter study cycle as outlined below:

Figure 1: NTTG Study Cycles

NTTG Biennial Transmission Planning Cycle			NTTG Economic Planning Studies		
	Quarter	Activity		Quarter	Activity
Year 1	Qtr 1	Information Gathering *	Year 1	Qtr 1	Receive and Prioritize Requests *
	Qtr 2	Study Plan and Assumptions *		Qtr 2	Study
	Qtr 3	Draft Plan Analysis *		Qtr 3	Report/Review Results *
	Qtr 4			Qtr 4	
Year 2	Qtr 5	Draft Study Results and Review *	Year 2	Qtr 1	Receive and Prioritize Requests *
	Qtr 6	Economic Studies and Cost Allocation Process		Qtr 2	Study
	Qtr 7	Final Plan Report and Review *		Qtr 3	Report/Review Results *
	Qtr 8	Final Plan Approval		Qtr 4	

* Stakeholder and public participation required

Diagram 3 – NTTG Study Cycles As Described in the NTTG Planning Committee Charter

Pursuant to Part B, Section 2 of Deseret's Attachment K, stakeholders may submit data to be evaluated as part of the preparation of the coordinated sub-regional study process. The information must include a sufficient level of detail (e.g., location, data sources, resource type, existing and expected peak capacity, transmission voltage levels, in service date(s), associated loads/resources, etc.) to properly evaluate the proposal. All stakeholder submissions will be evaluated on a basis comparable to data and submissions required for planning the transmission system for both retail and wholesale customers, and solutions will be evaluated based on a comparison of their relative economics and ability to meet reliability criteria. The Chair of the NTTG Planning Committee will distribute instructions and form for submission (which is also available on the NTTG website) in Quarters 1 and 5 of each planning cycle. Incomplete requests will first be returned for completion to the requesting party. If not completed, such request will be rejected.

4. Other Supporting Documents to the Sub-regional Planning Process

NTTG Planning Committee Charter (Process) –Planning Agreement – Contains membership requirements and obligations for joining the Planning Committee.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=464&Itemid=31.

NTTG Steering Committee Charter – Contains the Committee's membership requirements, responsibilities, and review process.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=587&Itemid=31

NTTG Study Plan – Study plan containing the assumptions, data, and tools used in conducting the current biennial planning cycle.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=422&Itemid=31

With a supplement at:

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=470&Itemid=31

NTTG Transmission Plan report – Current transmission plan document.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=607&Itemid=31

Transmission Planning Guidance Document – Contains description of local, sub-regional, and regional transmission planning process.

<http://www.oasis.pacificorp.com/oasis/dgt/guidancedoclink.doc>

NTTG Cost Allocation Committee Charter – Contains the Committee’s operating structure and procedures, the cost allocation process, and the cost allocation principles.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=205&Itemid=31

NTTG Cost Allocation Principles – Contains an explanation of the NTTG cost allocation principles and process.

http://nttg.biz/site/index.php?option=com_docman&task=doc_download&gid=193&Itemid=31

F. Regional Transmission Planning Process – Part C of Attachment K

1. Interaction with the WECC

Regional transmission planning is performed in conjunction with WECC, and NTTG participates in the WECC processes. To provide stakeholders an overview of the processes, please refer to the information below and the document at:

²
<http://www.oasis.pacificorp.com/oasis/dgt/guidancedoclink.doc>

2. Relevant WECC Links (<http://www.wecc.biz>)

Planning Coordination Committee (PCC) – Contains members, process documents, meeting information, and purposes of Committee.

<http://www.wecc.biz/committees/StandingCommittees/PCC/default.aspx>

PCC Handbook – Contains organization guidelines, procedures and policies, planning and operating criteria, and description of subcommittees.

http://www.wecc.biz/committees/StandingCommittees/PCC/Shared%20Documents/PCC_Handbook_Complete.pdf

Overview of Policies and Procedures for Regional Planning Project Review, Project Rating Review, and Progress Reports – Contains policies, guidelines, planning process, member responsibilities, and study

methodology regarding the process of planning and placing a project in service.

http://www.wecc.biz/library/WECC%20Documents/Miscellaneous%20Operating%20and%20Planning%20Policies%20and%20Procedures/Overview%20Policies%20Procedures%20RegionalPlanning%20ProjectReview%20ProjectRating%20ProgressReports_07-05.pdf

Transmission Expansion Planning Policy Committee (TEPPC) – Contains members, process documents, meeting information, reports, and other general information regarding the regional planning processes, in addition to the links to specific documents described below.

<http://www.wecc.biz/committees/BOD/TEPPC/default.aspx>

TEPPC Charter – Contains Committee responsibilities, composition and governance.

[http://www.wecc.biz/committees/BOD/TEPPC/Shared%20Documents/Charter/TEPPC%20Charter%20Document%20\(2008\).pdf](http://www.wecc.biz/committees/BOD/TEPPC/Shared%20Documents/Charter/TEPPC%20Charter%20Document%20(2008).pdf)

TEPPC Planning Protocol – Contains description of TEPPC planning process, role of sub-regional planning groups, and synchronized study cycle.

[http://www.wecc.biz/committees/BOD/TEPPC/Shared%20Documents/TEPPC-Planning-Protocol_V1-3\(Clean\).doc](http://www.wecc.biz/committees/BOD/TEPPC/Shared%20Documents/TEPPC-Planning-Protocol_V1-3(Clean).doc)

Deseret Power reserves the right to revoke, replace, amend and reissue this Business Practice for any reason without notice.

Contact for Assistance:

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Revision History

Version	Date	Change Summary
Final Rev 2	11/11/09	Accept draft changes after posting and post final.
Draft	9/14/09	Compliance changes per July 16, 2009 FERC order; review and update of links
Final Rev 1	3/23/2009	Made final
Draft 2	11/18/08	Correct a broken link
Draft	10/29/08	