

1.0 Overview

The Newfoundland Labrador System Operator (NLSO) executes a coordinated, open and transparent NL Transmission Planning Process in consultation with its Network and Firm Point-to-Point Transmission Customers, Interconnection Customers, and other Interested Parties. This process includes the coordination of such planning with interconnected systems, to ensure that the Newfoundland and Labrador Interconnected System is planned to meet applicable reliability standards, serve native load within the Province and fulfill firm transmission service commitments to Network and Firm Point-to-Point Transmission Customers and Interconnection Customers on a comparable and non-discriminatory basis. Capitalized terms in this document, if not defined in Section 2.0 of this document, are defined in Section 2.0 of the NL Transmission Policies and Procedures.

2.0 Definitions

Economic Planning Study: a study undertaken by the transmission provider with respect to economic upgrades such as congestion reduction or the integration of new resources.

Firm Point-to-Point Transmission Customer: an Eligible Customer which has executed a Firm Point-to-Point Transmission Service Agreement.

Interconnection Customer: any entity, including the NLSO, transmission operator or any of the Affiliates or subsidiaries of either, that proposes to interconnect its generating facility with the NL Transmission System or NL Sub-Transmission System.

Interested Party: any existing transmission customer, interconnection customer, or neighbouring transmission provider, and any other person who may be affected by the NL Transmission Planning Process.

Network Customer: an Eligible Customer which has executed a Network Integration Transmission Service Agreement.

Newfoundland and Labrador Interconnected System: the transmission facilities located within Newfoundland and Labrador operating at a voltage level of 46 kV and above. It includes the NL Transmission System and the NL Sub-Transmission System.

Transmission Plan: a report identifying a collection of projects reflecting committed and scheduled investments in transmission facilities and transmission system expansion plans, new or modified facilities approved by the transmission provider, and investments in transmission

facilities required to maintain the reliability of the Newfoundland and Labrador Interconnected System.

Transmission Planning Meeting: a meeting to provide information and solicit input from Transmission Customers, neighbouring transmission providers, and other stakeholders on the NLSO's transmission planning activities.

3.0 Roles and Responsibilities

The NLSO is responsible for planning and coordinating all changes to the Newfoundland and Labrador Interconnected System.

In pursuing this responsibility, the NLSO is responsible for ensuring that the NL Transmission Planning Process provides a coordinated, open and transparent forum for all Interested Parties. Interested Parties are encouraged to involve themselves at an early stage in the planning process. Forms of involvement may include participation in the Transmission Planning Meeting, submittal of data, review of study plans, and offering of ideas, options, or alternatives for consideration in the development of the Transmission Plan.

The NLSO is responsible for maintaining a transmission planning section on the publicly accessible portion of its OASIS website to provide notice of meetings, the overall planning schedule and to distribute publicly-available information associated with the NL Transmission Planning Process.

Interested Parties may participate in the activities associated with the NL Transmission Planning Process at their own cost.

4.0 Point of Contact

The NLSO will designate a point of contact for all matters related to its NL Transmission Planning Process and will post the point of contact, including contact details, on the NLSO's OASIS website. All information and inquiries related to the planning activities described in this document should be directed to the designated point of contact. The point of contact will respond to such inquiries as deemed appropriate by the NLSO.

5.0 NL Transmission Planning Process

5.1. Introduction

The NLSO's NL Transmission Planning Process reflects the following principles:

- a) Coordination – transmission customers and interconnected systems will be included in the development of the Transmission Plan.
- b) Openness – the NL Transmission Planning Process will be open to transmission customers and other stakeholders via planning meetings and public comment periods.
- c) Transparency – the data, study methodology, basic criteria and assumptions required for the development of the Transmission Plan will be made available via OASIS.
- d) Information exchange – information exchange guidelines and schedules for the submittal of transmission planning information will be developed, and information will be identified in advance and made available at regular intervals.
- e) Comparability – the Transmission Plan will evaluate use of the transmission system on an equal basis for all customers. The same criteria and planning processes will be applied to the same types of projects, regardless of customer. The NLSO's transmission and generation interconnection queue is processed using a first-come, first-served basis to ensure objectivity and comparability, as detailed in Section 3.0 of the *Methodology for Completing a System Impact Study*. Customer demand resources will be considered on a comparable basis with generation resources in the NL Transmission Planning Process.
- f) Dispute resolution – a dispute resolution process will be defined.
- g) Regional participation – coordination with interconnected systems will be considered with respect to regional planning.
- h) Economic planning studies – the Transmission Plan will economically meet reliability requirements. Requests for economic planning studies and responses will be posted on OASIS.
- i) Cost allocation – the types of new projects not covered under existing cost allocation rules will be identified.

5.2. Transmission Plan

In each calendar year, the NLSO shall prepare, with the input of stakeholders, and publish a draft long-term plan for the reliable operation of the Newfoundland and Labrador Interconnected System, referred to as the Transmission Plan. The plan shall cover a period of no less than ten (10) years and is comprised of:

- a) The basic methodology, criteria and processes used to develop the Transmission Plan;
- b) Summarized results of studies performed as part of the annual transmission assessment and other non-confidential studies of the Newfoundland and Labrador Interconnected System;
- c) The identification of upgrades committed, under study or proposed;
- d) Data and information submitted by Interested Parties;
- e) Committed and scheduled investments in expansion plans;
- f) Connections of new or modified facilities that have been approved by the NLSO; and
- g) Investments in facilities required for reasons of reliability.

Certain materials may be designated as Critical Energy/Electric Infrastructure Information (CEII). The existence of such materials may be referenced as appropriate in transmission planning documents, but the materials themselves will not be made publicly available. Any Interested Party wishing to access CEII materials must submit a CEII Request Form and Non-Disclosure Agreement. These forms will be posted on the NLSO OASIS website.

Upon completion of the draft Transmission Plan, the NLSO will:

- a) Publish the draft Transmission Plan on the NLSO's OASIS website by March 31;
- b) Solicit comments on the contents of the draft Transmission Plan via electronic mail and the OASIS website, due by April 30;
- c) Conduct the annual Transmission Planning Meeting by no later than April 15;
- d) Post a summary of comments received to the NLSO OASIS website by May 15; and
- e) Publish a revised and finalized Transmission Plan to correct material errors or omissions where warranted and incorporate relevant stakeholder feedback.

If an Interested Party is not satisfied that their feedback has been properly addressed by the NLSO, they have the right to pursue the dispute resolution process outlined in the *NL Transmission Policies and Procedures*.

The following information, used in developing the Transmission Plan, shall be made available in the transmission planning section of the NLSO's OASIS website, subject to the need to protect confidential or security sensitive information:

- a) NL Transmission Planning Guidelines;
- b) Current Transmission Plan;
- c) The status of network upgrades for projects in progress;
- d) Information received from Interested Parties throughout the course of the planning process;
- e) Planning information developed in the course of the planning process, including circulated draft and final study and Transmission Plans, meeting minutes and customer feedback; and
- f) Other information considered relevant to the NL Transmission Planning Process, including information received from advisory groups, regional planning groups and local and regional studies.

5.3. Methodology, Criteria and Processes for Developing Transmission Plans

The NLSO's planning methodology is outlined in the *NL Transmission Planning Guidelines*. These guidelines outline the basic criteria, assumptions and data that underlie the transmission planning for the Newfoundland and Labrador Interconnected System. The *NL Transmission Planning Guidelines* will be made available to stakeholders in the transmission planning section of the NLSO's OASIS website. These guidelines include: the criteria used for analysis of the NL Transmission System, including power flow, stability, short-circuit, and voltage collapse analyses; adherence to NL reliability standards; treatment of native load; transmission contingencies and measurements; thermal and voltage limits; minimum operating voltage at generators; and modeling considerations.

5.4. Annual Transmission Assessment

The NLSO shall perform, prior to March 31, an annual assessment to identify the potential need for investments in transmissions facilities and other items that may be required to maintain the reliability of the Newfoundland and Labrador Interconnected System, and to reduce the costs associated with transmission congestion. Where applicable, the annual assessment shall identify the impact of existing and emerging shortfalls of transmission capacity on the Newfoundland and Labrador Interconnected System, any significant existing, emerging or potential transmission congestion, the impact of the connection of a new or modified facility, and the adequacy of interconnections.

Where the NLSO has identified the need to alleviate existing or emerging transmission congestion on the Newfoundland and Labrador Interconnected System, it shall develop and study technically feasible options for alleviating the constraint in consultation with existing and potential Interested Parties.

5.5. Study Procedures for Economic Upgrades or Integration of New Resources

Economic Planning Studies shall evaluate potential upgrades or other investments that could reduce congestion on the basis of their reliability performance and cost. The NLSO will conduct Economic Planning Studies within its planning scope.

Interested Parties may submit written requests for Economic Planning Studies to the NLSO by completing the form of application (*Request for Economic Planning Study*), available on the NLSO website. The complete application requirements are described in *Guidelines for Requesting an Economic Planning Study*. The guidelines also describe how Economic Planning Studies are evaluated.

The NLSO shall, with due consideration of priorities identified by Interested Parties, identify a maximum of two high priority Economic Planning Studies, with no minimum, that will be performed on behalf of Interested Parties within a calendar year. The NLSO will have no obligation to proceed with an Economic Planning Study if it does not receive the information reasonably necessary to conduct the Economic Planning Study. If an Interested Party is not satisfied with the studies identified by the NLSO, they have the right to pursue the dispute resolution process outlined in the *NL Transmission Policies and Procedures*.

5.6. Consultation with Interested Parties, Including Customers and Neighbouring Transmission Providers

Throughout the NL Transmission Planning Process, the NLSO will ensure that there are opportunities for information exchange between the NLSO and Interested Parties. The opportunities provided for information exchange will be dependent on the nature of the specific planning activity being undertaken and will be determined by the NLSO.

The NLSO will post input received from Interested Parties, or summarize such input where appropriate, to its OASIS website. The NLSO will consider the input received from Interested Parties and may update the Transmission Plan to reflect such input. Revised Transmission Plans will be posted on the NLSO OASIS website.

The NLSO may establish a comment period through which it will take into account the written comments of Interested Parties with respect to a particular phase of a planning activity. The requirements and timelines for providing written comments to the point of contact will be made available through the NLSO's OASIS website.

In addition to its local NL Transmission Planning Process, the NLSO will coordinate its transmission planning with other transmission providers and stakeholders in the region through its active participation in regional planning groups. Through its participation, data sharing and information exchange will take place with regards to interconnected transmission systems and coordinated planning studies that may have interregional impacts.

5.7. Submission of Customer Data to the NLSO

The NLSO will receive planning information from Interested Parties as follows:

- a) Interested Parties may submit written requests for Economic Planning Studies;
- b) Network Customers, (including NLH for the purpose of its service to native load), shall provide annual updates to their long-term forecast on Network Loads and Network Resources;
- c) Transmission Customers receiving Long-Term Firm Point-to-Point Transmission Service shall provide a 10-year projection of the need for and usage of Long-Term Firm Point-to-Point Transmission Service on the transmission system including receipt and delivery points;
- d) Interconnection Customers shall provide a 10-year forecast with respect to any planned additions or upgrades, including their status and expected in-service date, planned retirements and environmental restrictions;

- e) Any Interested Party may also provide:
 - a. Information related to solutions to offset or defer transmission investments, including targeted demand-side management and generation options;
 - b. Any information on potential requirements or opportunities that the Interested Party believes should be considered in a particular planning activity, including transmission needs driven by federal or provincial statutes or regulations; and
 - c. Information regarding planned generator additions or upgrades (including status and expected in-service date), planned retirements, and environmental restrictions.

Subject to confidentiality, CEII protections and any other security restrictions, any information received from Interested Parties may be used by the NLSO without restriction in its transmission planning activities, and in other planning activities or studies, such as studies in response to requests for transmission service or generator interconnection. However, if the NLSO determines that any information is inappropriate or unreasonable for a particular purpose, it will not use it for such purpose.

If an Interested Party fails to provide data or otherwise participate in the NL Transmission Planning Process, the NLSO may plan the transmission system based on the most recent information available, subject to review and modification by other participants.

5.8. Transmission Planning Related Notices

The transmission planning section of the NLSO's OASIS is the central point of communication for all notices, activities and materials associated with the annual NL Transmission Planning Process, including Transmission Planning Meetings.

The NLSO will announce the initiation of the NL Transmission Planning Process via e-mail to known Interested Parties and on its OASIS website. The announcement will include:

- a) A description of the NL Transmission Planning Process being undertaken, including anticipated milestones and schedule;
- b) Instructions on how to access the NLSO's transmission planning information;
- c) Instructions on how to access the NLSO's *NL Transmission Planning Guidelines* for providing planning information;
- d) An outline of anticipated opportunities that will be available to Interested Parties to provide input into the planning activity;

- e) Instructions on how to access the NLSO's *Guidelines for Requesting an Economic Planning Study*; and
- f) The number of Economic Planning Studies that the NLSO will undertake during the NL Transmission Planning Process.

5.9. Annual Transmission Planning Meeting

The NLSO will conduct an annual Transmission Planning Meeting during its annual planning cycle in early April to consult and coordinate with Transmission Customers, neighbouring transmission providers and other stakeholders. The timing, location and agenda of any Transmission Planning Meeting will be made available through the NLSO's OASIS website at least fourteen (14) business days in advance of the meeting.

5.10. Cost Allocation

The NLSO uses the following cost allocation criteria for economic upgrades or additions. The following cost allocation criteria does not apply to network upgrades or additions necessary to maintain transmission system reliability, nor do they apply to network upgrades or additions identified in conjunction with a transmission service request. No upgrades will be built unless the NLSO has a guarantee from the customer requesting such upgrade that they will pay for the upgrade and that the NLSO will not be responsible for any of the costs of the upgrade.

1. Projects with a Single Transmission Customer – if a network upgrade or addition is identified in an Economic Planning Study requested by a single customer, and if such addition or upgrade is then approved for construction, then the customer requesting the upgrade shall agree to pay for the costs of the upgrade. If the customer fails to agree to pay the costs identified, then the request will be deemed withdrawn.
2. Projects with Multiple Transmission Customers – if a network upgrade or addition is requested by more than one Transmission or Network Customer, the customers requesting the upgrade shall agree as to how the costs of the upgrade shall be allocated among the customers identified in the Economic Planning Study. If the customers fail to reach an agreement, the NLSO shall allocate the costs of the upgrade on an equal, per capita basis to all customers requesting the upgrade.

Appendix A – Transmission Planning Schedule

