

Integrated System (IS) Network Service Planning Process, Associated Business Practices

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1. Transmission Provider Responsibilities:

The Integrated System (IS) members (**Transmission Providers**) have the following requirements regarding Transmission System planning, as outlined in the Western Area Power Administration (Western) Open Access Transmission System Tariff (Tariff):

Section 28.2¹: "The Transmission Provider will plan, construct, operate and maintain its Transmission System in accordance with Good Utility Practice in order to provide the Network Customer with Network Integration Transmission Service over the Transmission Provider's Transmission System . . . [T]he Transmission Provider shall include the Network Customer's Network Load in its Transmission System planning and shall, consistent with Good Utility Practice, endeavor to construct and place into service sufficient transmission capacity to deliver the Network Customer's Network Resources to serve its Network Load on a basis comparable to the Transmission Provider's delivery of its own generating and purchased resources to its Native Load Customers. This obligation to construct and place into service sufficient transmission capacity to deliver the Network Customer's Network Resources to serve its Network Load is contingent upon the availability to Transmission Provider of sufficient appropriations and/or authority, when needed, and the Transmission Customer's advanced funds."

Section 28.3: "Network Integration Transmission Service: The Transmission Provider will provide firm transmission service over its Transmission System to the Network Customer for the delivery of capacity and energy from its designated Network Resources to service its Network Loads on a basis that is comparable to the Transmission Provider's use of the Transmission System to reliably serve its Native Load Customers."

2. Network Customer Responsibilities:

The **Network Customers** have the following requirements, as outlined in Western's Tariff:

Network Resources:

Section 30.2: "The Network Customer may designate a new Network Resource by providing the Transmission Provider with as much advance notice as practicable. A designation of a new Network Resource must be made by a request for modification of service pursuant to an Application under Section 29." (emphasis added).

Note: Western requires a complete Application for a new Network Resource, which includes an OASIS request. In addition, for requests of one year or longer, a written Application and Application Fee is required. A System Impact Study is then performed, if required, to determine if adequate ATC remains to accommodate the new Network Resource, or if transmission system additions are required to accommodate the request. Once a new Network Resource is approved, it is then included in the Network Transmission Study and Plan and all applicable on-going and future studies.

Section 30.3: "The Network Customer may terminate the designation of all or part of a generating resource as a Network Resource at any time but should provide notification to the Transmission Provider as soon as reasonably practicable." (emphasis added).

¹ All extracts from Western's Open Access Transmission Service Tariff are included for convenience. If there are any differences in the language, the Tariff is correct.

New Network Loads/New Interconnection Points:

Section 31.2: “The Network Customer shall provide the Transmission Provider with as much advance notice as reasonably practicable of the designation of new Network Load that will be added to its Transmission System. A designation of new Network Load must be made through a modification of service pursuant to a new Application. The Transmission Provider will use due diligence to install any transmission facilities required to interconnect a new Network Load designated by the Network Customer. The costs of new facilities required to interconnect a new Network Load shall be determined in accordance with the procedures provided in Section 32.4 and shall be charged to the Network Customer in accordance with Commission policies.” (emphasis added).

Section 31.4: “To the extent the Network Customer desires to add a new Delivery Point or interconnection point between the Transmission Provider’s Transmission System and a Network Load, the Network Customer shall provide the Transmission Provider with as much advance notice as reasonably practicable.” (emphasis added).

Note: Western requires a complete Application for a new Network Load, which includes an OASIS request. In addition, for requests of one year or longer, a written Application and Application Fee is required. A System Impact Study is then performed, if required, to determine if adequate ATC remains to accommodate the new Network Load, or if transmission system additions are required to accommodate the request. Once a new Network Load is approved, it is then included in the Network Transmission Study and Plan and all applicable on-going and future studies.

Network Planning/Load Forecasts:

Section 31.6: “The Network Customer shall provide the Transmission Provider with annual updates of Network Load and Network Resource forecasts consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff. The Network Customer also shall provide the Transmission Provider with timely written notice of material changes in any other information provided in its Application relating to the Network Customer’s Network Load, Network Resources, its transmission system or other aspects of its facilities or operations affecting the Transmission Provider’s ability to provide reliable service.” (emphasis added.)

Section 35.1: “The Network Customer shall plan, construct, operate and maintain its facilities in accordance with Good Utility Practice and in conformance with the Network Operating Agreement².” (emphasis added).

Section 35.2: “The Network Operating Agreement shall provide for the Parties to (i) operate and maintain equipment necessary for integrating the Network Customer within the Transmission Provider’s Transmission System (including, but not limited to, remote terminal units, metering, communications equipment and relaying equipment), . . . [(iv)] exchange data on forecasted loads and resources necessary for long-term planning, and (v) address any other technical and operational considerations required for implementation of Part III of the Tariff, including scheduling protocols.” (emphasis added).

Note: Western plans, constructs, and operates and maintains its transmission system in accordance with Good Utility Practice. Western utilizes the latest load forecasts and current regional powerflow and other applicable models when performing transmission system studies. These regional models, which are used by Western and also other regional Transmission Providers, generally include the latest load forecasts for the IS Network Customers as well as the

² See Section 3 below regarding the necessity for the Network Operating Agreement.

potentially impacted 3rd party systems. Western will update the regional powerflow models as necessary, if more accurate load forecasts are provided to Western by the Transmission Customers.

3. Clarification of Attachment G language in Tariff:

In Western's Tariff, Attachment G outlines specific operating requirements and provisions to be included in the Network Operating Agreement, if such an agreement is necessary. As Western performs joint planning with the Network Customers and the IS Providers, and addresses a number of the other provisions of Section 35.2 of the Tariff under other agreements or through existing Mid-Continent Area Power Pool (MAPP) or Midwest Reliability Organization (MRO) forums, Western's Upper Great Plains Region (UGPR) will only request Network Customers to execute a Network Operating Agreement with Western, on an as-needed basis. For the same reasons, Western will only establish a Network Operating Committee, pursuant to provisions of Section 35.3 of the Tariff, if necessary.

4. Clarification of types of Network Load growth:

"New Network Load", for an existing Network Customer, will be considered as a new Network Load (not load growth in the Network Customer's existing service territory) that also requires a new Point of Delivery (POD) that is not specified in the Network Customer's Service Agreement. Therefore, per Section 31.2 of the Tariff, the Network Customer must submit an Application for the "New Network Load". The Network Customer's request for the "New Network Load" shall be queued with other pending transmission service requests on OASIS and other pending interconnection requests (if applicable). Western will use best efforts to accommodate the request after resolving any higher priority conflicting requests in the queue.

"Unplanned Network Load Growth", for an existing Network Customer, will be considered as a significant increase in the load forecast for an existing Network Load (and it's associated POD, or at newly required interconnection points in the same service territory, as determined by Western to be necessary to maintain adequate and reliable electric service to the Transmission Customer's Network Loads), and therefore will not be subject to placement in the OASIS queue, and will be accommodated as soon as practicable. Unplanned Network Load Growth usually occurs due to the addition of a large load or facility in an area that the Network Customer did not previously expect such a load to be added, or for a new interconnection to allow the growing load to be adequately served from the IS. Western cannot ensure transmission service will be immediately available to fully accommodate the network loads if the Network Customer submits late or revised load forecasts and insufficient lead-time remains to modify or expand the Network to accommodate the new forecast within the requested time frame.

Network Load Growth, for an existing Network Customer, is the growth of load over time at existing Points of Delivery, as communicated by the Network Customer during the Annual Planning process.

5. Joint Planning/IS System Modifications and Expansions:

The IS Providers will jointly plan the Network Transmission System with the Network Customers input, and will seek to plan any required Network facility additions on a least cost basis. Any required transmission system facility additions identified by this joint planning process will be embedded in the IS Network rate provided they meet the prevailing requirements as identified in Western's most recent applicable policies and Network rate formula filing.

As outlined in the Tariff, a Network Customer may request new interconnection points or Points of Delivery. The IS Providers will review these requests, and will allow new interconnections to the IS, pursuant to the provisions of the Tariff and Western's "General Requirements for Interconnection" document. However, if in the IS Providers' sole determination, the requested

new interconnection points or Points of Delivery are not required to serve the Network Load and are inconsistent with Western's network expansion plans, they will be deemed to be Direct Assignment Cost facilities. The Network Customer will be required to install those facilities at their own expense. In addition, for any interconnections that are not ultimately included within the IS that involve an installation which sectionalizes an IS transmission line or transmission facility, the Customer shall agree to provide a transmission path to the IS Providers across such sectionalizing facilities at no cost or expense. Additionally, Western shall determine what portion of such facilities shall be under the dispatching jurisdiction of Western, and the customer must make provisions for such control at no cost to Western. Said transmission path shall be at least equal, in terms of capacity and reliability, to the path in the IS transmission line prior to the installation of the interconnection.

6. Network Service Planning Process/Annual Schedule:

1. December 1st: Western will request annual updates to the Network Load forecasts from all the Network Customers.
2. February 1st: Network Customers submit Network Load forecasts. Network Customers will submit any subsequent modifications to their load forecasts to Western as soon as possible. They will also submit requests to add the costs for any planned facilities to the Integrated System. These requests for facility additions must be submitted to all the IS owners for their approval.
3. October-April (On-going): Western and other IS Providers will meet individually with Network Customer's (at their request) to review their updated Load forecasts and discuss Customer's Network Service needs and review internal study work.
4. May 1st: Western will develop updated seasonal mid-term and out-year planning models with updated Network Load forecasts (from latest released approved MAPP or other applicable regional Models) and begin the annual Transmission System Planning study. The Study will review the adequacy of the IS to accommodate the projected Network Load and Designated Network Resources. The Study will identify any necessary system expansions and new interconnections or points of delivery required.
5. July: Western will present the annual Network Transmission Study and Plan to the Network Customers, and solicit any feedback on the proposed system expansions and new interconnections to accommodate the Network Load.
6. August: Western will publish the final Network Transmission Study and Plan, and update the Available Transmission Capacity (ATC) values to reflect the Network use updates and proposed system modifications.

7. Impact of Network Transmission Study and Plan upon Pending Point-to-Point Transmission Requests

The review of pending Point-to-Point and New Network Transmission Service requests will be based upon the latest Network Transmission Study and Plan, and any requests for transmission service that have been confirmed by the Transmission Customer since the latest study. The ATC's on the IS will be adjusted accordingly.

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Update History:

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