

DRAFT
11/09/2007

ATTACHMENT K
Transmission Planning Process

The Transmission Provider participates in the Regional Planning Process described herein and on the Regional Planning Website, a link to which is found on the Transmission Provider's OASIS. The other transmission providers that participate in this Regional Planning Process are identified on the Regional Planning Website ("Sponsors").¹ This Regional Planning Process provides a coordinated, open and transparent planning process between the Transmission Provider and its Network and Firm Point-to-Point Transmission Customers and other interested parties, including the coordination of such planning with interconnected systems within the region, to ensure that the Transmission System is planned to meet the needs of both the Transmission Provider and its Network and Firm Point-to-Point Transmission Customers on a comparable and nondiscriminatory basis. The Transmission Provider's coordinated, open and transparent planning process is hereby provided in this Attachment K, with additional materials provided on the Regional Planning Website.

As provided herein, the Transmission Provider's planning process addresses the following nine principles, as defined in the Final Rule in Docket No. RM05-25-000: coordination, openness, transparency, information exchange, comparability, dispute resolution,

¹ The Transmission Provider notes that while this Attachment K discusses the Transmission Provider largely effectuating the activities of the Regional Planning Process that are discussed herein, the Transmission Provider expects that the other Sponsors will also be sponsoring those activities. For example, while this Attachment K discusses the Transmission Provider hosting the Annual Transmission Planning Meetings, the Transmission Provider expects that it will be co-hosting such meetings with the other Sponsors. Accordingly, many of the duties described herein as being performed by the Transmission Provider may be performed in conjunction with one or more other Sponsors or may be performed entirely by one or more other Sponsors. Likewise, while this Attachment K discusses the transmission expansion plans of the Transmission Provider, the Transmission Provider expects that transmission expansion plans of the other Sponsors shall also be discussed, particularly since, at times, a single transmission expansion plan may be common to all Sponsors. To the extent that this Attachment K makes statements that might be construed to imply establishing duties or obligations upon other Sponsors, no such duty or obligation is intended. Rather, such statements are intended to only mean that it is the Transmission Provider's expectation that other Sponsors will engage in such activities. Accordingly, this Attachment K only establishes the duties and obligations of the Transmission Provider and the means by which Stakeholders may interact with the

regional participation, economic planning studies, and cost allocation for new projects. This planning process also addresses the requirement to provide a mechanism for the recovery and allocation of planning costs consistent with the Final Rule in Docket No. RM05-25-000.

Section 1. Coordination

1.1 General: The Regional Planning Process is designed to eliminate the potential for undue discrimination in planning by establishing appropriate lines of communication between the Transmission Provider, its transmission-providing neighbors, affected state authorities, Transmission Customers, and other Stakeholders² regarding transmission planning issues.

1.2 Meeting Structure: Each calendar year, the Regional Planning Process will generally conduct and facilitate four (4) meetings (“Annual Transmission Planning Meetings”) that are open to all Stakeholders. However, the number of Annual Transmission Planning Meetings, or duration of any particular meeting, may be adjusted by announcement upon the Regional Planning Website, provided that any decision to reduce the number of Annual Transmission Planning Meetings must first be approved by the Sponsors and by the Regional Planning Stakeholders’ Group (“RPSG”). These meetings can be done in person, through phone conferences, or through other telecommunications or technical means that may be available. The details regarding any such meeting will be posted on the Regional Planning Website, [with a projected meeting schedule for a](#)

[Transmission Provider through the](#) Regional Planning Process described herein.

² Provide a definition of Stakeholders in the OATT that states: Stakeholder: Any Eligible Customer, ~~Transmission Customer~~ [generation owner/development company](#), state or federal regulatory agency, and anyone capable of providing Ancillary Services under the Tariff is eligible to be a Stakeholder under the Tariff. In addition, any Transmission Owner, Transmission Operator, or Transmission Planner as those terms or their successors are used under the NERC Functional Model, as may be amended from time to time, are eligible to be a Stakeholder under the Tariff.

calendar year being posted on the Regional Planning Website on or before December 31st of the prior calendar year, with firm dates for all Annual Transmission Planning Meetings being posts at least 60 days prior to a particular meeting. The general structure and purpose of these four (4) meetings will be as follows:

1.2.1 First RPSG Meeting and Interactive Training Session: At this meeting, which will be held in the first quarter of each calendar year, the RPSG will be formed for purposes of that year. In addition, the Transmission Provider will meet with the RPSG and any other interested Stakeholders for the purposes of allowing the RPSG to select up to five (5) stakeholder requested Economic Planning Studies that they would like to have studied by the Transmission Provider and the Sponsors. At this meeting, the Transmission Provider will work with the RPSG to assist the RPSG in formulating these Economic Planning Study requests. Requests that are inter-regional in nature will be addressed in the Inter-Regional Participation Process. The Transmission Provider will also conduct an interactive training session regarding its transmission planning for all interested Stakeholders. This session will explain and discuss the underlying methodology and criteria utilized to develop transmission expansion plans. Depending upon the major transmission planning issues presented at that time, the Transmission Provider will provide various technical experts that will lead the discussion of pertinent transmission planning topics, respond to Stakeholder questions, and provide technical guidance regarding transmission planning matters. It is foreseeable that it may prove appropriate to shorten the training sessions as

Stakeholders become increasingly knowledgeable regarding the Transmission Provider's transmission planning process and no longer need detailed training in this regard. The Transmission Provider will also address transmission planning issues that the Stakeholders may raise.

1.2.2 Preliminary Expansion Plans Meeting: During the second quarter of each calendar year, the Transmission Provider will meet with all interested Stakeholders to explain and discuss the Transmission Provider's preliminary transmission expansion plans. These preliminary transmission expansion plans will be described to the Stakeholders, with this meeting providing them an opportunity to provide their input and feedback, including any transmission plan/enhancement alternatives that the Stakeholders would like the Transmission Provider and the Sponsors to consider. In addition, the Transmission Provider will address transmission planning issues that the Stakeholders may raise.

1.2.3. Second RPSG Meeting: During the third quarter of each calendar year, the Transmission Provider will meet with the RPSG and any other interested Stakeholders to report the preliminary results for the Economic Planning Studies requested by the RPSG at the First RPSG Meeting and Interactive Training Session. Study results that are inter-regional in nature will be reported to the RPSG and interested Stakeholders as they become available from the Inter-Regional Planning Participation Process. This meeting will give the RPSG an opportunity to provide input and feedback regarding those preliminary results, including alternatives for possible transmission solutions that have been identified. At this

meeting, the Transmission Provider shall provide feedback to the Stakeholders regarding any transmission expansion plan alternatives that the Stakeholders may have provided at the Preliminary Expansion Plans Meeting, or within a designated time following that meeting. In addition, the Transmission Provider will address transmission planning issues that the Stakeholders may raise.

1.2.4 Annual Transmission Planning Summit and Assumptions

Input Meeting: During the fourth quarter of each calendar year, the Transmission Provider will host the annual Transmission Planning Summit and Assumptions Input Meeting.

1.2.4.1 Annual Transmission Planning Summit: At the Annual Transmission Planning Summit aspect of the Annual Transmission Planning Summit and Assumptions Input Meeting, the Transmission Provider will present the final results for the Economic Planning Studies. The results for such studies that are inter-regional in nature will be reported to the RPSG and interested Stakeholders as they become available from the Inter-Regional Planning Participation Process. The Transmission Provider will also provide an overview of the ten (10) year transmission expansion plan. In addition, the Transmission Provider will address transmission planning issues that the Stakeholders may raise.

1.2.4.2 Assumptions Input Session: The Assumptions Input aspect of the Annual Transmission Planning Summit and Assumptions Input Meeting will take place following the annual Transmission Planning Summit and will provide an open forum for

discussion with, and input from, the Stakeholders regarding the [data gathering and](#) transmission model assumptions that will be used for the development of the Transmission Provider's following year's ten (10) year transmission expansion plan. This meeting may also serve to address miscellaneous transmission planning issues, such as reviewing the previous year's regional planning process, and to address specific transmission planning issues that may be raised by Stakeholders.

1.3 Committee Structure – the RPSG: To facilitate focused interactions and dialogue between the Transmission Provider and the Stakeholders regarding transmission planning, and to facilitate the development of the Economic Planning Studies, the RPSG was formed in March 2007. The RPSG has two primary purposes. First, the RPSG is charged with determining and proposing up to five (5) Economic Planning Studies on an annual basis [and should consider clustering similar Economic Planning Study requests.](#) [The RPSG is also encouraged to coordinate with stakeholder groups in the area covered by the Inter-Regional Participation Process regarding requests for Economic Planning Studies that are inter-regional in nature.](#) Second, the RPSG serves as representatives for the ~~seven~~[eight](#) (78) industry sectors identified below.

1.3.1 RPSG Sector Representation: The Stakeholders are organized into the following ~~seven~~[eight](#) (78) sectors for voting purposes within the RPSG:

- (1) Transmission Owners/Operators³
- (2) Transmission Service Customers

³ The Sponsors will not have a vote within the Transmission Owners/Operators sector, although they (or their affiliates, subsidiaries or parent company) shall have the right to participate in other sectors.

- (3) Cooperative Utilities
- (4) Municipal Utilities
- (5) Power Marketers
- (6) Generation Owners/Developers
- (7) ISO/RTOs

(8) Demand Side Management/Demand Side Response

1.3.2 Sector Representation Requirements: Representation within each sector is limited to two members, with the total membership within the RPSG being capped at ~~14~~16 members (“Sector Members”). The Sector Members, each of whom must be a Stakeholder, are elected by Stakeholder sector representatives. A single company, and all of its affiliates, subsidiaries, and parent company, is limited to participating in a single sector.

1.3.3 Annual Reformulation: The RPSG will be reformed annually at each First RPSG Meeting and Interactive Training Session discussed in Section 1.2.1. Specifically, the Sector Members will be elected for a term of approximately one year,~~with the that will terminate upon the convening of the following year’s First RPSG Meeting and Interactive Training Session.~~ Sector Members ~~being~~shall be elected by the sector representatives of the Stakeholders physically present at the ~~first quarter meeting.~~First RPSG Meeting and Interactive Training Session If elected, Sector Members may serve consecutive, one-year terms, and there is no limit on the number of terms that a Sector Member may serve.

1.3.4 Simple Majority Voting: RPSG decision-making that will be recognized by the Transmission Provider for purposes of this Attachment K shall be those authorized by a simple majority

voting by the then-current Sector Members, with voting by proxy being permitted for any Sector Member that is unable to attend a particular meeting. The Transmission Provider will notify the RPSG of the matters upon which an RPSG vote is required and will use reasonable efforts to identify upon the Regional Planning Website the matters for which an RPSG decision by simple majority vote is required prior to the vote, recognizing that developments might occur at a particular Annual Transmission Planning Meeting for which an RPSG vote is required but that could not be reasonably foreseen in advance. If the RPSG is unable to achieve a majority vote, or should the RPSG miss any of the deadlines prescribed herein or clearly identified on the Regional Planning Website and/or at a particular meeting to take any action, then the Transmission Provider will be relieved of any obligation that is associated with such RPSG action.

1.3.5 RPSG Guidelines/Protocols: The RPSG is a self-governing entity subject to the following requirements that may not be altered absent an appropriate filing with the Commission to amend this aspect of the Tariff: (i) the RPSG shall consist of the above-specified ~~seven~~eight (78) sectors; (ii) each company, its affiliates, subsidiaries, and parent company, may only participate in a single sector; (iii) the RPSG shall be reformed annually, with the Sector Members serving terms of a single year; and (iv) RPSG decision-making shall be by a simple majority vote (i.e., more than 50%) by the Sector Members, with voting by written proxy being recognized for a Sector Member unable to attend a particular meeting. There are no formal incorporating documents for the

RPSG, nor are there formal agreements between the RPSG and the Transmission Provider. As a self-governing entity, to the extent that the RPSG desires to adopt other internal rules and/or protocols, or establish subcommittees or other structures, it may do so provided that any such rule, protocol, etc., does not conflict with or otherwise impede the foregoing requirements or other aspects of the Tariff. Any such additional action by the RPSG shall not impose any additional burden upon the Transmission Provider unless it agrees in advance to such in writing, and the costs of any such action shall not be borne or otherwise imposed upon the Transmission Provider unless the Transmission Provider agrees in advance to such in writing.

1.4 The Role of the Transmission Provider in Coordinating the Activities of the Regional Planning Process Meetings and of the Functions of the RPSG:

The Transmission Provider will host and conduct the above-described, Annual Transmission Planning Meetings with Stakeholders.⁴

1.5 Procedures Used to Notice Meetings and Other Planning-Related Communications:

Meetings notices, data, stakeholder questions, reports, announcements, registration for inclusion in distribution lists, means for being certified to receive Critical Energy Infrastructure Information (“CEII”), and other transmission planning-related information will be posted on the Regional Planning Website. Stakeholders will also be provided notice regarding the annual meetings by e-mail messages (if they have appropriately registered on the Regional Planning Website to be

⁴ As previously discussed, the Transmission Provider expects that the other Sponsors will also be hosts and sponsors of these activities.

so notified). Accordingly, interested Stakeholders may register on the Regional Planning Website to be included in e-mail distribution lists (“Registered Stakeholder”). For purposes of clarification, a Stakeholder does not have to have received certification to access CEII in order to be a Registered Stakeholder.

1.6 Procedures to Obtain CEII Information: For access to information considered to be CEII, there will be a password protected area that contains such CEII information. Any Stakeholder may seek certification to have access to this CEII data area.

Section 2. Openness

- 2.1 General:** The Annual Transmission Planning Meetings, whether consisting of in-person meetings, conference calls, or other communicative mediums, will be open to all Stakeholders. ~~Stakeholders will be provided notice regarding such meetings by e-mail messages (if they have appropriately registered on the Regional Planning Website to be so notified) and by postings made on the Regional Planning Website. Accordingly, interested Stakeholders may register on the Regional Planning Website to be included in e-mail distribution lists (“Registered Stakeholder”), and the~~The Regional Planning Website will provide announcements of upcoming events, with Stakeholders being notified regarding the Annual Transmission Planning Meetings by such postings. In addition, Registered Stakeholders will also be notified by e-mail messages. Should any of the Annual Transmission Planning Meetings become too large or otherwise become unmanageable for the intended purpose(s), smaller breakout meetings may be utilized.
- 2.2 The Regional Planning Website:** The Regional Planning Website will contain information regarding this Transmission Planning Process.

including:

- Notice procedures and e-mail addresses for points of contact and questions;
- A calendar of meetings and other significant events, such as release of draft reports, final reports, data, etc.;
- A registration page that allows stakeholders to register to be placed upon an e-mail distribution list to receive meetings notices and other announcements electronically; and
- The form in which meetings will occur (i.e., in person, teleconference, webinar, etc.).

2.3 Links to OASIS: In addition to open meetings, the publicly available information and CEII-secured information (the latter of which is available to any Stakeholder certified to receive CEII) shall be linked to the Transmission Provider's OASIS web site, as well as the OASIS web sites of the other Sponsors, to further facilitate the availability of this transmission planning information on an open and comparable basis.

2.3.2.4 CEII Information

2.3.12.4.1 Criteria and Description of CEII: The Commission has defined CEII as being specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that:

1. Relates details about the production, generation, transmission, or distribution of energy;
2. Could be useful to a person planning an attack on critical infrastructure;
3. Is exempt from mandatory disclosure under the Freedom of Information Act; and

4. ~~Gives strategic information beyond~~Does not simply give the general location of the critical infrastructure.

~~Based upon the foregoing, the Transmission Provider intends to classify _____ as CEII.~~

~~2.3.2~~2.4.2 **Secured Access to CEII Data:** The Regional Planning Website will have a secured area containing the CEII data involved in the Regional Planning Process that will be password accessible to Stakeholders that have been certified to be eligible to receive CEII data.

~~2.3.3~~2.4.3 **CEII Certification:** The process for a Stakeholder to become certified to be eligible to have access to the CEII data involved in the Regional Planning Process shall be identified on the Regional Planning Website. All state and federal regulators having jurisdiction over the transmission facilities of any of the Sponsors will be considered certified to receive CEII information. In addition, the Transmission Provider reserves the discretionary right to waive the certification process, in whole or in part, for any person that the Transmission Providers deems appropriate to receive CEII information.

2.3.4 Discussions of CEII Data at the Annual Transmission Planning Meetings: While the Annual Transmission Planning Meetings are open to all Stakeholders, if CEII information is to be discussed during a portion of such a meeting, those discussions will be limited to being only with those Stakeholders who have been certified eligible to have access to CEII information on the Regional Planning Website, with the Transmission Provider reserving the right at such meeting to certify a Stakeholder as

being eligible if the Transmission Provider deems it appropriate to do so.

Section 3 Transparency

3.1 General: Through the [Annual Transmission Planning Meetings and postings made on the Regional Planning Process Website](#), the Transmission Provider ~~discloses~~[will disclose](#) to its Transmission Customers and other Stakeholders the basic criteria, assumptions, and data that underlie its transmission system plans, [as well as information regarding the status of upgrades identified in the transmission plan. The process for notifying stakeholders of changes or updates in the data bases used for transmission planning shall be through the Annual Transmission Planning Meetings and/or by postings on the Regional Planning Website.](#)

3.2 The Availability of the Basic Methodology, Criteria, and Process the Transmission Provider Uses to Develop its Transmission Plans: In an effort to enable Stakeholders to replicate the result of the Transmission Provider’s transmission planning studies, and thereby reduce the incidence of after-the-fact disputes regarding whether transmission planning has been conducted in an unduly discriminatory fashion, the Transmission Provider will provide the following information, or links thereto, on the Regional Planning Website:

- (1) The Electric Reliability Organization and Regional Reliability Organization reliability standards that the Transmission Provider utilizes, and complies with, in performing transmission planning.
- (2) The Transmission Provider’s internal policies, criteria, and guidelines that it utilizes in performing transmission planning.
- (3) Current software titles and version numbers used for transmission analyses by the Transmission Provider.

3.3 Additional Transmission Planning-Related Information: In an effort to facilitate the Stakeholders' understanding of the Transmission System, the Transmission Provider will also post additional transmission planning-related information that it deems appropriate on the Regional Planning Website.

3.4 Additional Transmission Planning Business Practice Information:

In an effort to facilitate the Stakeholders' understanding of the Business Practices related to Transmission Planning, the Transmission Provider will also post the following information on the Regional Planning Website:

- (1) Means for contacting the Transmission Provider.
- (2) Procedures for submittal of questions regarding transmission planning to the Transmission Provider; [\(in general, questions of a non-immediate nature will be collected and addressed through the Annual Transmission Planning Meeting process\)](#)
- (3) Instructions for how Stakeholders may obtain transmission base cases and other underlying data used for transmission planning.
- (4) Means for Transmission Customers having Service Agreements for Network Integration Transmission Service to provide load and resource assumptions to the Transmission Provider; provided that if there are specific means defined in a Transmission Customer's Service Agreement for Network Integration Transmission Service ("NITSA") or its corresponding Network Operating Agreement ("NOA"), then the NITSA or NOA shall control.
- (5) Means for Transmission Customers having Long-Term Service Agreements for Point-To-Point Transmission Service to provide to the Transmission Provider projections of their need for service

over the planning horizon (including any potential rollover periods, if applicable), including transmission capacity, duration, receipt and delivery points, likely redirects, and resource assumptions; provided that if there are specific means defined in a Transmission Customer's Long-Term Transmission Service Agreement for Point-To-Point Transmission Service, then the Service Agreement shall control.

3.5 Transparency Provided Through the Annual Transmission Planning Meetings:

3.5.1 The First RPSG Meeting and Interactive Training Session

3.5.1.1– An Interactive Training Session Regarding the

Transmission Provider's Transmission Planning Methodologies and Criteria:

As discussed in (and subject to) Section 1.2.1, at the First RPSG Meeting and Interactive Training Session, the Transmission Provider will, among other things, conduct an interactive, training and input session for the Stakeholders regarding the methodologies and criteria that the Transmission Provider utilizes in conducting its transmission planning analyses. The purpose of these training and interactive sessions is to facilitate Stakeholders' ability to ~~produce similar~~replicate transmission planning study results to those of the Transmission Provider.

3.5.1.2 Presentation and Explanation of Underlying

Transmission Planning Study Methodologies: During the training session in the First RPSG Meeting and Interactive Training Session, the Transmission Provider

will present and explain its transmission study methodologies. While not all of the following methodologies may be addressed at any single meeting, these methodologies may include:

1. Steady state thermal analysis.
2. Steady state voltage analysis.
3. Stability analysis.
4. Short-circuit analysis.
5. Nuclear plant off-site power requirements.
6. Interface analysis: (i.e., import and export capability).

3.5.2 Presentation of Preliminary Modeling Assumptions: At the Annual Transmission Planning Summit, the Transmission Provider will also provide to the Stakeholders its preliminary modeling assumptions for the development of the Transmission Provider's following year's ten (10) year transmission expansion plan. This information will be made available on the Regional Planning Website, with CEII information being secured by password access. These preliminary modeling assumptions may include:

1. Study case definitions, including load levels studied and planning horizon information.
2. Resource assumptions, including on-system and off-system supplies for current and future native load and network customer needs.
3. Planned resource retirements.
4. Renewable resources under consideration.
5. Demand side options under consideration.

6. Long-term firm transmission service agreements.
7. Current TRM and CBM values.

3.5.3 The Transmission Expansion Review and Input Process: The Annual Transmission Planning Meetings will provide an interactive process over a calendar year for the Stakeholders to receive information and updates, as well as to provide input, regarding the Transmission Provider's development of its transmission expansion plans. This dynamic process will generally be provided as follows:

1. At the Annual Transmission Planning Summit Meeting, the Transmission Provider will describe and explain to the Stakeholders the data base assumptions for the upcoming ten (10) year transmission expansion plan. The Stakeholders will be allowed to provide input regarding the ten (10) year transmission expansion plan assumptions.
2. At the First RPSG Meeting and Interactive Training Session, the Transmission Provider will provide interactive training to the Stakeholders regarding the underlying criteria and methodologies utilized to develop the transmission expansion plan. The data bases utilized by the Transmission Provider will be posted on the secured area of the Regional Planning Website as CEII.
3. To the extent that Stakeholders have transmission expansion plan/enhancement alternatives that they would like for the Transmission Provider and other Sponsors to consider, the Stakeholders will be requested to perform analysis prior to, and provide any such analysis at, the

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Preliminary Expansion Plan Meeting. At the Preliminary Expansion Plans Meeting, the Transmission Provider will present its preliminary transmission expansion plan for the current ten (10) year planning horizon. The Transmission Provider and Stakeholders will engage in interactive expansion plan discussions regarding this preliminary analysis. This preliminary transmission expansion plan will be posted on the secure/CEII area of the Regional Planning Website at least ~~one-week~~10 days prior to the Preliminary Expansion Plans meeting.

4. Any transmission expansion plan/enhancement alternatives suggested by the Stakeholders will be considered by the Transmission Provider for possible inclusion in the transmission expansion plan.
5. At the Second RPSG Meeting, the Transmission Provider will report to the Stakeholders regarding the suggestions/alternatives suggested by the Stakeholders at the Preliminary Expansion Plan Meeting. The then-current version of the transmission expansion plan will be posted on the secure/CEII area of the regional planning website at least ~~one-week~~10 days prior to the Second RPSG Meeting.
6. At the Annual Transmission Planning Summit, the ten (10) year transmission expansion plan will be presented to the Stakeholders. The Transmission Planning Summit presentations and the (10) year transmission expansion plan will be posted on the Regional Planning Website at least ~~one-week~~10 days prior to the Annual Transmission

Planning Summit.

Section 4 Information Exchange

- 4. General:** Transmission Customers having Service Agreements for Network Integration Transmission Service are required to submit information on their projected loads and resources on a comparable basis (*e.g.*, planning horizon and format) as used by transmission providers in planning for their native load. Transmission Customers having Service Agreements for Point-To-Point Transmission Service are required to submit any projections they have a need for service over the planning horizon and at what receipt and delivery points. Interconnection Customers having Interconnection Agreements under the Tariff are required to submit projected changes to their generating facility that could impact the Transmission Provider's performance of transmission planning studies. [The purpose of this information that is provided by each class of customers is to facilitate the Transmission Provider's transmission planning process, with the September 1 due date of these data submissions by customers being timed to facilitate the transmission provider's development of its data bases and model building for the following year's 10 year transmission expansion plan.](#)
- 4.1 Network Integration Transmission Service Customers:** By September 1 of each year, all Transmission Customers having Service Agreements for Network Integration Transmission Service shall provide to the Transmission Provider annual updates of that Transmission Customer's Network Load and Network Resource forecasts for the following ten (10) years consistent with those included in its Application for Network Integration Transmission Service under Part III of the Tariff.
- 4.2 Point-to-Point Transmission Service Customers:** By September 1 of

each year, Transmission Customers having Service Agreements for long-term Firm Point-To-Point Transmission Service shall provide to the Transmission Provider usage projections for the term of service. Those projections shall include any projected redirects of that transmission service, and projections of any projected resells or reassignments of the underlying transmission capacity. In addition, should the Transmission Customer have rollover rights associated with any such service agreement, the Transmission Customer shall also provide non-binding usage projections of any such rollover rights.

4.3. Demand Resource Projects: The Transmission Provider expects that Transmission Customers having Service Agreements for Network Integration Transmission Service that have demand resource assets will appropriately reflect those assets in those customers' load projections. Should a ~~Transmission Customer~~[Stakeholder](#) have a demand resource asset that is not associated with load for which it would like consideration to be given for the purposes of the transmission plan, then such a ~~Transmission Customer~~[Stakeholder](#) should bring such a demand resource asset to the attention of the Transmission Provider by the Annual Transmission Planning Summit & Assumptions Input Meeting of the year prior to the implementation of the pertinent transmission plan.

4.4. Interconnection Customers: By September 1 of each year, all Interconnection Customers having Interconnection Agreements under the Tariff shall provide to the Transmission Provider annual updates of that Interconnection Customer's planned addition or upgrades (including status and expected in-service date), planned retirements, and environmental restrictions.

[4.5 Notice of Material Change: Transmission Customers and](#)

Interconnection Customers shall provide the Transmission Provider with timely written notice of material changes in any information previously provided related to any such customer's load, resources, or other aspects of its facilities, operations, or conditions of service affecting the Transmission Provider's ability to provide transmission service or affecting the Transmission System.

Section 5 Dispute Resolution

5.1 Negotiation: Any substantive or procedural dispute between the Transmission Provider and one or more Stakeholders (collectively, the "Parties") that arises from this Transmission Planning Process under the Tariff shall be referred to a designated senior representative of the Transmission Provider and a senior representative of the pertinent Stakeholder(s) for resolution on an informal basis as promptly as practicable. Should the dispute also involve one or more other Sponsors of this Transmission Planning Process, then such ~~Participant~~Sponsor(s) shall have the right to be included in "Parties" for purposes of this section and for purposes of that dispute, and any such ~~Participant~~Sponsor shall also include a designated senior representative in the above discussed negotiations in an effort to resolve the dispute on an informal basis as promptly as practicable. In the event that the designated representatives are unable to resolve the dispute within thirty (30) days, or such other period as the Parties may unanimously agree upon, by unanimous agreement among the Parties such dispute may be voluntarily submitted to the use of the Commission's Alternative Means of Dispute Resolution (18 C.F.R. § 385.604, as those regulations may be amended from time to time), the Commission's Arbitration process (18 C.F.R. § 385.605, as those regulations may be amended from time to time) (collectively,

“Commission ADR”), or such other dispute resolution process that the Parties may unanimously agree to utilize.

- 5.2 Use of Commission ADR Processes:** In the event that the Parties voluntarily and unanimously agree to the use of a Commission ADR process, then the Transmission Provider will have a notice posted to this effect on the Regional Planning Website, [and an email notice in that regard will be sent to Registered Stakeholders.](#) In addition to the Parties, all Stakeholders and Sponsors shall be eligible to participate in such Commission ADR process as “participants”, as that or its successor term in meaning is used in 18 C.F.R. §§ 385.604, 385.605 as may be amended from time to time, for purposes of the Commission ADR process; provided, however, any such Stakeholder or Sponsor must first have provided notice to the Transmission Provider within thirty (30) calendar days of the posting on the Regional Planning web of the Parties’ notice of their intent to utilize a Commission ADR Process.
- 5.3 Costs:** Each Party involved in a Dispute Resolution process hereunder, and each “participant” in a Commission ADR Process utilized in accordance with Section 5.2, shall be responsible for its own costs incurred during the Dispute Resolution process. Should additional costs be incurred during the Dispute Resolution process that are not directly attributable to a single Party/participant, then the Parties/participants shall each bear an equal share of any such cost.
- 5.4 Rights under the Federal Power Act:** Nothing in this section shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the Federal Power Act.

Section 6 Regional Participation

- **[See Inter-Regional Planning Participation White Paper posted on Southern’s OASIS]**

Section 7 Economic Planning Studies

- 7.1 General – Economic Planning Sensitivity Requests:** Stakeholders will be allowed to request that the Transmission Provider perform up to five (5) Stakeholder-requested economic planning studies (“Economic Planning Studies”) on an annual basis. Requests that are inter-regional in nature will be addressed in the Inter-Regional Participation Process. Accordingly, it is expected that the RPSG will coordinate with other inter-regional stakeholders regarding Economic Planning Studies that are inter-regional in nature.
- 7.2 Parameters for the Economic Planning Studies:** These Economic Planning Studies shall be confined to sensitivity requests for bulk power transfers. In addition, these Economic Planning Studies shall also be for a future year that is at least five years or more from the then-current year, based upon the assumption that the upgrades necessary to accommodate such bulk power transfers would require at least five years to construct. ~~The study year for the Economic Planning Studies shall coincide with the Inter-Regional Participation Process.~~ Bulk Power transfers from one area to another area with the region encompassed by this Regional Planning Process (the “Region”) shall also constitute valid requests. The operative theory for the Economic Planning Studies is for them to identify meaningful information regarding the requirements for moving large amounts of power beyond that currently feasible, whether such transfers are internal to the Region or from this Region to interconnected regions. It should again be noted that requests that are inter-regional in nature will be addressed in the Inter-Regional Participation Process.
- 7.3 Other Tariff Studies:** The Economic Planning Studies are not intended to replace System Impact Studies, Facility Studies, or any of the

studies that are performed for transmission delivery service or interconnection service under the Tariff.

7.4 Clustering: ~~If~~The RPSG should consider clustering similar Economic Planning Study requests. In this regard, if two or more of the RPSG requests are similar in nature and the Transmission Provider concludes that clustering of such requests and studies is appropriate, the Transmission Provider may, following communications with the RPSG, cluster those studies for purposes of the transmission evaluation. It is foreseeable that clustering of requests may occur during the Inter-Regional Participation Process.

7.5 Additional Economic Planning Studies: Should a Stakeholder(s) request the performance of an Economic Planning Study in addition to the above-described five (5) Economic Planning Studies that the RPSG may request during a calendar year, then any such additional Economic Planning Study will only be performed if such Stakeholder(s) first agrees to bear the Transmission Provider's actual costs for doing so and the costs incurred by any other ~~Participant to perform such~~Sponsor to perform such Economic Planning Study, recognizing that the Transmission Provider may only conduct a reasonable number of transmission planning studies per year. If affected by the request for such an additional Economic Planning Study, the Transmission Provider will provide to the requesting Stakeholder(s) a non-binding but good faith estimate of what the Transmission Provider expects its costs to be to perform the study prior to the Stakeholder(s) having to agree to bear those costs. Should the Stakeholder(s) decide to proceed with the additional study, then it shall pay the Transmission Provider's and other affected Sponsors' estimated study costs up-front, with those costs being trued-up to the Transmission

Provider's and other affected Sponsors' actual costs upon the completion of the additional Economic Planning Study.

7.6 Economic Planning Study Process:

1. Stakeholders will be prompted at the Annual Transmission Planning Summit to provide requests for the performance of Economic Planning Studies. Corresponding announcements will also be posted on the Regional Planning Website, and Registered Stakeholders will also receive e-mail notifications to provide such requests. An Economic Planning Study Request Form will be made available on the Regional Planning Website, and interested Stakeholders may submit any such completed request form on the non-secure area of the Regional Planning Website.
2. Prior to First RPSG Meeting, the RPSG shall compile the Economic Planning Study requests. At the First RPSG Meeting, the RPSG shall meet to discuss and select up to five (5) Economic Planning Studies to be requested to be performed. At the First RPSG Meeting, the Transmission Provider will coordinate with the RPSG and any interested Stakeholders to facilitate the RPSG's efforts regarding its development and selection of the Economic Planning Study requests. Once the RPSG selects the Economic Planning Study, the RPSG will post the results on the non-secure area of the Regional Planning Website.
3. The Transmission Provider will post on the secure area of the Regional Planning Website the study assumptions for the five (5) Economic Planning Studies within thirty (30) days of the RPSG postings of the selected Economic Planning Studies on the Regional Planning Website. Registered Stakeholders will receive

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an e-mail notification of this posting, and an announcement will also be posted on the Regional Planning Website.

4. Stakeholders will have thirty (30) days from the Transmission Provider's posting of the assumptions for the RPSG to provide comments regarding those assumptions. Any such comments shall be posted on the secure area of the Regional Planning Website if the comments concern CEII.
5. The preliminary results of the Economic Planning Studies will be presented at the Second RPSG Meeting. These results and related data will be posted on the secure area of the Regional Planning Website a minimum of ~~one week~~ 10 days prior to the Second RPSG Meeting. Study results that are inter-regional in nature will be reported to the RPSG and interested Stakeholders and posted as they become available from the Inter-Regional Participation Process. The Second RPSG Meeting will be an interactive session with the RPSG and other interested Stakeholders in which the Transmission Provider will explain the results, alternatives, methodology, criteria, and related considerations pertaining to those preliminary results. At that meeting, the Stakeholders may submit alternatives to the enhancement solutions identified in those preliminary results. All such alternatives must be submitted by Stakeholders within thirty (30) calendar days from the close of the Second RPSG Meeting. Any such alternatives should be provided on the secure area of the Regional Planning Website. The Transmission Provider will consider any alternatives provided by the Stakeholders.
6. The final results of the Economic Planning Studies will be

presented at the Transmission Planning Summit, and the Transmission Provider will report regarding its consideration of any alternatives provided by Stakeholders. These final results will be posted on the secure area of the Regional Planning Website a minimum of ~~one-week~~10 days prior to the Transmission Planning Summit. Study results that are inter-regional in nature will be reported to the RPSG and interested Stakeholders and posted as they become available from the Inter-Regional Participation Process.

7. The final results of the Economic Planning Studies will be non-binding upon the Transmission Provider, and will provide general non-binding estimations of the required transmission upgrades, timing for their construction, and costs for completion.

Section 8 Cost Allocation

8.1 General: The following provides the Transmission Provider's ~~methodology~~methodologies for allocating the costs of new transmission facilities that do not fit under the general Tariff rate structure. ~~In particular, this~~ under two scenarios. The first methodology addresses (i) the allocation of the costs of economic transmission upgrades that are identified in the Economic Planning Studies and that are not otherwise associated with transmission service provided under the Tariff and are not associated with the provision of transmission service under other arrangements, such as the Transmission Provider's provision of bundled service to its Native Load Customers. The second methodology addresses upgrades that are not required to satisfy the Transmission Provider's planning standards and/or ERO or RRO reliability standards, and thus would not otherwise be included in the transmission expansion plan, but

that a Stakeholder, including a Transmission Customer, may want to have installed (“Enhanced Reliability Upgrades”).

8.2 Cost Allocation Methodology for Economic Upgrades:

8.2.1 Identification of Economic Upgrades: The transmission expansion plans will identify the transmission upgrades that are necessary to ensure the reliability of the Transmission System and to otherwise meet the needs of long-term firm transmission service commitments (“Reliability Upgrades”) in accordance with the Transmission Provider’s planning standards and/or ERO or RRO reliability standards. All of the upgrades identified in the Economic Planning Studies that are not identified in the transmission expansion plans, and are thus not such Reliability Upgrades, shall constitute “Economic Upgrades”.

8.2.2 Request for Performance of Economic Upgrades: Within thirty (30) calendar days of the posting of the final results of the underlying Economic Planning Study[ies], one or more entities [“Initial Requestor[s]”] that would like the Transmission Provider to construct one or more Economic Upgrades identified in the Economic Planning Study[ies] may post a request for the Transmission Provider to construct such Economic Upgrade[s] on the secured area of the Regional Planning Website, along with an identification of the amount of megawatts of transmission capacity for which the Initial Requestor[s] would like to take cost responsibility. The request must consist of a completed request application, the form of which will be posted on the Regional Planning Website (“Economic Upgrade Application”). Other entities (“Subsequent Requestor[s]”) that also would like the

Transmission Provider to construct the Economic Upgrade[s] sought by the Initial Requestor[s] may also notify the Transmission Provider of its intent by posting such intent, along with the amount of megawatts of transmission capacity that it would like to take cost responsibility, on the Regional Planning Website within thirty (30) calendar days of the Initial Requestor's posting of its Economic Upgrade Application on the Regional Planning Website (collectively, the Initial Requestor[s] and the Subsequent Requestor[s] shall be referred to as the "Requestor[s]").

8.2.3 Allocation of the Costs of the Economic Upgrades: The costs of the Economic Upgrades shall be allocated to each Requestor based upon the amount of megawatts of transmission capacity that it requested responsibility for in its respective request posted on the Regional Planning Website. Should the total amount of transmission capacity identified by the Requestors not equal the amount of transmission capacity that is estimated to be added to the Transmission System by constructing the Economic Upgrade, then the Requestor[s]' cost responsibility will be adjusted on a pro rata basis based upon the amount of capacity identified by the Requestor[s]' relative to the total transmission capacity estimated to be added by the Economic Upgrade[s] so that all of the cost responsibility for the Economic Upgrade[s] is allocated to the Requestor[s]. If one or more of the Requestors do not identify the amount of megawatts for which it is willing to take cost responsibility, then the Requestors shall bear the costs of the Economic Upgrade[s] in equal shares based upon the number of Requestors. The Requestor[s] shall bear cost responsibility for the

actual costs of the Economic Upgrades. Should a Requestor later not enter into an agreement with the Transmission Provider for the construction of the Economic Upgrade[s], then the remaining Requestor[s] cost responsibility will be recalculated on a pro rata basis based upon the amount of megawatts requested.

8.2.4 Cost Allocation for the Acceleration, Expansion, Deferral, or Cancellation of Reliability Upgrades: Should the Transmission Provider conclude that the construction of an Economic Upgrade[s] would accelerate the construction of, or require the construction of a more expansive, Reliability Upgrade, then the Requestor[s] shall bear the costs of such acceleration or expansion. Should the Transmission Provider conclude that the construction of the Economic Upgrade would result in the deferral or cancellation of a Reliability Upgrade, then the costs of the Economic Upgrade[s] allocated to the Requestors shall be reduced by the amount of savings caused by the deferral or cancellation.

8.2.5 Implementing Agreements and Regulatory Approvals: The Transmission Provider will not be obligated to commence design or construction of any Economic ~~Upgrades~~Upgrade until (i) a binding agreement[s] with all of the Requestor[s] for such construction by the Transmission Provider and payment by the Requestor[s] of its allocated cost responsibility (in accordance with Section 8.2.3 above) is executed by the ~~Parties and~~Transmission Provider, all other affected Sponsor[s], and all of the Requestor[s]; (ii) all of the Requestor[s] provide the Transmission Provider security, in a form acceptable to the Transmission Provider, for the full costs of the design and construction; and (iii) appropriate

commitments to construct are in place for all affected third party transmission providers. Furthermore, the Transmission Provider shall not be obligated to commence construction, or to continue construction, if all necessary regulatory approvals are not obtained, with the Transmission Provider having to make a good faith effort to obtain all such approvals. The costs associated with obtaining such regulatory approvals shall be included in the total costs of the Economic Upgrades and shall otherwise be borne by the Requestors.

~~Section 9~~ — Recovery of Planning Costs

8.3 Cost Allocation Methodology for Enhanced Reliability Upgrades:

8.3.1. Enhanced Reliability Upgrades: The transmission expansion plans will identify the Reliability Upgrades, which are the transmission upgrades that are necessary to ensure the reliability of the Transmission System and to otherwise meet the needs of long-term firm transmission service commitments in accordance with the Transmission Provider’s planning standards and/or ERO or RRO reliability standards. Should one or more Stakeholders, including a Transmission Provider, determine that it wants an upgrade installed to provide additional reliability benefits above those necessary to satisfy the Transmission Provider’s planning criteria and/or ERO or RRO reliability standards (“Enhanced Reliability Upgrade”), then the costs of any such Enhanced Reliability Upgrade shall be directly assigned to that Stakeholder[s].

8.3.2 Cost Allocation of the Direct Assignment Costs Should

Multiple Stakeholders Desire the same Enhanced Reliability Upgrade: Should multiple Stakeholders want the installation and construction of the same Enhanced Reliability Upgrade[s], then the direct assignment costs for such Enhanced Reliability Upgrade[s] shall be allocated to those Stakeholders in equal shares, unless those Stakeholders agree in writing to a different cost allocation approach.

8.3.3. Implementing Agreements and Regulatory Approvals: The Transmission Provider will not be obligated to commence design or construction of any Enhanced Reliability Upgrade until (i) a binding agreement[s] with the Stakeholder[s] for such construction by the Transmission Provider and payment by the Stakeholder[s] of its direct assignment costs (in accordance with Section 8.3.2 above) is executed by the Transmission Provider and all of the Stakeholders seeking the construction of such Enhanced Reliability Upgrade[s] and (ii) all of the Stakeholder[s] provide the Transmission Provider security, in a form acceptable to the Transmission Provider, for the full costs of the design and construction. Furthermore, the Transmission Provider shall not be obligated to commence construction, or to continue construction, if all necessary regulatory approvals are not obtained, with the Transmission Provider having to make a good faith effort to obtain all such approvals. The costs associated with obtaining such regulatory approvals shall be included in the total costs of the Reliability Upgrade[s] and shall otherwise be borne by the Stakeholder[s].

● Section 9 Recovery of Planning Costs: With the exception of the costs to perform

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more than five Economic Planning Studies (which will be directly assigned to the requestor), the Transmission Provider will recover the costs that it incurs in implementing its requirements under this Transmission Planning Process by adding those costs to the Annual Charge costs that it recovers under Informational Schedule D in the Tariff.

