



Eastern Interconnection Planning Collaborative

Challenge to the Industry

- New energy policies are driving the need to create a framework to analyze transmission scenarios on a broad multi-regional and interconnection-wide scale
- Transmission expansion plans in the eastern interconnection are developed today and coordinated on a regional and super-regional basis, but are not fully coordinated on an interconnection-wide basis
- Expanding this process to cover the entire eastern interconnection and reach consensus will require a “bottom-up” approach with broad stakeholder involvement, in particular, ensuring a role for federal, state and provincial officials

Industry Proposal

- Create an Eastern Interconnection Planning Collaborative (EIPC) process that includes:
 - Major transmission entities in the east with Planning Authority responsibility
 - Utilities, cooperatives, municipal systems, and public power authorities
 - Utilities in Canada (include Quebec)
 - States and Provinces
 - Administration (DOE, FERC, ...)
 - A forum where stakeholders from all regional planning processes can effectively participate

EIPC Objectives

- EIPC will provide an integrated, interconnection-wide view of regional plans and provide analysis identifying any gaps relative to state, provincial, regional or federal policy goals. This analysis may extend to examining the effectiveness and system impacts of a variety of transmission alternatives
- EIPC will use an open and transparent process with a grass-roots approach to the roll-up of regional plans, consistent with FERC Order 890 principles and existing processes
- EIPC will not determine cost allocation, will not deal with siting or permitting issues, and will not set or influence energy policy

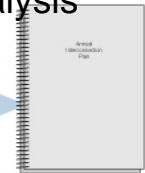
Eastern Interconnection Planning Collaborative



- Rolls-up regional plans
- Coordinates with Canada, Western Interconnect and Texas
- Receives stakeholder input and holds public meetings
- Performs studies of various transmission alternatives against national, regional and state energy/economic/environmental objectives
- Identifies gaps for further study



Publishes Annual Interconnection Analysis



Annual interconnection analysis



- States**
- Regional Policy recommendations
 - State energy policies
 - Rate Policies

Provides policy direction, assumptions & criteria

Regional/state compliant plans provided as input

Study gaps relative to national, regional and state policy

DOE/FERC



FERC

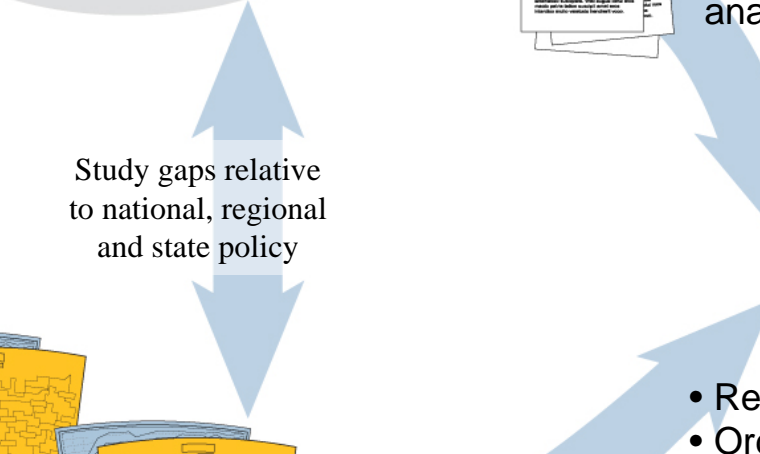
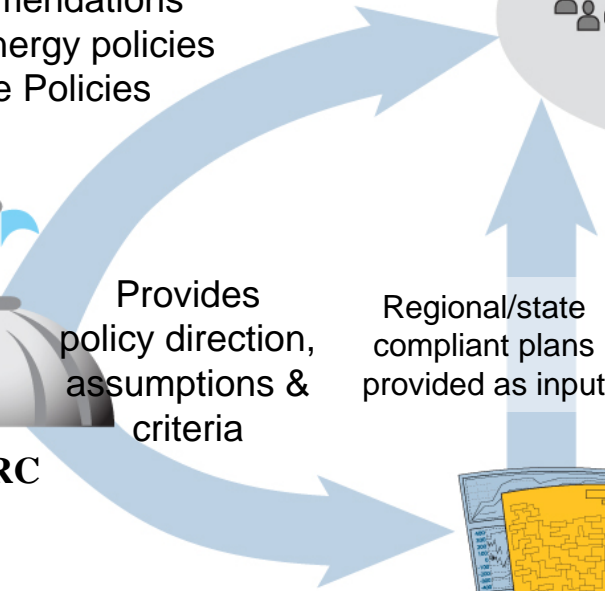
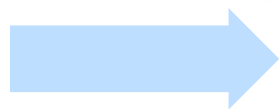
- Review/direction
- Order adjustments

- States**
- Policy recommendations
 - State energy plans

ISO / RTOs & Order 890 Entities

- Produce Regional Plan through regional stakeholder process, including state regulatory authorities

Regional Plans and Projects



EIPC Scope - 1 of 2

- Includes all Planning Authorities and their represented transmission owners in the east
- Interface w/ Hydro Quebec, WECC, and ERCOT
- Develop coordinated roll-up of existing Regional Plans
- Analyze and identify system impacts of integrating regional plans and policy directives
- Ultimately, identify potential interconnection-wide alternatives for addressing transmission needs that meet policy directives

EIPC Scope - 2 of 2

- 205 filing rights and obligations remain with individual systems and ISOs/RTOs
- Order 890 processes continue unchanged and existing queues are respected
- Will not attempt to resolve cost allocation issues
- Initial effort to demonstrate concept – expand on existing Regional Planning efforts and other on-going study processes
- Permanent structure depending on results of demonstration

Benefits – 1 of 2

- Ensure that state, provincial and national energy policies are cooperatively analyzed in an interconnection-wide collaborative approach
- Integrate regional plans into an interconnection-wide view, with supporting technical analysis
- Coordinate with WECC and Texas efforts
- Identify gaps relative to achieving national, regional, and state or provincial requirements and energy, economic, and environmental objectives
- Expand coordination on interties between regional planning authorities

Benefits – 2 of 2

- Provide a full, open and transparent stakeholder process that could potentially include public meetings
- Publish an annual interconnection analysis report to provide government and administration policy makers with an overview of planning efforts across the eastern interconnection
- Provide policy makers feedback on the potential impacts on transmission system requirements to achieve national, regional and state or provincial energy, economic, and environmental objectives
- Provide the analysis and a description of system impacts and alternatives to FERC

Status

- Representatives from 17 planning authorities from the U.S. and Canada met in Atlanta on April 8 to discuss interconnection-wide transmission planning in the east
- There is broad agreement to work together and to involve interested parties, in particular federal, state and provincial officials, in achieving an interconnection-wide analysis in the east
- The initial participants are sharing the concept with stakeholder bodies in their regions, seeking a commitment to the process from all Planning Authorities in the east, and continuing to develop the structure and processes necessary to begin work

Questions

