



Eastern Interconnection Planning Collaborative

EIPC Stakeholder Steering Committee & Stakeholder Engagement Process

Straw Proposal

April 22-23, 2010

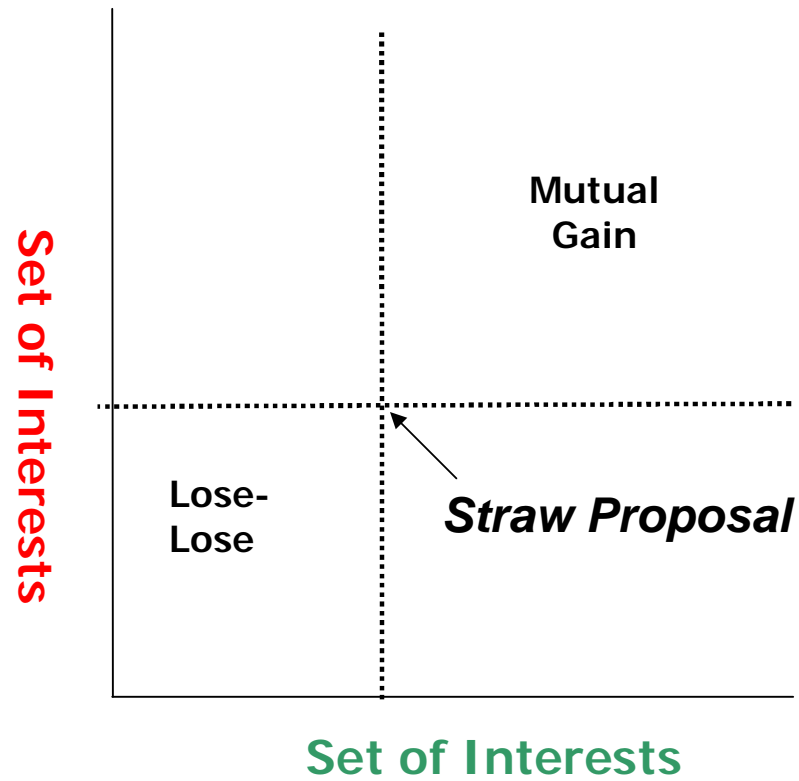
Today's Meeting Objectives

- Review the principles applied in the development of the SSC Straw Proposal
- Outline areas where there were no comments, or where there was consensus following the March webinars
- Explain the changes to the SSC Straw Proposal
- Generate and discuss alternatives to strengthen proposal
- Develop agreement to the extent possible

Discussion Guidelines

- Share the floor and other customary courtesies
- Let expertise inform, not constrain
("Beginner's Mind")
- Feel free to explore without committing
- Listen to understand; make yourself heard
- Look for areas of mutual gain

The Analytical Question

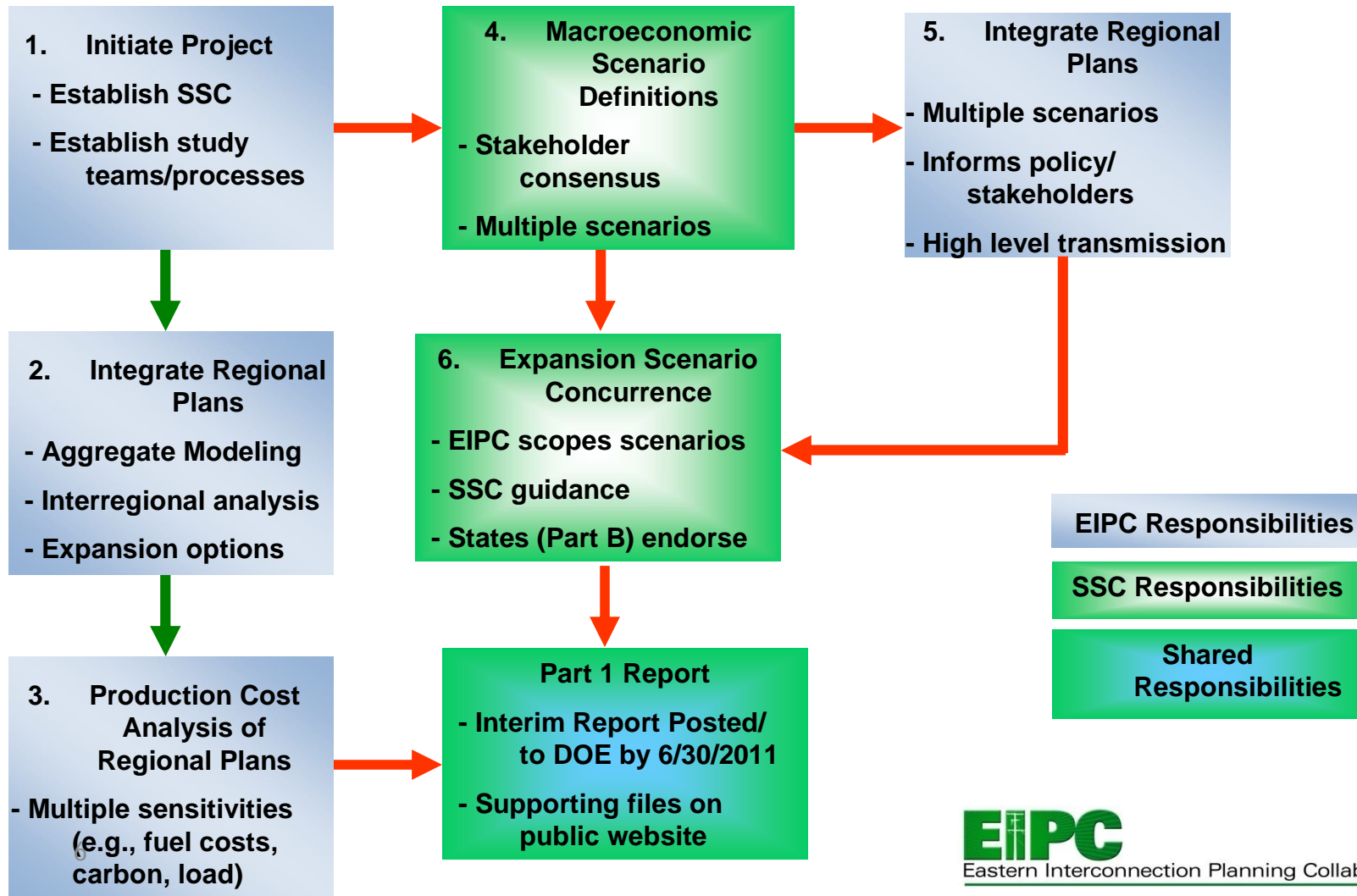


Purpose of the SSC

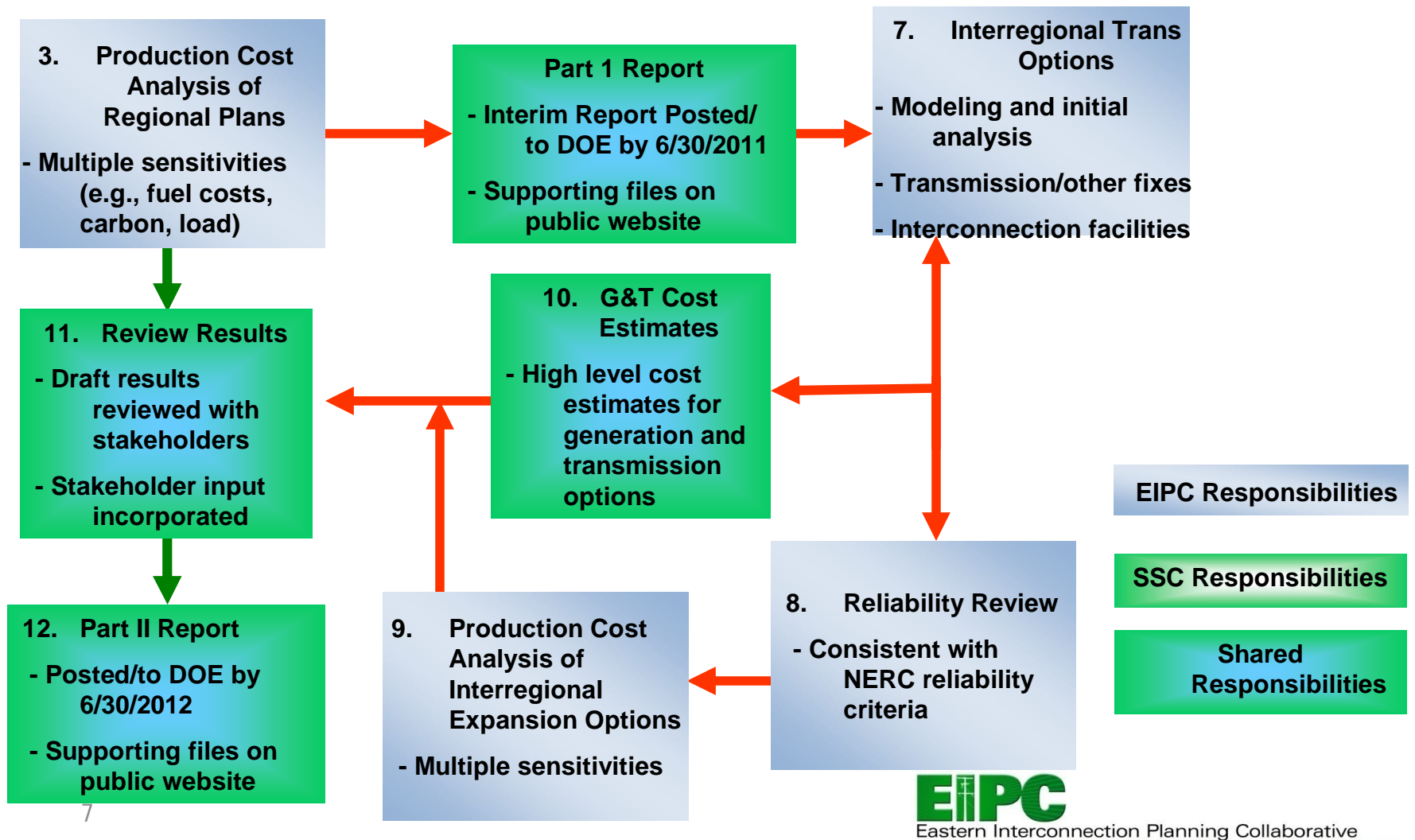
The purpose of the SSC or Committee is to “provide strategic guidance to the Applicant’s analysts on the scenarios to be modeled, the modeling tools to be used, key assumptions for the scenarios, and other essential activities.”

The SSC will gather input from stakeholders, represent their constituents’ interests in deliberations, and strive to achieve consensus on aspects of the transmission planning studies to be performed by the EIPC Analysis Team.

Role of the SSC Overall Analysis Plan(1)



Role of the SSC Overall Analysis Plan(2)



Role of the SSC – Key Dates per Proposal

- Task 1 – through May, 2010
 - Structure SSC
 - Commission SSC
 - SSC By-Laws and Officers
 - First SSC meeting and formation of working group(s)
- Task 4 – May, 2010 through November, 2010
 - Stakeholder Regional Workshops on Macroeconomic Analysis
 - Define 8 Macroeconomic cases with up to 9 sensitivities
 - Three SSC meetings, working group meeting(s)
- Task 5 – September, 2010 through May, 2011
 - Review interim results from Macroeconomic analyses
 - Two SSC meetings, working group meeting(s)

Role of the SSC – Key Dates per Proposal

- Expansion scenario concurrence – April, 2011
- Review Part 1 Report – June, 2011
- Generation and transmission cost estimates – February, 2012
- Review Part 2 Results – March/April, 2012
- Review Part 2 Report – June, 2012

Guiding Principles in Creating SSC

- **The interests of all** relevant stakeholders should be represented within a sector
- The process should build upon the existing stakeholder processes that have been approved by FERC pursuant to Order 890
- **The SSC should maintain a balance in the representation of the 6 sectors (TOs, GOs, Other Suppliers, NGOs, Public Power, End Users).**
- State representatives will have at least one-third of the total SSC seats appointed by the Eastern Interconnection States Planning Council (EISPC)
- The number of seats on the **SSC should be manageable and allow for** decisions through consensus.
- Expectations and procedures will be developed for on-going communication between SSC members and their interest group sectors

Comments – Areas of Agreement

- Endorsement of principles
- Strong support for Option B over Option A
- No concerns raised about the Regions identified for Sector Caucus Nominations
- Support for NGO Sector Nomination process
- Demand-side resources should be represented on the SSC
- Need for criteria to guide the selection of SSC members

Comments – Areas of Disagreement

- Size of the SSC and regional representation
 - 30 or 116?
- Role of the Caucus
 - Increase its importance or eliminate
- Definition of Sectors and Subsectors
 - Where do transmission and generation independent developers fit?
Where should energy storage be represented?
- Decision making Process
 - What is consensus and what is the fall back if consensus can't be reached?
- Balance between and diversity within sectors
 - Should certain sectors have greater representation?

SSC Member Selection Criteria

- Have seniority, stature and credibility within one's organization and sector
- Have the demonstrated ability to represent the interests of multiple organizations within the sector
- Have broad support of organizations and constituency groups within the sector
- Will keep sector participants across the EI informed about the SSC activities and solicit input throughout the project
- Have demonstrated the ability to work collaboratively with others with whom one disagrees
- Have a strong understanding of resource and transmission planning in the electricity industry, including technology and policy considerations
- Have the time, commitment and resources to participate fully

SSC Roles and Responsibilities (1)

Members must:

- Represent the viewpoints and interests of multiple organizations within their stakeholder sector
- Develop a process for soliciting input from stakeholder constituencies, ensure open communications and synthesize stakeholder input
- Make every effort to arrive at SSC decisions through consensus
- Attend all SSC meetings, Regional Stakeholder Meetings and conduct all meetings and activities with transparency

Consensus

Consensus means that everyone present either supports or can live with (is willing not to oppose) a recommendation.

Most often recommendations will be taken in the context of a group of recommendations rather than individually (e.g. the 8 resource futures or macroeconomic cases)

SSC Roles and Responsibilities (2)

The SSC must:

- Appoint individuals to the Stakeholder Work Groups (SWGs) and provide direction for deliverables
- Develop recommendations on the eight (8) resource futures and related sensitivities to be submitted for macroeconomic analysis and high level transmission analysis consistent with DOE-approved schedules
- Develop criteria for selection of the three (3) future scenarios
- Develop recommendations for the three (3) future scenarios to be submitted for detailed transmission analysis

Interaction with EIPC Analysis Team and EISPC

The SSC will:

- Review the analyses and reports of the EIPC Analysis Team and provide consensus input
- Determine how the SSC would like to interact with Eastern Interconnection States Planning Council (EISPC)
- Request help and information from EIPC Analysis Team as needed to fully understand the tools and analyses
- Work with EIPC Analysis Team to establish communication protocols between the two groups.

Communication between SSC & other Stakeholders

- SSC events and meetings will be open to all
- All meeting information shared on website
- Regional Stakeholder Workshops for education, updates and gathering input
- Opportunity to submit written comments on process and products at any time
- SSC & Caucus members/Stakeholder workgroups responsible for outreach to stakeholders
- Caucus representatives will have an advisory role to the SSC

Sectors and Seats on SSC

3 Transmission Owners and Developers

3 Generation Owners & Developers (minimum 1 renewable and 1 nonrenewable)

3 Other Suppliers e.g. Power Marketers, Distributed Generation, Energy Storage
(minimum 1 demand-side resources representative)

3 Transmission Dependent Utilities (TDUs), Public Power & Coops e.g. Municipal utilities, Rural Co-ops, Power Authorities

3 End Users e.g. Small consumer advocates, large consumers (minimum 1 state consumer advocate agency)

3 NGOs e.g. climate change & energy, land and habitat conservation

10 State representatives

1 Canadian Provincial representative

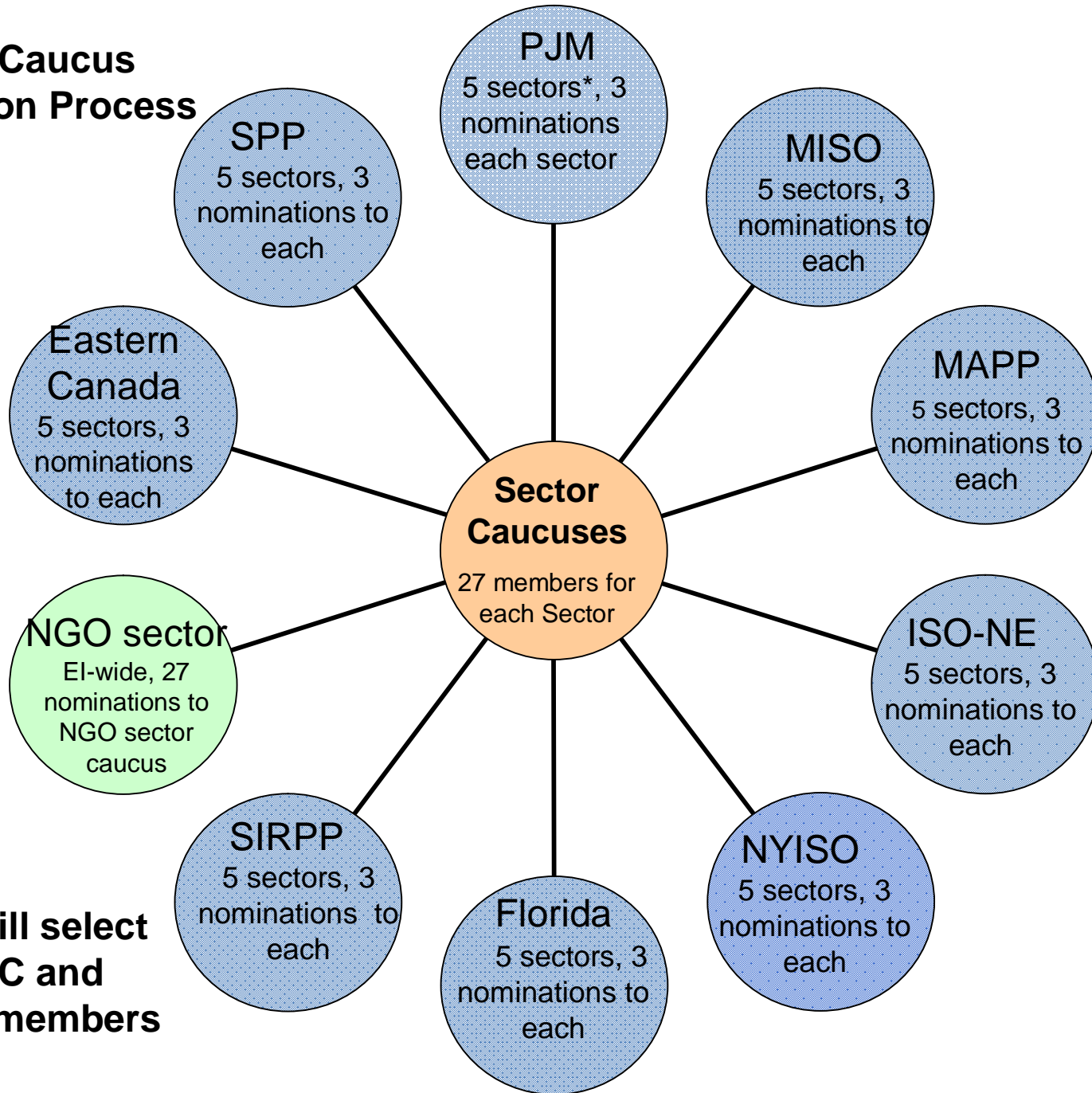
Ex Officio Members: US DOE, US EPA

SSC Selection *Process*

The straw proposal for selecting members intends to achieve *regional and interest sector balance*:

- Uses existing RTO/ISO or Planning Authority boundaries in a 2-phase nominating process.
- Allows each sector in each region to nominate 3 members to the interconnection-wide caucus.
- Caucus members from all regions may gather (27 each sector) to select the SSC members.
- NGOs will have a separate, Eastern Interconnection-wide process for selecting caucus members.
- The EISPC will appoint the state representatives to the SSC and may choose to create Caucus representatives.

**Sector Caucus
Selection Process**



**EISPC will select
State SSC and
Caucus members**

Continuing Role for *Caucus* Members

- Caucus members, by virtue of their nomination, will have credibility with their stakeholder sectors and represent a broader range of interests than the SSC members.
- Caucus members could continue to play a significant role:
 - Serve as alternates to SSC members
 - Solicit input from broader stakeholder community
 - Provide advice on key issues to SSC sector representative
 - Serve on Stakeholder Workgroups
 - Help develop consensus

Ensuring that the SSC Represents a Broad Range of Interests

In addition:

- The EIPC will strive, within the funding limitations of the FOA, to provide technology resources to ensure prompt and thorough communication of views within sectors.
- SSC members should be required to consult with their caucus representatives regularly.
- A Sector Caucus may establish additional procedures to govern the participation of its elected SSC representatives, e.g. rules of approval, so long as such procedures do not run afoul of the provisions of the FOA or otherwise unduly delay or frustrate timely action by the SSC.

#1 - Decision-making Process

1. How should consensus be defined?
2. What should be the fallback decision-making rule when consensus is not attainable?
3. What role should the caucus play in the decision-making process?

#2 – Size of SSC/ Role of Caucus

1. What criteria/principles should be applied to determine the appropriate size of the SSC?
2. If the Caucus remains in place, what role should they have if the SSC is limited in size? Large in size?
3. How does size of the SSC affect decision making?

#3 – Sector Makeup

1. Is the Sector make-up, which is based on FERC-approved 890 stakeholder segments, adequate?
2. Should certain subsectors be guaranteed a seat on the SSC?
3. How could the process for SSC selection achieve maximum regional diversity?

#4 - Inclusion/Diversity

1. Does the straw proposal adequately address regional diversity in the SSC and caucus make-up?
2. Are the full range of interests represented on the SSC?
3. What interests should be guaranteed a seat on the SSC and why?