

**COST ALLOCATION AND REGIONAL PLANNING (CARP) WORKSHOP**  
**January 28<sup>th</sup> and 29<sup>th</sup>, 2009**  
**St. Paul Minnesota**

**Dial in:** 877-452-6418

**Participant Code:** 7013282400#

**AGENDA**

**WEDNESDAY, JANUARY 28<sup>th</sup>**

1:00 – 1:15 **Welcome and Announcements**

Commissioner Lauren Azar, President of OMS and Bill Smith, Executive Director of OMS

1:15 – 2:45 **The Transmission Grid: Understanding How It Works To Understand Who Should Pay**

Speaker: Dr. Doug Gotham  
State Utility Forecasting Group, Purdue University

Background: We have a wide range of representatives in the OMS and it is critical that we share a common understanding of the transmission grid and how it operates. Our first speaker will give us a baseline of knowledge that is sure to inform our discussion and will be beneficial as you work through transmission issues in your state.

Suggested

Reading: **Electricity Transmission: A Primer**

<http://www.misostates.org/Electricity%20Transmission%20-%20A%20Primer.pdf>

**NRRI Transmission Investment**

<http://www.misostates.org/NRRI%20Transmission%20Investment.pdf>

**Coordinating Interstate Electric Transmission Siting**

[http://www.misostates.org/Coordinating%20Interstate%20Electric%20Transmission%20Siting%20\(2\).pdf](http://www.misostates.org/Coordinating%20Interstate%20Electric%20Transmission%20Siting%20(2).pdf)

2:45 – 3:00 Short Break

3:15 – 4:30 **Cost Allocation for Transmission: How Do We Allocate Costs Today? How Did We Get Here?**

Speaker: Jeff Webb  
Midwest ISO

Background: The goal of this portion of our program is to identify how utilities currently pay for new transmission infrastructure improvements and how MISO allocates costs for transmission projects and how these costs reach customers. Before we can talk about solutions, we need to know the problem we are solving.

Suggested

Reading: **Allocation of Costs Within Midwest ISO**  
<http://www.misostates.org/CostAllocation-MISOAllocationofCosts.pdf>

**Midwest ISO Transmission Cost Allocation Timeline**  
<http://www.misostates.org/CostAllocationTimeline.pdf>

**TAPS Report on Building Transmission**  
<http://www.misostates.org/TAPS%20report%20on%20Building%20Transmission.pdf>

**MISO State Survey Responses** (NOTE\*\*\*this document is included here because it identifies many of the concerns that states have with the current cost allocation process...This survey response document really is REQUIRED reading to get the most out of this two-day discussion)  
<http://www.misostates.org/AllMISOStateSurveyResponse.pdf>

4:30 – 4:45 Short Break

4:45 – 5:30 **How Could We Allocate These Costs? A Review of Other Models.**

Speaker: Kevin Kelly, Federal Electric Regulatory Commission

Background: There are a variety of other cost allocation models used by other RTOs in the U.S. A general understanding of the other models is going to aid our discussion and may encourage us to adopt other elements of models that are currently in use.

Suggested

Reading: **Tariff Models and Considerations**

<http://www.misostates.org/CostAllocationTariffmodelsandconsiderations.pdf>

6:30 – ?

**Dinner Plans at Pop! Restaurant, 6 West 6th Street, St. Paul.**

<http://www.poprestaurant.com/>. **The restaurant adjoins the Skywalk system 2 blocks from the meeting and the hotel.**

## **THURSDAY, JANUARY 29th**

9:00 – 10:45 **Guiding Principles for Cost Allocations**

Moderator: Lauren Azar, OMS President  
Clair Moeller, Midwest ISO

Recorder: Brian Rybarik, PSCW

Background: One of the key takeaway points from this two-day forum is going to be a general agreement on the principles that should guide the OMS and cost allocation discussions and negotiations move forward. This portion of the program is going to work off of the 10 Principles identified in the WIRES Blue Ribbon Report on Cost Allocation. It is critical that you have read and considered the 10 principles identified in that report prior to arriving in St. Paul.

### **REQUIRED**

Reading: **WIRES Blue Ribbon Report on Cost Allocation**

[http://www.misostates.org/Blue\\_Ribbon\\_Panel\\_Final\\_Report.pdf](http://www.misostates.org/Blue_Ribbon_Panel_Final_Report.pdf)

Suggested

Reading: **MISO State Survey Responses**

<http://www.misostates.org/AllMISOStateSurveyResponse.pdf>

10:45 – 11:00 Short Break

11:00 – 12:00 **Guiding Principles for Cost Allocations Continued**

Moderators: Lauren Azar, OMS President  
Clair Moeller, Midwest ISO

Recorder: Brian Rybarik, PSCW

Background: These 10 Principles are likely to generate significant discussion. The group will continue the discussion until the lunch hour.

12:00 – 1:00 **LUNCH** (will be brought in – we can continue discussions in small lunch groups)

During lunch, we will begin to look at the scenario templates that we will be working off during the afternoon’s discussion.

1:00 – 2:30 **The Rubber Hits the Road: Working Through A Series of Hypothetical Situations To Identify Beneficiaries**

Moderators: Lauren Azar, OMS President  
Clair Moeller, Midwest ISO

Background: Time to put some of this discussion into practice and work through a series of hypothetical situations. The idea is that we are all in the same state (the State of Confusion) and will have to work through a number of situations to determine who we think the beneficiaries of a proposal are. NOTE: we have worked hard to make these all theoretical situations and tried to avoid any situation that resembles an actual situation our states are facing. Any resemblance to an actual situation is purely coincidental.

**REQUIRED**

Reading: **Packet of Scenarios and Hypothetical Proposals**  
Scenario templates will be available on the OMS website.  
Specific scenarios will be distributed at the meeting.

2:30 – 2:45 Short Break

2:45 – 3:45 **The Rubber Hits the Road: Working Through A Series of Hypothetical Situations To Identify Beneficiaries (continued)**

Moderators: Lauren Azar, OMS President  
Clair Moeller, Midwest ISO

3:45 – 4:30 **Housecleaning and Next Steps**

- OMS Board Charge: Review Cost Allocation and Regional Planning Together. How should we use regional planning in this process?
- RECB Task Force – What is the proper role for stakeholders in this process?
- Identify timelines for CARP work product.
- Scheduling of additional meetings – be sure to bring your calendar!

4:30 **ADJOURN**