

# ATTACHMENT K

## Transmission Planning Process

### ~~I. Introduction~~

#### I. INTRODUCTION

SCE&G has a history of cooperative and coordinated planning with our customers for services provided to those customers. SCE&G also has a history of transmission reliability planning with neighboring utilities. ~~These activities are discussed in detail below.~~

The local transmission planning process refers to the process that a public utility transmission provider performs for its individual retail distribution service territory pursuant to Order 890. SCE&G annually prepares a local transmission expansion plan for its own area, which is developed through an open and ~~nondiscriminatory~~ non-discriminatory process, to meet the needs of all customers (native load, Network Service, Long-term Point-to-Point Service and Generator Interconnection Service). These local planning activities ~~are then coupled with the~~ include long-standing coordinated ~~assessments~~ assessment processes of all transmission providers of interconnected "systems" ~~by sharing~~ local transmission expansion plans to determine if they are simultaneously feasible ~~to ensure the most efficient or cost-effective alternatives for needed transmission expansion are considered~~ and to ensure that consistent assumptions and data are used in identifying "system" ~~enhancements~~ required to meet reliability standards.

~~To introduce additional transparency and the opportunity for more input into the transmission planning process~~ In 2007, in accordance with Order 890's nine planning principles, SCE&G ~~has~~ expanded its transmission planning process in order to promote a more open, transparent and coordinated approach to transmission planning in South Carolina on a local level and on a regional level. A key addition to the planning process ~~is~~ was the ~~development~~ establishment with The South Carolina Public Service Authority (Santee Cooper) ~~of the~~ South Carolina Regional Transmission Planning (SCRTP) process, the creation of the South Carolina Regional Stakeholder Group (SCSG), and the establishment of a dedicated website for this process. This ~~group~~ process, described more fully below, was developed in order to promote openness, transparency, comparability and the exchange of information consistent with the principles expressed in Order No. 890, thereby reducing the potential for and the false perception of undue discrimination in the planning process. ~~An additional key feature is SCE&G's commitment to~~ Pursuant to Order No. 890, SCE&G also participates in the Southeast Inter-Regional Participation Process. The elements of SCE&G's current planning process, ~~plus the new features, described more fully below,~~ address the nine planning principles that the Commission ~~has~~ articulated in Order No. 890.

### ~~H. Background~~

While not displacing or impeding local planning, Order No. 1000 built upon Order No. 890's nine planning principles to require more formalized transmission planning within regions. To comply with the requirements of Order No. 1000, SCE&G and Santee Cooper together will produce a regional transmission plan, which includes the regional transmission projects that have been selected for purposes of cost allocation. Those projects selected in the plan for purposes of cost allocation must have been determined to be more cost effective or efficient than those projects identified in SCE&G and Santee Cooper's individual local transmission expansion plans. SCE&G and Santee Cooper will serve as the Transmission Providers of the region, and will utilize the SCRTP structure, including the SCSG meetings and the SCRTP website, as the mechanism for communicating with Stakeholders in the regional planning process.<sup>1</sup> Consistent with Order No. 1000, the Transmission Providers may continue to meet their reliability needs or service obligations by choosing to build new transmission facilities that are located solely within their individual retail Balancing Area or footprints and that are not submitted for regional cost allocation.

## II. DEFINITIONS

- A. Developer: A “sponsor” and a “developer” (hereinafter “Developer”) of a transmission project proposed for selection in the regional plan for purposes of cost allocation refers to the same entity: one that proposes and commits to developing, constructing, owning, operating and maintaining the proposed facilities.
- B. ~~A.~~ **Introduction: Local** Local Project: A transmission facility located solely within one Transmission **Planning** Provider's footprint.
- C. Non-Incumbent Developer: An entity that seeks to develop, is developing, or has developed a Regional Project within the SCRTP footprint that is not also an enrolled Transmission Provider.
- D. Merchant Transmission Developer: An entity that seeks to develop, is developing, or has developed a transmission project within the SCRTP footprint for which cost recovery is not sought pursuant to this Tariff.
- E. Public Policy Requirement: A requirement that is stated in state, federal, or local law or regulation (including order of a state, federal, or local agency).
- F. Qualified Developer: A developer that has been selected as eligible to propose a regional project for consideration in the regional transmission plan for purposes of cost allocation pursuant to the criteria of Section VII.B.

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<sup>1</sup> All future references to “the Transmission Providers” mean SCE&G and Santee Cooper, serving as transmission providers of the SCRTP region.

- G. Regional Project: A project selected by the SCRTP pursuant to the SCRTP process for inclusion in the regional transmission plan for purposes of regional cost allocation because it is a more efficient or cost-effective solution to meet a regional transmission need than solutions identified in local transmission planning processes. A Regional Project is a project whose costs are allocated pursuant to Section VII.K.

### III. SCRTP STRUCTURE AND PROCESS

#### A. Overview

The SCRTP was established pursuant to Order No. 890 in order to provide for the exchange of information and open communication, which enables public input through its SCSG members consistent with the expectations for open, transparent, comparable and coordinated regional planning as articulated by the FERC in Order No. 890. The SCRTP process also will be used for the Order No. 1000 regional planning process, providing Qualified Developers an opportunity to submit regional transmission solutions and SCSG members an opportunity to provide input on the Transmission Providers' consideration of such proposals. SCE&G and Santee Cooper established a dedicated website ("SCRTP website") (www.scrtp.com) for the SCRTP process. A link to this website is available via SCE&G and Santee Cooper's OASIS. This website will be utilized to provide information regarding SCE&G's planning processes.

#### Local Planning:

The SCRTP process provides interested entities an opportunity via the SCSG meetings and the SCRTP website to understand and provide input, comments and questions regarding the study process prior to formulation of the local plan. The SCSG meeting process allows for the exchange of information and input into the planning process on a comparable basis and thereby eliminates the potential for undue discrimination.

To promote transparency and enable Stakeholders to replicate the result of the Transmission Provider's planning studies and thereby reduce the incidence of after-the-fact disputes regarding whether transmission planning has been conducted in an unduly discriminatory fashion, SCE&G will make available, during the relevant SCSG meetings and/or on the SCRTP website, information concerning the basic methodology, criteria, and process the Transmission Provider uses to develop its plan. Information will be placed on the SCRTP website, with some information being placed under the restricted access section and available to those entities who are eligible to receive CEII information.

#### Regional Planning:

The SCRTP Process also provides, via the SCSG regional meetings and the SCRTP website, Qualified Developers an opportunity to propose and Stakeholders the opportunity to review regional transmission solutions for inclusion in the regional

plan for purposes of cost allocation. This process establishes a transparent and non-discriminatory process for Stakeholder involvement in the regional planning process.

## **B. Participating in SCRTP Process**

The Transmission Providers will host a series of local and regional SCSG meetings to provide a forum for open and transparent transmission planning for SCE&G's local and regional planning. Any individual or entity may attend these meetings, participate in the process, and consider joining the SCSG. Entities may participate in either the local or regional SCSG meetings, or both.

Stakeholder membership in the SCSG for both local and regional SCSG meetings, is divided into the following 8 sectors:

- Transmission Owners/Operators/Developers
- Transmission Service Customers
- Cooperatives
- Municipals
- Marketers
- Generation Owners/Developers
- ISO/RTO
- State Regulatory Representatives (non-voting)

While any entity may participate in the SCRTP process, Developers qualified pursuant to Section VII.B. may propose regional transmission solutions to be considered in the regional transmission plan for purposes of cost allocation. Merchant transmission developers are not required to participate in the SCRTP process, but are required to provide information to the Transmission Providers in accordance with Section VII.B.3.

In order to enroll as a Transmission Provider in the transmission planning region, an entity must have an open access transmission tariff (OATT) on file with FERC and must be registered with NERC as a Planning Authority and a Transmission Service Provider within the regional footprint. SCE&G and Santee Cooper are collectively the Transmission Providers in the SCRTP region.

Participants in the SCRTP process will be responsible for their own costs of participation.

## **C. SCSG Procedural Aspects**

- SCSG meetings are open to non-SCSG members.
- SCSG members determine their sector affiliation; participants must provide information to validate their sector affiliation.

- SCSG members will provide input regarding proposed regional solutions submitted for purposes of cost allocation.
- Each sector within the SCSG has two voting members (14 total voting members)
- One vote per member; majority rule
- Voting members will be determined on a biennial basis (on even numbered years) by the sector membership, and no more than one voting member may e selected from more than one entity.
- This promotes an environment where all interested parties can actively participate in the SCSG
- SCSG can vote to change the number and timing of meetings with agreement by SCE&G, but changes must support the model development process and planning cycle.

#### **D. Protection of CEII**

Publicly available information disclosed at the SCSG meetings also will be made available on the SCRTP website. Information that s CEII only will be made available on the website to Stakeholders who meet SCE&G's eligibility requirements. These requirements are posted on SCE&G's OASIS Home Page in its Rules, Standards, and Practices. These requirements maybe updated and/or revised pursuant to SCE&G's posted process for updating its Rules, Standards, and Practices. SCE&G classifies information as CEII based upon the FERC's most current definition of CEII.

SCE&G will utilize the CEII application and non-disclosure agreement posted on the SCRTP website. This protection of CEII applies to both local and regional planning.

#### **E. SCSG Meetings**

SCE&G and Santee Cooper arrange and host the SCSG meetings at locations within their service territories. These meetings will serve as the vehicle to allow for the exchange of information between SCE&G and its Stakeholders. Notification of and a schedule of these meetings will be posted on the SCRTP website. An open email distribution list will be maintained by SCE&G and Santee Cooper to email notices of meetings and other planning-related communications.

The schedule for the Stakeholder meetings tracks the planning process timeline to allow SCE&G to communicate information to its Stakeholders at each stage of the local planning process and allow Stakeholders to participate not only by the exchange of information but also allow Stakeholder input at relevant points of the planning

process. This will allow Stakeholder input at the beginning stage when the current local plan is reviewed, regional solutions are proposed, and new issues are identified to be modeled and studied as the planning cycle starts over. Stakeholders are then updated at various times during the year regarding the studies and they are afforded the opportunity to ask questions about the studies, offer input and request additional studies. The number of meetings per year when information on the local planning process and the local transmission expansion plan will be presented and discussed are subject to change by decision of the SCSG and SCE&G over time. Any revision to this schedule must support existing planning activities in model development and system analyses.

The schedule for the SCSG meetings when information on the regional planning process and the regional plan will be presented and discussed tracks a two year planning cycle that the Transmission Providers use to accept and review regional solutions proposed for inclusion in the regional plan for purposes of cost allocation. This two year cycle provides sufficient time for Developers to review the Transmission Providers local plans and to propose alternative solutions, and for Stakeholders to review and comment on these proposals. Finally, this two year cycle permits the Transmission Providers adequate time to effectively review the proposals and the Stakeholder comment. For these reasons, the Transmission Providers will decide on any changes to the SCSG regional meeting schedule, with input from SCSG members.

Based on the planning timeline for local and regional planning, the Transmission Providers developed the below outline and brief description of the substance of these meetings and the information that will be communicated. A visual representation of this schedule is available in Appendix A.

### **1. Local Planning Process:**

#### Meeting 1 (October/November/December time frame)

- Meeting 1 is scheduled to occur prior to the initiation of SCE&G's annual Reliability Transmission Planning (RTP) studies examining system performance against requirements included in NERC and standards and criteria. This will allow opportunity for Stakeholder input into the study processes and the sharing and reviewing of planning-related data and analyses before studies are actually conducted and will ensure that up-to-date information is modeled and included in the reliability study processes.
- SCE&G will review and discuss with Stakeholders the key assumptions and data used for internal model development in the RTP process.

- Stakeholders will provide input on key assumptions and modeling data used in the RTP process, including but not limited to: (a) Network Customers' Network Load Forecasts, in the form of a 10-year summer and a 10-year winter load forecast starting with the next summer period, and Network Resources Forecasts, in the form of identified resources for the next 10 years; and (b) Point-to-Point Customers' forecasts, in the form of identified customer expectations over the next 10 years. Stakeholders also will provide any updates to the information submitted in the customer's application for service. This information shall be provided by October 31 of each year and may be submitted by email or in hardcopy form to SCE&G. Information received will be subject to protection for confidentiality. SCE&G will review the procedures by which transmission customers submit required data.
- A schedule for completion of RTP studies will be established.
- SCE&G will review all major projects included in its current transmission expansion plan.
- Stakeholders have the opportunity to discuss and provide comments on the current transmission expansion plans in order to provide input and feedback for the development of the next plan.

#### Meeting 2 (January/February/March time frame)

- Stakeholders will identify and request economic power transfer sensitivities to be studied as part of the Economic Transmission Planning (ETP) Studies;
- Up to five sensitivities will be studied per year. If more than five are requested, Stakeholders will vote to select which sensitivities will be studied.<sup>2</sup> See Section V for additional information.
- Stakeholders may identify local transmission needs driven by Public Policy Requirements. These potential needs must be submitted for SCE&G's evaluation by March 31 each year. See Section VI for additional information.

#### Meeting 3 (May/June timeframe)

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<sup>2</sup> Sensitivities that are not selected by the stakeholder group as one of the five studied sensitivities will be studied only if the requestor(s) pays for the additional study efforts.

SCE&G will review:

- the initial study results (for Stakeholder input) and final study results (including Stakeholder input) of its RTP studies, which include studies conducted to measure the performance of the SCE&G transmission system against the applicable NERC Reliability Standards and the SCE&G Internal Transmission Planning Criteria. This review may occur by web conference or conference call, if needed, to maintain study schedules. Stakeholders will have the opportunity to provide comments and feedback on these results as discussed in Section IV.E. All comments and feedback will be considered in the ongoing and perpetual planning process;
- two-party and multi-party RTP studies conducted with interconnected and other Eastern Interconnection transmission owners, which include studies conducted with other transmission owners. This review may occur by web conference or conference call, if needed, to maintain study schedules. Stakeholders will have the opportunity to provide comments and feedback on these results. All comments and feedback will be considered in the ongoing and perpetual planning process;
- the most recent regional and interregional reliability assessment studies. This review may occur by web conference or conference call, if needed, to maintain study schedules;
- any upgrades being considered. Stakeholders can discuss possible alternatives to the proposed upgrades. These alternatives may be in the form of other transmission expansion solutions, generation solutions, load-management solutions, etc. Viable alternative solutions to proposed upgrades will be considered in the ongoing and perpetual planning process.
- information on how to acquire all data used to conduct the studies, such as, base cases, reports and criteria. All data released will be subject to Non-disclosure and Confidentiality agreements, as necessary.

Meeting 4 (July/August/September time frame)

- SCE&G will review, discuss and receive input from the SCSG on results of requested economic power transfer sensitivities conducted by SCE&G individually, regionally with Santee



Cooper and, when requested, the Interregional Participation Process, including:

- Impacted facilities
- Solution options
- Cost and time estimates
- SCE&G will review and explain to the SCSG and meeting attendees information on how to acquire all data and study assumptions used to conduct the power transfer sensitivity studies. All data released will be subject to Non-disclosure and Confidentiality agreements, as necessary.
- SCE&G will present the transmission needs driven by public policy for which solutions will be evaluated.

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FOR LOCAL PUBLIC POLICY ONLY:

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Meeting 5 (October/November/December time frame)

- No meeting will occur

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Meeting 6 (January/February/March time frame)

- Stakeholders may submit solutions to identified transmission needs driven by public policy. See Section V for additional information.

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Meeting 7 (May/June time frame)

- Stakeholders may submit comments on local solutions proposed to meet transmission needs driven by public policy. Comments must be submitted 30 days after Meeting 7. SCE&G will post all comments on the SCRTP website.

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Meeting 8 (July/August/September time frame)

- SCE&G announces local solutions for transmission needs driven by public policy.

**2. Regional Planning Process:**

Meeting 1 (October/November/December time frame)

- No Regional Meeting will occur during the Meeting 1 time frame unless unexpected issues arise.

- This time period is reserved to permit Developers time to review the Transmission Providers' local transmission expansion plans, which are published in the preceding May or June of each year.

#### Meeting 2 (January/February/March time frame)

- Developers may submit proposals for regional projects to be evaluated for inclusion in the regional plan for purposes of cost allocation. The deadline for submitting proposals each year is January 15. See Section VII.C. for additional information. These proposals may include transmission or non-transmission alternatives.
- Entities may identify regional transmission needs driven by Public Policy Requirements. These potential needs must be submitted for SCE&G's evaluation by March 31 each year. See Section VII.D for additional information.

#### Meeting 3 (May/June time frame)

- No Regional Meeting will occur during the Meeting 3 time frame unless unexpected issues arise.
- This time period is reserved to permit Stakeholders time to evaluate proposals submitted by Developers.

#### Meeting 4 (July/August/September time frame)

- Stakeholders may submit comments on all regional solutions proposed to be included in the regional plan for purposes of cost allocation. Comments must be submitted seven days prior to Meeting 4. The Transmission Provider will post all comments on the SCRTP website prior to Meeting 4.

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#### Meeting 5 (October/November/December time frame)

- No Regional Meeting will occur during the Meeting 5 time frame unless unexpected issues arise.
- This time period is reserved to permit Transmission Providers time to evaluate proposals submitted by Developers and Stakeholder comment.

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#### Meeting 6 (January/February/March time frame)

- Qualified Developers may submit potential regional solutions to transmission needs driven by Public Policy Requirements. Qualified Developers may only submit proposals for

transmission needs that SCE&G has determined require solutions. See Section VII.D. for additional information. The Transmission Providers will post all project submissions on the SCRTP website.

#### Meeting 7 (May/June timeframe)

- The Transmission Providers will announce which regional projects have been selected in the regional plan for purposes of cost allocation.
- The Transmission Providers will produce their current local transmission expansion plans.

#### Meeting 8 (July/August/September timeframe)

- No Regional Meeting will occur during the Meeting 8 time frame unless unexpected issues arise.
- The Transmission Providers announce regional solutions for transmission needs driven by public policy.

## IV. LOCAL TRANSMISSION PLANNING

Transmission planning appropriately begins at the individual transmission "system" ("system") level. At the "system" level, the SCE&G transmission planning process provides a reliable, timely and economical transmission expansion plan that on a ~~nondiscriminatory~~ non-discriminatory basis (1) meets SCE&G's obligation to serve native load, including native load growth, (2) provides the future transmission requirements of grandfathered wholesale agreements, (3) provides firm point-to-point transmission service, (4) provides network integration transmission service and (5) provides generator interconnection service. ("local transmission expansion plan").

~~SCE&G is a registered Transmission Planner and performs planning analyses and interpretations using its own data and evaluation criteria that address NERC Transmission Planning (TPL) Reliability Standards and all other applicable Reliability Standards (see [www.nerc.com](http://www.nerc.com)) and the South Carolina Electric & Gas Company Transmission Planning Criteria (see "South Carolina Electric & Gas Company Transmission Planning Criteria," SCE&G OATT Original Sheet No. 202).~~

### **B. Local Planning**

The SCE&G Local Transmission Planning Process develops a local transmission expansion plan, which is produced on an annual basis and provides for timely modifications and additions to the SCE&G transmission system to ensure reliable and economical

transmission of electric power for our customers. Goals of the SCE&G Local Transmission Planning Process include developing a local plan and facilities to:

~~the SCE&G transmission "system" to ensure reliable and economical transmission of electric power for our customers. Goals of the SCE&G Transmission Planning Process include developing a plan and facilities to:~~

1. Transmit electric power from SCE&G generators to SCE&G native load and grandfathered wholesale customers
2. Transmit electric power from off-system purchases to SCE&G native load and grandfathered wholesale customers
3. Provide Transmission Service to Point-to-Point (PTP) and Network Customers
4. Provide Interconnection Service to all generators
5. Maintain synchronism with the Eastern Interconnection

The SCE&G Local Transmission Planning Process develops a ten (10) year expansion plan for the SCE&G transmission "system" considering the current performance and capabilities of the transmission "system" and the required future performance and capabilities of the transmission "system." The SCE&G Local Transmission Planning Process ensures that the SCE&G transmission "system" is compliant with NERC Reliability Standards and SCE&G's Transmission Planning Criteria. SCE&G also seeks to evaluate and plan additions/facilities, for customers, economically, with overall cost savings in mind.

SCE&G's local transmission expansion plan is based on the following drivers:

1. Reliability Standards and Planning Criteria testing
2. Native load distribution needs
3. Native load Industrial Customer needs
4. Firm PTP Transmission Service needs
5. Network/Wholesale Customer needs
6. Generator Interconnection needs
7. Actual "system" performance

8. Needs driven by Public Policy Requirements

Any one or a combination of these drivers may require expansion of the [SCE&G transmission system](#).

[SCE&G is a registered Transmission Planner and performs planning analyses and interpretations using its own data and evaluation criteria that address NERC Transmission Planning \(TPL\) Reliability Standards and all other applicable Reliability Standards \(see \[www.nerc.com\]\(#\)\) and the South Carolina Electric & Gas Company Transmission Planning Criteria \(see "South Carolina Electric & Gas Company Transmission Planning Criteria," SCE&G OATT Attachment D\).](#)

~~transmission "system."~~

#### **I.A. Reliability Standards and Planning Criteria**

SCE&G plans its transmission "system" to be compliant with the NERC Reliability Standards and to the South Carolina Electric & Gas Company Transmission Planning Criteria ~~(see "South Carolina Electric & Gas Company Transmission Planning Criteria," SCE&G OATT Original Sheet No. 202).~~ These criteria dictate that the transmission "system" must be designed such that during any of the specified contingencies,<sup>+3</sup> only short-time overloads, low voltages, and local loss of load will occur; and after appropriate switching and re-dispatching, all non-radial loads can again be served with reasonable voltages, and all facilities can again operate within acceptable limits.

#### **B.2. Types of Planning Studies Conducted**

The SCE&G [Local](#) Transmission Planning Process utilizes power flow, transient stability, power transfer, short circuit studies and cost/benefit analyses to determine when and how transmission expansion will occur. Power flow and transient studies are performed annually in compliance with NERC Planning Standards for both 1-5 year and 6-10 year planning horizons. In addition to the NERC Reliability Standard requirements, SCE&G also performs transmission planning to meet SCE&G Transmission Planning Criteria. ~~As discussed below, Stakeholders will be provided opportunities via the Stakeholder meetings and the SCRTP website to understand and provide input, comments and questions regarding this study process, the conduct of the studies, and the output of the studies, prior to formulation of a plan.~~

~~Prior to initiating its annual studies, SCE&G will hold a Stakeholder meeting (discussed more fully below in section III to allow Stakeholders to provide input in the study process. SCE&G will review with Stakeholders key assumptions and modeling data used in the Reliability Transmission Planning process. SCE&G will also receive load forecasts from Network~~

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<sup>+3</sup> Specified in the NERC Standards and SCE&G Criteria.

~~Customers and potential future needs from Point-to-Point Customers. This provides additional transparency and also promotes the exchange of information.~~

The process differs for power flow, transient stability, and short circuit "base simulation case" development and is described in each section below.

a. Power Flow Modeling Data

SCE&G's aggregated load data is used to create disperse "system" load models for the upcoming 10 years. Additional load information is obtained with input from customers. Other modeling components include generators, transmission lines, transformers, firm power transfers, capacitors, reactors, power circuit breakers, and FACTS devices. Power flow "base cases" are then developed by Transmission Owners within the SERC geographic area ("SERC area") through the SERC area Long Term Study Group (LTSG). The LTSG then provides its cases to the Eastern Interconnection Reliability Assessment Group (ERAG) Multi-regional Modeling Group (MMWG) for inclusion in the development of its cases.

b. Transient Stability Modeling Data

Transient stability "base cases" are developed by Transmission Owners within the SERC area through the SERC area Dynamics Study Group (DSG). These cases are then provided to the ERAG MMWG for inclusion in the development of its cases.

c. Short Circuit Modeling Data

Short circuit data is ~~exchange~~ exchanged by the Transmission Owners within through the SERC area Short Circuit Database Working Group (SCDWG).

[Transmission planning studies also are performed for OATT PTP and Network Transmission Service Requests \(TSR\). TSR studies are performed in accordance with the SCE&G OATT. Transmission planning studies are performed for Generator Interconnection Requests \(GIR\). GIR studies are performed in accordance with FERC 18 CFR Part 35, "Standardization of Generator Interconnection Agreements and Procedures" issued July 24, 2003.](#)

~~C.~~ **Cost/Benefit Analyses**

One of SCE&G's transmission planning objectives is to develop a local plan that minimizes the long-term cost of expansion while maintaining expected levels of service and compliance with applicable standards. To accomplish this, SCE&G ~~will~~

~~tre~~at ~~treat~~ all resources on a comparable basis and ~~will give~~ gives consideration that is technologically neutral to every viable alternative solution to identified transmission needs. These alternative solutions may include new transmission facilities, modifications to existing transmission facilities, generation siting or load-management opportunities. The SCE&G planning process ~~will consider~~ considers these alternative options in determining if and when transmission expansion is needed.

~~Transmission planning studies also are performed for OATT PTP and Network Transmission Service Requests (TSR). TSR studies are performed in accordance with the SCE&G OATT. Transmission planning studies are performed for Generator Interconnection Requests (GIR). GIR studies are performed in accordance with FERC 18 CFR Part 35, "Standardization of Generator Interconnection Agreements and Procedures" issued July 24, 2003.~~

#### D. Joint Studies

~~Transmission~~As part of developing a local transmission plan, transmission assessment studies are jointly conducted with neighboring transmission owners through the regional transmission assessment processes. These studies include near-term and long-term transmission assessment studies. Joint studies with neighboring transmission owners are performed on an annual cycle and as needed. The exchange of data and simulation cases for all studies is done in accordance with the "SERC Data Release Guidelines". Information regarding these studies ~~will be~~ is communicated to Stakeholders via the website and/or during a Stakeholder meeting.  
~~See section III below.~~

#### ~~C. Inter-Regional Coordination~~

#### E. The Local Transmission Planning Cycle

The SCE&G local transmission planning process is ongoing and perpetual. Proposed transmission plans are reviewed continuously as assessment and planning studies are conducted for numerous purposes. Any new input or adjustments to the study process or study results are reflected in all future studies.

The appended timeline illustrates how the SCE&G local planning processes described above take place over the course of a calendar year, including timelines and milestones for the coordination of models by SERC area Transmission Planners. The timeline is attached as Appendix K-1, "Local Transmission Planning Process."

#### F. Local Transmission Plan Approval

After the modeling and assessment process is conducted, a local transmission expansion plan is produced that reflects consideration of alternatives to the local transmission expansion as submitted by Stakeholders or anyone else. SCE&G senior management approves the selected solution and if transmission expansion is the selected solution, the expansion project is included in the SCE&G transmission expansion plan, in accordance with FERC Orders and state regulation.

## **V. ORDER NO. 890 ECONOMIC TRANSMISSION PLANNING STUDIES**

### **A. Economic Transmission Planning Studies**

The Economic Transmission Planning (ETP) Studies process allows Stakeholders to propose economic power transfers to be studied as part of the local transmission planning process. ETP Studies determine the facilities or system changes on the SCE&G transmission system to address congestion and/or increase transfer capability on any direct interface. The final results of this process includes cost and time estimates associated with implementing the facilities or system changes. The intent of the ETP Studies process is to provide information to Stakeholders and is not a commitment to build.

As described in Section III.E.1, in Meeting 2, Stakeholders may identify and request economic power transfer sensitivities to be studied. All requested sensitivities will be considered except sensitivities that specify specific generation resources. Up to five sensitivities will be studied per year. If more than five are requested, Stakeholders will vote to select which sensitivities will be studied. Sensitivities that are not selected by the SCSG as one of the five studied sensitivities will be studied only if the requestor(s) pays for the additional study efforts.

Stakeholders will consider clustering similar ETP Study requests. In this regard, if two or more ETP Study requests are similar in nature and SCE&G concludes that clustering such requests and studies is appropriate, SCE&G may, following communication with the Stakeholders, cluster those studies for purposes of the ETP Study and Report.

Requested economic power transfers with the source(s) and the sink(s) within the SCE&G transmission system will be studied by SCE&G. Requested transfers with the source(s) and the sink(s) within the SCRTP area will be jointly studied by SCE&G and Santee Cooper. Requested studies with the source(s) and/or the sink(s) outside the SCRTP area that are studied by SCE&G and Santee Cooper will include only the results for the SCRTP area and not include results for other areas. If the Stakeholders want the results from other areas included, the request will be advanced to the SIRPP (see Appendix K-3).



## B. Cost Allocation for Local Economic Projects<sup>4</sup>

### 1. General

The following provides the Transmission Provider's methodology for allocating the actual costs of new transmission facilities that do not fit under the general Tariff rate structure. In particular, this methodology addresses the allocation of the actual 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. Transmission Service on the Transmission Provider's transmission system must be applied in a manner consistent with the requirements and procedures as stated in the Transmission Provider's Tariff.

### 2. Cost Allocation Methodology for Economic Upgrades:

a. 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"). 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."

b. 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

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<sup>4</sup> SCE&G shall retain decision making authority for such decisions related to reliability planning consistent with its statutory responsibilities for reliability. The process described in this Attachment K is not intended to replace or diminish the obligations of SCE&G pursuant to its respective open access transmission tariff to, as applicable, provide transmission service to, or undertake construction of transmission expansion projects for, any transmission customer. Transmission expansion options will remain fully subject to the current reservation and request processes conducted through the OASIS, and the processes discussed here do not replace such OASIS processes for SCE&G.

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 their intent by posting such intent, along with the amount of megawatts of transmission capacity that they 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]").

**c. Allocation of the Costs of the Economic Upgrades:** The actual 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 actual 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.

- d. 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 actual costs of the Economic Upgrade[s] allocated to the Requestors shall be reduced by the amount of savings caused by the deferral or cancellation.
- e. Implementing Agreements and Regulatory Approvals:** The Transmission Provider will not be obligated to commence design or construction of any Economic Upgrades 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 is executed by the Parties and (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. 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 actual 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.

## **VI. LOCAL TRANSMISSION NEEDS DRIVEN BY PUBLIC POLICY**

In accordance with Order No. 1000, Stakeholders may identify transmission needs driven by Public Policy Requirements. A proposed transmission need must be described in sufficient detail to allow SCE&G to study whether that proposed transmission need is unmet, such that solutions for that need should be considered.

Examples of sufficient detail may include, as applicable, but are not limited to: a description of the needed transmission capability or transmission functionality associated with the Public Policy Requirement; a description of electric power source and sink points associated with the Public Policy Requirement; the amount of electric power associated and timing associated with the Public Policy Requirement.

SCE&G will not assess potential transmission needs that are described in generic, overly-vague terms that do not permit SCE&G to adequately determine what is required of the transmission system.

No proposed transmission need will be selected as an unmet need to be evaluated for potential solutions if that proposed need is met under existing local or regional plans.

SCE&G will post on the SCRTP website explanations of which transmission needs driven by Public Policy Requirements will be evaluated for potential solutions and an explanation of why other suggested transmission needs will not be evaluated.

Stakeholders may propose potential local solutions to transmission needs selected to be evaluated for potential solutions. An entity must be a Qualified Developer to propose regional solutions to transmission needs, for purposes of regional cost allocation, in accordance with Section VII.B. Stakeholders will be provided an opportunity to provide input during the evaluation of all potential solutions.

## **VII. REGIONAL TRANSMISSION PLANNING**

### **A. Introduction**

In accordance with Order No. 1000, SCE&G and Santee Cooper will produce a regional transmission plan, which represents regional transmission projects that have been selected for purposes of cost allocation. This plan will be produced when regional solutions are selected.

Qualified Developers may submit alternative regional solutions to meet the region's transmission needs. If the Transmission Providers determine that an alternative transmission solution is more efficient or cost-effective than transmission facilities in the local transmission plans, then the alternative solution is eligible for selection and inclusion in the regional plan.

Consistent with Order No. 1000, nothing herein is intended to appropriate, supplant, or impede any local transmission planning processes that the Transmission Providers undertake.

Regional projects are projects that meet the following criteria:

- a. The operating voltage of the proposed transmission project must be 230 kV or above;
- b. A proposed transmission line must be over 50 miles in length;
- c. The proposed transmission project must be beneficial to both systems in the region;

- d. The estimated cost of the project must be \$10 million or above;
- e. The project must be a green-field facility;
- f. The Qualified Developer must secure its own ROW; the Transmission Providers' existing ROW may not be compromised by the proposed project;
- g. The project must not be an upgrade to an existing facility;
- h. The project must be materially different from projects that are currently in the regional transmission expansion plan (or have been previously considered in the regional transmission expansion planning process) and the local transmission expansion plan. That is, a Qualified Developer may not simply "bundle" several local projects into a single project and claim that it is a regional project;
- i. The project must be able to be constructed and integrated into the transmission system(s) by the required in-service date; and
- j. Owner of project will turn over functional control to the Transmission Provider (adhere to instructions from TSP and BAA), including, but not limited to: real-time reliability actions, coordination of maintenance schedules, and line outages. This does not include physical control of the asset.

**B. Qualification Criteria to Establish Eligibility to Submit a Regional Transmission Project for Selection in a Regional Transmission Plan**

Developers wishing to propose a transmission project for selection in the regional transmission plan for purposes of regional cost allocation must meet financial and technical criteria, as established herein. Developers must establish their eligibility prior to submitting a proposal.

Within 30 days of receiving a Developer's application for eligibility to propose a transmission project for selection in the regional transmission plan for purposes of cost allocation, the Transmission Providers will notify the Developer of any deficiencies in the application. . Within six week of receiving a Completed Application, Transmission Providers will make a determination as to whether the Developer is qualified, as defined herein.

**1. Financial Criteria**

Each Developer must submit adequate financial information to allow the Transmission Providers to assess its financial capability and creditworthiness. Where such information is available and applicable, the Developer must provide the Transmission Providers:

- a. Audited Financial Statements;
- b. List of affiliates, parent companies, and subsidiaries;
- c. Publicly available information from credit reports by credit and bond rating agencies;
- d. Private credit ratings;
- e. Credit references;
- f. Statement of legal composition;
- g. Statement of length of time potential Developer's business has been in operation; and
- h. A summary of any history of bankruptcy, dissolution, merger, or acquisition of the Developer or any predecessors in interest for the current calendar year and the five calendar years immediately preceding its submission of information related to affiliated entities.

In order to determine creditworthiness, the Developer must meet one of the following criteria:

- a. The Developer has been in business at least one year and has a credit rating of at least "Baa3" (Moody's) or "BBB minus" (Standard & Poor's or Fitch's) (If rated by multiple agencies, the lowest rating applies); or
- b. The Developer has been in business at least one year, and provides its most recent financial statement, which demonstrates that it meets standards that are at least equivalent to the standards underlying credit ratings of "Baa3" or "BBB minus"; or
- c. The Developer's parent company meets either (a) or (b) above, and provides a satisfactory written guarantee to be unconditionally responsible for all financial obligations.

Developers should demonstrate their ability to assume liability for major losses resulting from any failure of facilities

## 2. Technical Expertise

Each Developer must demonstrate its capability to develop, construct, operate, and maintain U.S. electric transmission projects of similar or larger complexity, size, and scope as the proposed project. At a minimum, the following must be demonstrated:

- a. Technical and engineering qualifications and experience;
- b. Past history of meeting transmission project schedules;
- c. Capability to adhere to standardized construction practices;
- d. Past history regarding construction of transmission facilities, including:
  - i. Cost containment capability and other advantages the Developer may have to build the specific project; and
  - ii. A discussion of the Developer's business practices that demonstrate that its business practices are consistent with good utility practices for proper permitting, licensing, designing, ROW acquisition, constructing, operating and maintaining transmission facilities that will become part of the transmission grid.
- e. Past history regarding O&M of transmission facilities and/or contracting for the O&M of transmission facilities;
- f. Capability to adhere to standardized O&M practices;
- g. How it intends to comply with all applicable reliability standards and to obtain the appropriate NERC certifications;
- h. Past record of compliance with NERC standards; and
- i. Historical ability to site, permit, procure equipment, construct, own, operate and maintain transmission facilities.

If a Developer is determined to be qualified to submit a proposed project, this qualification will continue for up to five years for any project proposed by that Developer that does not exceed a total price and scope beyond the initial qualification. The Developer has an obligation to update any change to its submitted qualification application, regardless of the materiality of the change. If a Developer submits a change to its submitted qualification application, the Transmission Provider will have the option to re-evaluate the Developer's qualification. Each Developer that desires to submit regional projects pursuant to the process herein must submit an application in full no less

than every five years. The Transmission Providers reserve the right to ask for additional information from a Developer seeking qualification or a Developer that has been previously qualified.

### 3. Merchant transmission developers

While merchant transmission developers are not required to participate in the SCRTP process, they are required to provide adequate information and data to allow public utility transmission providers in the transmission planning region to assess the potential reliability and operational impacts of the merchant transmission developer's proposed transmission facilities on other systems in the region.

In order to construct, own, operate and maintain transmission facilities, a merchant transmission developer must demonstrate:

- a. That any such transmission facility will not compromise local or regional reliability; and
- b. A history of constructing, owning, operating, or maintaining, as applicable, comparable transmission facilities

Merchant developers must be willing to turn over functional control of their facility to the Transmission Provider.

The transmission facility owner and operator must meet all applicable FERC, NERC, SERC, South Carolina Public Service Commission regulatory requirements, as well as the interconnected transmission provider Facility Connection Requirements document (as required by NERC Reliability Standard FAC-001). The Transmission Provider requirements include, but are not limited to:

- System interconnection studies;
- Transmission system performance;
- Transmission facility equipment standards;
- Transmission facility control, instrumentation and communication requirements;
- Reactive power and voltage support;
- Grounding;
- Protection requirements;
- Inspection, maintenance and testing requirements; and



- Emergency operations.

### C. Submitting a Regional Transmission Solution for Purposes of Cost Allocation

Any Developer that desires to submit a regional transmission project for consideration in the regional transmission plan for purposes of cost allocation must be qualified in accordance with Section VII. B. Developers must submit the following information in support of a proposed regional transmission project:

- a. A description of the proposed transmission project that details the complete scope including, as relevant:
  - i. Description of Owners;
  - ii. Indicate whether project is for reliability, public policy, or economic purposes;
  - iii. Description of the transmission facilities being proposed (e.g., voltage levels, etc.);
  - iv. The general path of the line(s);
  - v. All interconnection points with the transmission system;
  - vi. Various stages of the project, such as siting, licensing, permitting, ROW acquisition, engineering, construction, proposed in-service date, etc. NOTE: more detailed milestones will be developed if project is selected in the regional plan.
- b. A total capital cost estimate of the proposed transmission project, fully loaded, including contingencies and overhead, expressed in current year dollars
  - i. Cost estimates should be sufficiently detailed to demonstrate a good faith effort at estimating the cost and to allow the Transmission Providers to understand how the estimate was determined.
  - ii. If the cost estimate differs greatly from generally accepted estimates of projects of comparable scope, the Developer submitting the project will be required to justify such discrepancies.
- c. A description of the developer's project financing approach

- d. Reliability impact assessment, which takes into account the following:
- i. Explanation of how the project will abide by any transmission standards of Transmission Providers with which project will interconnect
  - ii. Identification of any NERC standards that will be implicated by developing the project
  - iii. Any such transmission project must not compromise local or regional reliability and the transmission facility owner and operator must meet all applicable FERC, NERC, SERC, South Carolina Public Service Commission regulatory requirements, as well as the interconnected transmission provider Facility Connection Requirements document (as required by NERC Reliability Standard FAC-001). The Transmission Provider requirements include, but are not limited to:
    - System interconnection studies;
    - Transmission system performance;
    - Transmission facility equipment standards;
    - Transmission facility control, instrumentation and communication requirements;
    - Reactive power and voltage support;
    - Grounding;
    - Protection requirements;
    - Inspection, maintenance and testing requirements; and
    - Emergency operations
- e. System Impact Studies and Reports, including load flow cases that demonstrate the expected performance of the project(s) and demonstrate that no applicable standard is violated at any point on the wide-area grid.
- f. Whether the project would require state transmission siting proceedings, National Environmental Policy Act review, or federal or state permits. Describe the legal authority, if any, that will need to be obtained by the Developer to site/own transmission under relevant state law. Identify the authorized governmental body that will review the application for siting approval for projects within the transmission region.

- i. Describe the process the Developer will use to obtain transmission siting approval including the authority to acquire rights of way by eminent domain, if necessary, that would facilitate approval and construction of the project.
  - ii. Describe the process that the Developer will use for the preparation of any required application for siting approval, including milestones and a description of supporting studies and other evidence.
  - iii. Describe the Developer's experience in the areas above.
- g. Whether the project requires upgrades to any Transmission Provider's existing facilities or would require a Transmission Provider to alter its use and control of an existing right-of-way. NOTE: only projects that do not compromise the Transmission Providers' rights-of-way will be considered for inclusion in the regional plan for purposes of cost allocation.
- h. Supporting documentation of the technical analysis performed to demonstrate that the proposed transmission project is either more efficient or cost-effective project than specific projects in the latest local transmission expansion plans presented to the Stakeholders and, where applicable, that the project resolves a transmission need driven by economics or a public policy requirement that is not otherwise addressed. Documentation and information must include the following, as applicable:
  - All planning data and supporting information necessary to evaluate the submitting Developer's analysis of the proposed transmission project against the Transmission Providers criteria stated above; and
  - The identification of transmission projects in the latest expansion plans that may be avoided, canceled or postponed as a result of the proposed project, as well as any additional projects, or changes to other planned projects that may be required due to the proposed project; and, where applicable,
  - The economic need or transmission need driven by Public Policy Requirements that is not otherwise addressed

A deposit of \$25,000 will be required for each project submittal, which will be applied towards and trued up based on the documented cost of the Transmission Providers' analysis. The actual costs incurred by the SC RTP Transmission Providers to analyze projects submitted will be borne by the Transmission Developer.

Proposals must be submitted without any deficiencies by January 1 of each year in order to be included in that year's planning cycle. The Transmission Provider will notify the Developer if the submitted proposal is deficient.

#### **D. Transmission Needs Driven by Public Policy Requirements**

Stakeholders may identify transmission needs driven by Public Policy Requirements. In order for the Transmission Providers to determine whether solutions should be developed for the needs identified, a proposed transmission need must be described in sufficient detail to allow the Transmission Provider to study that proposed transmission need.

Examples of sufficient detail may include but are not limited to: a description of the needed transmission capability or transmission functionality associated with the Public Policy; if applicable, a description of electric power source and sink points associated with the Public Policy; if applicable, the amount of electric power associated and timing associated with the Public Policy.

The Transmission Providers will not assess transmission needs that are described in generic, overly-vague terms that do not permit the Transmission Providers to adequately determine what is required of the transmission system.

The Transmission Providers will post on the SCRTP website explanations of which transmission needs driven by Public Policy Requirements will be evaluated for potential solutions and an explanation of why other suggested transmission needs will not be evaluated.

No proposed transmission need will be selected to be evaluated for potential solutions if that need is met under existing local or regional plans.

Qualified Developers may propose potential solutions associated with the transmission needs selected to be evaluated for potential solutions. Stakeholders will be provided an opportunity to provide input during the evaluation of these potential solutions.

#### **E. Evaluation of Proposals for Selection in the Regional Plan for Purposes of Cost Allocation**

The Transmission Providers, in consultation with Stakeholders, will evaluate regional transmission solutions proposed by Developers in conjunction with those identified by the Transmission Providers. Developers and Stakeholders may conduct an independent evaluation and submit written comment on any proposed regional transmission solution for the Transmission Providers' consideration.

Utilizing coordinated models and assumptions, each Transmission Provider will utilize its respective planning guidelines and criteria to evaluate submittals and determine the following:

- a. Whether the proposal addresses transmission needs that are currently being addressed with projects in the latest local transmission expansion plans and if so, which projects in the plans could be canceled or postponed by the proposed regional transmission project; and
- b. Whether any additional projects, or changes to other planned projects, are required due to the proposed project.

The Transmission Provider will evaluate the proposal against all applicable FERC, NERC, SERC, South Carolina Public Service Commission regulatory reliability requirements, as well as the interconnected transmission provider Facility Connection Requirements document (as required by NERC Reliability Standard FAC-001). The transmission provider requirements include, but are not limited to:

- System interconnection studies;
- Transmission system performance;
- Transmission facility equipment standards;
- Transmission facility control, instrumentation and communication requirements;
- Reactive power and voltage support;
- Grounding;
- Protection requirements;
- Inspection, maintenance and testing requirements; and
- Emergency operations

The inclusion of the proposed transmission project must yield a regional benefit to cost ratio of at least 1.25 and must not adversely impact reliability. No individual Transmission Provider should incur increased, unmitigated transmission costs as a result of the proposed project.

- The benefit used in this calculation will be quantified by the transmission cost (or savings) of cancelled or postponed projects in the latest local expansion plan provided to Stakeholders and the cost of any additional projects, or changes to other planned projects required due to the proposed project.

Based upon the evaluation outlined above, the Transmission Providers will assess whether the proposed transmission project is more efficient or cost-effective for the region.

The proposed regional transmission project may be included in the regional plan for purposes of cost allocation if the proposal:

- a. Is determined to be more efficient or cost effective than projects in the existing local transmission expansion plans.

NOTE: If more than one project meets the 1.25 benefit to cost ratio, both projects may be considered for selection, regardless of whether one has a lower cost than the other.

- b. Continues to remain needed, reliable, and more efficient or cost effective.

- c. Is approved by the Transmission Providers whose local transmission expansion plans would be altered with the inclusion of the proposal and their relevant jurisdictional and/or governance authorities:

- Santee Cooper: Senior Management and/or Board of Directors of the South Carolina Public Service Authority
- SCE&G: South Carolina Public Service Commission

#### **F. Contractual Agreement**

When a proposal is selected in the regional plan a Contractual Agreement will be developed to address the following:

- a. Communication responsibilities of the transmission Developer and the Transmission Providers

- b. Detailed key milestones and anticipated schedules associated with the proposal, including, but not limited to:

- i. Required regulatory approvals
- ii. Design, procurement, and construction
- iii. Reports for completion of each milestone and required testing and certification
- iv. Timing and frequency of project updates

- c. Circumstances prompting reevaluation in order to assess the appropriate timing of the proposed regional transmission project

- d. Reevaluation may result in the need for the potential advancement, deferment, or removal of the regional transmission project
- e. Credit enhancement (guaranties, bonds, letters of credit)
- f. Insurance requirements, including, but not limited to performance bond
- g. Interconnection provisions
- h. Project requirements and specifications, including rights of way, permits, and equipment
- i. Project budget/updated detailed cost estimates
- j. Project benefits
- k. Responsibility for meeting NERC standards
- l. EPC Contract Requirements, including turn key warranty, warranty period, minimum remedies, creditworthiness of contractor, and assignability
- m. Operations and maintenance responsibilities
- n. Responsibilities for capital repairs during operation period
- o. Provisions indicating that transmission service over facilities will be provided pursuant to SCE&G and/or Santee Cooper OATT and delineation of which facilities are subject to which OATT
- p. Capacity and transmission rights
- q. Allocation of costs
- r. Representations and warranties
- s. Condemnation
- t. Assignment of agreement
- u. Indemnification
- v. Limitation of liability
- w. Termination rights
- x. Dispute resolution

At this time, the Qualified Developer must demonstrate that it continues to meet the Qualification and Technical Criteria, as defined in Section VII.B.

## **G. Required Project Updates**

If a project is selected in the regional plan for purposes of cost allocation, the project Developer will be required to submit periodic updates, as appropriate to the project, to the Transmission Providers. The timing and frequency of these updates will be addressed in the Contractual Agreement.

## **H. Abandonment**

If a Regional Project is abandoned by a Developer, the impacted Transmission Providers may seek to complete the Regional Project (in accordance with all applicable laws and regulations) or to propose alternative projects (including non-transmission alternatives) that will ensure that any reliability need is satisfied in an adequate manner. If a NERC Registered Entity believes that abandonment will cause a specific NERC Reliability Standard to be violated, and the Transmission Providers have not chosen to complete the project in order to prevent the violation, or cannot complete such a project in a timely fashion, the NERC Registered Entity will be expected to submit a mitigation plan to the appropriate entity to address the violation.

## **I. Reevaluation**

Only projects selected in the regional plan for purposes of cost allocation are subject to reevaluation. In order to remain in the regional plan for purposes of cost allocation, the project must remain needed, reliable, and more efficient or cost effective.

The Transmission Providers will review periodic updates from the project Developer as specified in the Contractual Agreement to determine whether any delays associated with completion of a transmission project have the potential to adversely affect an incumbent transmission provider's ability to fulfill its reliability needs or service obligations.

If the Transmission Providers determine that delays may affect reliability or service obligations, the Transmission Providers may propose regional solutions for purposes of cost allocation or may develop local solutions to ensure they can continue to fulfill their reliability needs or service obligations.

## **K. Cost Allocation**



If a regional transmission project is selected in the regional plan for purposes of cost allocation, the Transmission Providers will be allocated costs in proportion to their respective benefit. The beneficiaries of a proposed project will be the Transmission Providers that are benefiting themselves or the Transmission Providers that are benefitting on behalf of their customers.

The benefit used in this calculation will be quantified by the transmission costs avoided by the regional project. The cost used in this calculation will be quantified by the cost of the proposed project plus the cost (or minus the savings) of any additional projects required to implement the proposal.

The benefit-to-cost ratio calculation would be expressed: Total Cost of Avoided Transmission ÷ Total Cost of the Regional Project (including the cost of any additional projects required to implement the proposal) > 1.25.

Cost Allocation will be based on the benefit of avoided transmission cost.

- $\frac{\text{(Transmission Provider A's Total Avoided Transmission Cost/Total (A+B) Avoided Transmission Cost)} * \text{Total Cost of Regional Project}}{\text{Transmission Provider A's Cost Allocation}}$
- Example: The proposed Regional Project costs \$350M; SCE&G avoids a \$300M project and Santee Cooper avoids a \$150M project. SCE&G pays 2/3 TRR of Regional Project, Santee Cooper pays 1/3 TRR.

## VIII. DISPUTE RESOLUTION

Disputes that arise from procedural or substantive issues as related to Order No. 890 or Order No. 1000 will be resolved in the following manner:

### A. Resolution Procedures

Disputes shall be referred to a senior representative of SCE&G and to a senior representative(s) of the individual Stakeholder(s) or Developer, as applicable, bringing the dispute for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute by mutual agreement within ninety (90) days from the date of receiving written notice of such dispute (or such other period as the disputing parties may agree upon), such dispute then may be submitted to nonbinding arbitration and resolved in accordance with the arbitration procedures set forth below.

### B. Arbitration Procedures.

Any dispute submitted to arbitration as described above shall be processed in accordance with the Uniform Arbitration Act and, to the extent not

inconsistent therewith, the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), as amended and in effect on the date that demand for arbitration is filed with the AAA. The arbitration shall be conducted by a single arbitrator. Each party to the arbitration shall select an arbitrator candidate. The AAA shall then select an arbitrator from such candidates according to its reasonable judgment. The arbitrator shall issue a decision no later than ninety (90) days from the date a party to the arbitration receives written notice that a dispute was not resolved by mutual agreement, and therefore, must be submitted to arbitration. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the cost of its own experts, evidence and legal counsel.

Notwithstanding anything to the contrary in this Section, any affected party may refer the matter to the Federal Energy Regulatory Commission at any time, for example, by filing with the Commission a complaint under Section 206 of the Federal Power Act, a request for declaratory order, or a change in rate under Section 205 of the Federal Power Act.

## IX. AREA-WIDE FEASIBILITY ASSESSMENTS AND COORDINATION

SCE&G coordinates with other Transmission Planners in the SERC area for the creation of a SERC area-wide model and the preparation of simultaneous feasibility assessments. The purpose of these assessments is to further augment the reliability of each utility's bulk power "system" through coordination of the plans of each neighboring bulk power "system."

SCE&G utilizes an approach coupling local planning activities with (a) information sharing, (b) coordinated assessments and (c) joint planning efforts. Appendix K-1 to this Attachment K provides a diagram of the planning process. In all processes described below, ~~stakeholder~~ Stakeholder input is considered. The models and plans described below are presented and discussed in the SCRTP process.

### Facilitation of Local Planning (Information Sharing)

Facilitation of Local Planning is an extension of local transmission planning wherein two or more individual "systems" cooperate by exchanging information about their existing facilities and future plans so that each "system" or group, acting on its own, can individually assess the simultaneous feasibility of plans and performance. Normally, "system" facility data and computer power flow models are included in the information exchange. Any individual system plans developed as a result of the facilitation of Local Planning is the individual "systems" responsibility for implementation. The results of the Facilitation of Local Planning may lead to Joint Planning efforts among two or more "systems," as described below.

To ensure the Facilitation of Local Planning is effective, "systems" share through these modeling efforts their best currently available estimates of future "system" conditions and plans. The sharing of this information for future years is intended to provide ample time for other affected "systems" to react, through their local planning processes, to changes in the plans of neighboring "systems" that may have significant impacts.

SCE&G participates in the Facilitation of Local Planning through annual joint modeling efforts with neighboring "systems." In addition, more frequent exchange of information occurs, when appropriate, such as during coordinated assessment activities.

## 1. Coordination Activities within the SERC area

### a. Transmission System Modeling

SCE&G's 10-year local transmission expansion plan is the basis for our planning and assessment activities and is also our input into the SERC area transmission models developed annually by the Transmission Planners in the SERC area.

As a Transmission Planner in the SERC area, SCE&G participates in the creation of SERC ~~areawide~~ area-wide transmission system models used in the local planning process, the regional SCRTP process and inter-regional assessment processes.

Models of the transmission systems are developed by the Transmission Planners in the SERC area through an annual model development process. Each Transmission Planner in the SERC area, incorporating input from local and regional planning processes, and develops and submits its 10-year transmission models to a model development databank. The databank then joins the models to create SERC ~~areawide~~ area-wide models for use in reliability planning and assessments. Additionally, the SERC ~~areawide~~ area-wide models are then used in each regional planning process as an update (as needed) to the current transmission models and as a foundation (along with the MMWG models) for the development of next year's transmission models.

The development of local area and regional reliability plans is facilitated through the creation of these transmission models that incorporate the current 10-year transmission expansion plans, load projections, resource assumptions (generation, demand response, and imports), transmission service commitments and interconnection service commitments within the area. The transmission models also incorporate external regional models (at a minimum the current SERC area models) that are developed using similar assumptions.

### b. Inter-Regional Reliability Assessments

Inter-Regional Reliability Assessments are processes in which two or more individual "systems" agree to exchange necessary data and "system" plans and collectively monitor and assess conformance to a specific set of criteria and

guides, such as the national and utility reliability standards associated with planning. This process inherently recognizes the potential effects of each "system's" plans on the other interconnected "systems" in matters of efficiency and reliability. Results of such assessments are taken into consideration during local planning processes of the participating "systems" where specific plans addressing any identified "system" deficiencies are developed. This process ensures that interconnected systems share system plans and that analyses of these plans are conducted to assess if these plans are simultaneously feasible and otherwise use consistent assumptions and data. When these coordinated assessments determine that system plans are not simultaneously feasible, Joint Planning efforts among two or more "systems" systems, as described below, or additional Local Planning efforts are required.

As a Transmission Planner within the SERC area, SCE&G participates in assessments of the models discussed above. SCE&G then participates with SERC area Transmission Planners to conduct a SERC area wide long term reliability assessment. The purpose of the SERC areawide reliability assessments is to determine if the different local and regional reliability transmission expansion plans are simultaneously feasible and to otherwise ensure that these processes are using consistent models and data. The SERC-wide assessments serve as a valuable tool for each of the participating Transmission Planners to reassess the need for additional inter-regional reliability joint studies.

The transmission models created for use in developing the local and regional reliability 10-year transmission expansion plans are analyzed to determine if any planning criteria concerns are projected. In the event one or more planning criteria concerns are identified, the affected Transmission Planners will develop solutions for these projected limitations in accordance with existing bilateral agreements. As a part of this study process, the Transmission Planners will reexamine the current 10-year transmission expansion plans (determined through the previous year's local and regional reliability planning processes) to determine if the current plans can be optimized based on the updated assumptions and any new planning criteria concerns identified in the analysis. The optimization process may include the deletion and/or modification of any of the existing reliability transmission enhancements identified in the previous year's reliability planning process. The Transmission Planners also determine if any transmission systems in another region are potentially impacted by projected solutions. Potentially impacted "systems" determine if there is a need for joint or coordinated studies, and if so, such studies are initiated.

## **2. Coordination Activities within VACAR Area**

SCE&G coordinates with Transmission Planners in the Virginia-Carolinas (VACAR) area. VACAR area Transmission Planners typically analyze the performance of proposed combined future transmission systems based on five- or ten-year

projections. These studies are similar to those conducted for the SERC area, but are focused on the VACAR area.

### **3. Coordination Activities within ERAG & SERC-RFC East**

SERC area Transmission Planners are Members of the Eastern Interconnection Reliability Assessment Group (ERAG), as are Transmission Planners in the Florida Reliability Coordinating Council, Inc., the Midwest Reliability Organization, the Northeast Power Coordinating Council, Inc., ReliabilityFirst Corporation, and the Southwest Power Pool. ERAG augments the reliability of the bulk-power system through periodic reviews of generation and transmission expansion programs and forecasted system conditions within the areas served by ERAG Transmission Planners.

The ERAG Multi-Regional Modeling Working Group (MMWG) administers the development of a library of power-flow base case models for the benefit of members.

The SERC-RFC East study group was established in 2006 and is a sub-group within the ERAG structure. Through the SERC-RFC East study group, coordination of plans, data and assumptions is achieved between Tennessee Valley Authority, the VACAR area, and the transmission systems of the eastern portion of PJM.

### **4. Joint Planning**

Joint Planning is a process in which two or more "systems" plan as if they were a single "system" but do not relinquish their responsibility for planning their individual "systems." This is usually done to address a specific concern of the interconnected "system" or to investigate possible mutually beneficial solutions to a given set of local issues. The "systems" agree to perform studies and plan "system" additions based on agreed upon criteria, guides, and performance goals. Virtually all "system" data and plans are exchanged except for proprietary business data. The "systems" agree on how the resulting joint plan will be accepted, rejected or approved. The "systems" usually join together to implement the approved plan through a contractual mechanism that delineates the responsibilities of each "system."

For SCE&G, Joint Planning typically takes place with a neighboring "system" where detailed assessments are conducted and negotiations under Interchange Agreements are used to agree on, commit to and implement detailed plans. These agreements are longstanding agreements that require SCE&G and each of its neighboring transmission owners to conduct coordinated assessments and to conduct local planning or joint planning to address and resolve any and all issues discovered as a result of Coordinated Assessments. SCE&G has Interchange Agreements with Santee Cooper, Duke Energy, Progress Energy Carolinas and Southern Company.

~~SCE&G will follow the procedures described in Appendix K 3 for CEH data and information and for non-CEH confidential information.~~

~~actively participate in the SCSG~~

#### ~~D. The Transmission Planning Cycle~~

~~The SCE&G transmission planning process is ongoing and perpetual. Proposed transmission plans are reviewed continuously as assessment and planning studies are conducted for numerous purposes. Any new input or adjustments to the study process or study results are reflected in all future studies.~~

~~The appended timeline illustrates how the SCE&G planning processes described above take place over the course of a calendar year, including timelines and milestones for the coordination of models by SERC area Transmission Planners. The timeline is attached as Appendix K 2, "SCE&G Transmission Planning Process."~~

#### ~~E. Transmission Plan Approval~~

~~After the modeling and assessment process is conducted, a transmission expansion plan is produced that reflects consideration of alternatives to transmission expansion as submitted by stakeholders or anyone else. SCE&G senior management approves the selected solution and if transmission expansion is the selected solution, the expansion project is included in the SCE&G transmission expansion plan, in accordance with FERC Orders and state regulation.~~

### ~~III. South Carolina Regional Transmission Planning Stakeholder Group~~

#### ~~A. Introduction~~

~~SCE&G enhanced its current planning processes (described above) in accordance with Order No. 890 by establishing with Santee Cooper a stakeholder process known as SCRTP to provide for the exchange of information and open communication enabling public input through its SCSG members consistent with the expectations for open, transparent, comparable and coordinated regional planning as articulated by the FERC in Order No. 890. SCE&G and Santee Cooper are establishing a dedicated website ("regional website") ([www.scrtp.com](http://www.scrtp.com)) for the SCRTP process. A link to this website will be available via SCE&G and Santee Cooper's OASIS. This website will be utilized to provide information regarding SCE&G's planning process.~~

~~Through the SCSG, Santee Cooper and SCE&G each year will host quarterly meetings which are open to Stakeholders to provide a forum for open and transparent transmission planning for SCE&G's local and regional planning processes on a nondiscriminatory basis. Any individual or entity may attend these quarterly meetings, be participative in the process, and may consider joining the SCSG. Through the SCSG, all participants will have input and participation in the Reliability Transmission Planning (RTP) processes (the RTP process is discussed above in Section II) and the Economic Transmission Planning (ETP) processes. The stakeholder meeting process will allow for the exchange of information and input into~~

~~the process on a comparable basis and thereby eliminate the potential for undue discrimination.~~

~~The ETP process will determine the facilities or "system" changes on the SCE&G transmission "system" to address congestion and/or increase transfer capability on any direct interface. The final results of this process will include cost and time estimates associated with implementing the facilities or "system" changes. The intent of the ETP process is to provide information to stakeholders and is not a commitment to build. SCE&G will also conduct Economic Transmission Planning and participate in the "Southeast Inter-Regional Participation Process," which is attached to this document as Appendix K-3. This process will be conducted concurrently with all other planning described herein.~~

~~By providing open information sharing through these regular meetings, and by treating all customers comparably in the RTP and ETP processes, SCE&G ensures that these planning processes satisfy the comparability principle.~~

~~Publicly available information disclosed at these meetings will also be made available on the website. Information which is CEII will only be made available on the website to Stakeholders who meet SCE&G's eligibility requirements. These requirements are posted on SCE&G's OASIS Home Page in its Rules, Standards, and Practices. These requirements maybe updated and/or revised pursuant to SCE&G's posted process for updating its Rules, Standards, and Practices. SCE&G classifies information as CEII based upon the FERC's most current definition of CEII.~~

~~To promote transparency and enable Stakeholders to replicate the result of the Transmission Provider's planning studies and thereby reduce the incidence of after the fact disputes regarding whether transmission planning has been conducted in an unduly discriminatory fashion, SCE&G will make available, during the relevant Stakeholder meetings and/or the regional website, information concerning the basic methodology, criteria, and process the Transmission Provider uses to develop its plan. Information will be placed on the website, with some information being placed under the restricted access section and available to those Stakeholders who are eligible to receive CEII information.~~

~~Information provided by a stakeholder to SCE&G that could reasonably implicate transmission planning may be required to be disclosed to other stakeholders in accordance with the terms and conditions of this Attachment K.~~

~~Participants in the SCRTP process will be responsible for their own costs of participation.~~



## ~~B. Stakeholder Group~~

~~At its first Fall Stakeholder meeting on December 10, 2007, SCE&G and Santee Cooper will request that Stakeholders organize their group and will provide a forum to facilitate the organization of the group. SCE&G contemplates that stakeholder membership in the SCSG will be divided into 8 sectors, as follow:~~

- ~~• Transmission Owners/Operators~~
- ~~• Transmission Service Customers~~
- ~~• Cooperatives~~
- ~~• Municipals~~
- ~~• Marketers~~
- ~~• Generation Owners/Developers~~
- ~~• ISO/RTO~~
- ~~• State Regulatory Representatives (non-voting)~~

~~The Transmission Provider's initial role in the SCSG will be to host and conduct the meetings described above.~~

~~Key features of the stakeholder group are as follows:~~

- ~~• SCSG participants determine their sector affiliation; participants must provide information to validate their sector affiliation.~~
- ~~• Each sector within the SCSG will have two voting members (14 total voting members)~~
- ~~• One vote per member; majority rule~~
- ~~• Voting members will be determined by the sector membership annually during the Fall Meeting.~~
- ~~• Each Company will have only one voting member in the SCSG~~
- ~~• This promotes an environment where all interested parties can~~
- ~~• SCSG meetings are open to non-SCSG members SCSG Stakeholders will identify and request economic power transfer sensitivities to be studied; If more than 5 economic power transfer sensitivities are requested, Stakeholders will vote to select priorities.<sup>2</sup>~~

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<sup>42</sup>~~For each approved request, the affected Transmission Providers will conduct the studies in the ETP process (e.g., if the requested economic transfer is between SCE&G and Santee, then SCE&G and Santee will conduct the studies as outlined in the regional planning process. If the request is between SCE&G and Duke, then SCE&G and Duke will conduct the study). SCE&G will coordinate with inter-regional stakeholders regarding Economic Planning Studies that are inter-regional in nature.~~



- ~~SCSG can vote to change the number and timing of meetings with agreement by SCE&G, but changes must support the model development process and planning cycle.~~

### ~~C. Stakeholder Meetings~~

~~SCE&G and Santee Cooper will arrange and host the SCSG meetings at locations within their service territories. These meetings will serve as the vehicle to allow for the exchange of information between SCE&G and its Stakeholders. Notification of and a schedule of these meetings will be posted on the regional website and an open email distribution list will be maintained by SCE&G and Santee Cooper and will be used to email notices of meetings and other planning-related communications. The number of meetings per year and the meeting schedule, discussed above, are subject to change by decision of the stakeholder group and SCE&G over time. Any revision to this schedule must support existing planning activities in model development and "system" analyses.~~

~~The schedule for the stakeholder meetings track the planning process timeline to allow SCE&G to communicate information to its Stakeholders at each stage of the planning process and allow Stakeholders to participate not only by the exchange of information but also allowing for Stakeholder input at the relevant periods of the planning process. This will allow stakeholder input at the beginning stage when the prior year's plan is reviewed and new issues are identified to be modeled and studied as the planning cycle starts over. Stakeholders are then updated at various times during the year regarding the studies and they are afforded the opportunity to ask questions about the studies, offer input and request additional studies. Based on the planning timeline SCE&G and Santee Cooper developed an outline of the substance of these four sessions, and the work associated with their conduct. The following is an outline and brief description of the information that will be communicated and shared during the Stakeholder meetings:~~

#### Fall Stakeholder Meeting

- ~~The Fall Stakeholder meeting is scheduled to occur prior to initiation of SCE&G's annual reliability transmission planning (RTP) studies examining "system" performance against requirements included in NERC and standards and criteria. This will allow opportunity for stakeholder input into the study processes and sharing and reviewing of planning related data and analyses before studies are actually conducted and will ensure that up-to-date information is modeled and included in the reliability study processes.~~
- ~~SCE&G will review and have discussion with stakeholders the key assumptions and data used for internal model development in the RTP process.~~
- ~~Stakeholders will provide input on key assumptions and modeling data used in the RTP process, including but not limited to: (a) Network Customers' Network Load Forecasts, in the form of a 10 year summer and a 10 year~~

~~winter load forecast starting with the next summer period, and Network Resources Forecasts, in the form of identified resources for the next 10 years; and (b) Point to Point Customers' forecasts, in the form of identified customer expectations over the next 10 years. Stakeholders will also provide any updates to the information submitted in the customer's application for service. This information shall be provided by October 31 of each year and may be submitted by email or in hardcopy form to SCE&G Transmission. Information received will be subject to protection for confidentiality. SCE&G will review the procedures by which transmission customers submit required data.~~

- ~~• A schedule for completion of RTP studies is established.~~
- ~~• SCE&G will review its transmission expansion plan and the status of upgrades identified in its transmission expansion plan.~~
- ~~• Stakeholders have the opportunity to discuss and provide comments on the latest transmission plans and upgrades in order to provide feedback for the development of the next plan.~~

~~SCE&G will review: Winter Stakeholder Meeting~~

- ~~• the initial study results (for stakeholder input) and final study results (including stakeholder input) of its RTP studies, which include studies conducted to measure the performance of the SCE&G transmission system against the applicable NERC Reliability Standards and the SCE&G Internal Transmission Planning Criteria. This review may occur by web conference or conference call, if needed, to maintain study schedules. Stakeholders will have the opportunity to provide comments and feedback on these results as discussed in Section D "The Transmission Planning Cycle" any and all comments and feedback will be considered in the ongoing and perpetual planning process;~~
- ~~• two party and multi party RTP studies conducted with interconnected and other Eastern Interconnection transmission owners, which include studies conducted with other transmission owners. This review may occur by web conference or conference call, if needed, to maintain study schedules. Stakeholders will have the opportunity to provide comments and feedback on these results as discussed in Section D "The Transmission Planning Cycle" any and all comments and feedback will be considered in the ongoing and perpetual planning process;~~
- ~~• the most recent regional and interregional reliability assessment studies. This review may occur by web conference or conference call, if needed, to maintain study schedules;~~

- ~~any upgrades being considered. Stakeholders can discuss possible alternatives to the proposed upgrades. These alternatives may be in the form of other transmission expansion solutions, generation solutions, load management solutions, etc. As discussed in Section D "The Transmission Planning Cycle", viable alternative solutions to proposed upgrades will be considered in the ongoing and perpetual planning process.~~
- ~~information on how to acquire all data used to conduct the studies, such as, base cases, reports and criteria. All data released will be subject to Non disclosure and Confidentiality agreements.~~

### Spring Stakeholder Meeting

- ~~Stakeholders will identify and request economic power transfer sensitivities to be studied;
 
  - ~~All requested sensitivities will be considered except sensitivities that specify specific generation resources;~~~~
- ~~Up to 5 sensitivities will be studied per year. If more than 5 are requested, Stakeholders will vote to select priorities. <sup>3</sup>Sensitivities that are not selected by the stakeholder group as one of the 5 studied sensitivities will be studied only if the requestor(s) pays for the additional study efforts.~~
- ~~Stakeholders will consider clustering similar Economic Transmission Planning Study requests. In this regard, if two or more of the Economic Transmission Planning Study requests are similar in nature and SCE&G concludes that clustering of such requests and studies is appropriate, SCE&G may, following communications with the Stakeholders, cluster those studies for purposes of the Economic Transmission Planning Study and Report.~~
- ~~Requested economic power transfers with the source(s) and the sink(s) within the SCE&G transmission system will be studied by SCE&G. Requested transfers with the source(s) and the sink(s) within the SCRTP area will be jointly studied by SCE&G and Santee Cooper. Requested studies~~

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<sup>533</sup> -For each approved request, the affected Transmission Providers will conduct the studies in the ETP process (e.g., if the requested economic transfer is between SCE&G and Santee, then SCE&G and Santee will conduct the studies as outlined in the regional planning process. If the request is between SCE&G and Duke, then SCE&G and Duke will conduct the study).

~~with the source(s) and/or the sink(s) outside the SCRTP area that are studied by SCE&G and Santee Cooper will include only the results for the SCRTP area and not include results for other areas. If the Stakeholders want the results from other areas included, the request will be advanced to the SIRPP (see Appendix K-3).~~

- ~~• SCE&G will review with SCSG and meeting attendees the assumptions for Regional Model development.~~
- ~~• Stakeholders will provide additional input on assumptions for Regional Model development.~~

#### Summer Stakeholder Meeting

- ~~• SCE&G will review, discuss and receive input from the SCSG on results of requested economic power transfer sensitivities conducted by SCE&G individually, Regionally with Santee Cooper or pursuant to the Interregional Participation Process, including:
  - ~~• Impacted facilities~~
  - ~~• Solution options~~
  - ~~• Cost and time estimates~~
  - ~~• SCE&G will review and explain to the SCSG and meeting attendees information on how to acquire all data and study assumptions used to conduct the power transfer sensitivity studies. All data released will be subject to Non-disclosure and Confidentiality agreements.~~~~

#### **~~D. Access to Data and Studies~~**

~~SCE&G will utilize the CEII application and non-disclosure agreement posted on the SCRTP website.~~

~~SCE&G will provide base case, reports and criteria for transmission planning to allow Stakeholders and third parties to replicate the results of planning studies and thereby reduce the potential incidence of after the fact disputes regarding whether planning has been conducted in an unduly discriminatory fashion.~~

#### **~~E. Dispute Resolution~~**

~~Disputes that arise from procedural or substantive issues as related to Order No. 890 will be resolved in the following manner:~~

- ~~1. Resolution Procedures. Disputes shall be referred to a senior representative of SCE&G and to a senior representative(s) of the individual stakeholder(s) bringing the dispute for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute by mutual agreement within ninety (90) days from the date of receiving written notice of such dispute (or such other~~

~~period as the disputing parties may agree upon), such dispute then may be submitted to nonbinding arbitration and resolved in accordance with the arbitration procedures set forth below.~~

~~Arbitration Procedures. Any dispute submitted to arbitration as described above shall be processed in accordance with the Uniform Arbitration Act and, to the extent not inconsistent therewith, the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), as amended and in effect on the date that demand for arbitration is filed with the AAA. The arbitration shall be conducted by a single arbitrator. Each party to the arbitration shall select an arbitrator candidate. The AAA shall then select an arbitrator from such candidates according to its reasonable judgment. The arbitrator shall issue a decision no later than ninety (90) days from the date a party to the arbitration receives written notice that a dispute was not resolved by mutual agreement, and therefore, must be submitted to arbitration. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the cost of its own experts, evidence and legal counsel.~~

~~Notwithstanding anything to the contrary in this Section III. E., any affected party may refer the matter to the Federal Energy Regulatory Commission at any time, for example, by filing with the Commission a complaint under Section 206 of the Federal Power Act, a request for declaratory order, or a change in rate under Section 205 of the Federal Power Act.~~

## ~~F. Cost Allocation for New Projects<sup>4</sup>~~

### ~~1. General~~

~~The following provides the Transmission Provider's methodology for allocating the actual costs of new transmission facilities that do not fit under the general Tariff rate structure. In particular, this methodology addresses the allocation of the actual 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~~

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<sup>4</sup>~~SCE&G shall retain decision-making authority for such decisions related to reliability planning consistent with its statutory responsibilities for reliability. The process described in this Attachment K is not intended to replace or diminish the obligations of SCE&G pursuant to its respective open access transmission tariff to, as applicable, provide transmission service to, or undertake construction of transmission expansion projects for, any transmission customer. Transmission expansion options will remain fully subject to the current reservation and request processes conducted through the OASIS, and the processes discussed here do not replace such OASIS processes for SCE&G.~~

~~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. Transmission Service on the Transmission Provider's transmission system must be applied for consistent with the requirements and procedures as stated in the Transmission Provider's Tariff.~~

~~2. **Cost Allocation Methodology for Economic Upgrades:**~~

~~a. **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"). 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."~~

~~b. **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]").~~

~~c. **Allocation of the Costs of the Economic Upgrades:** The actual costs of the Economic Upgrades shall be allocated to each Requestor based upon the amount of megawatts of transmission capacity that it~~

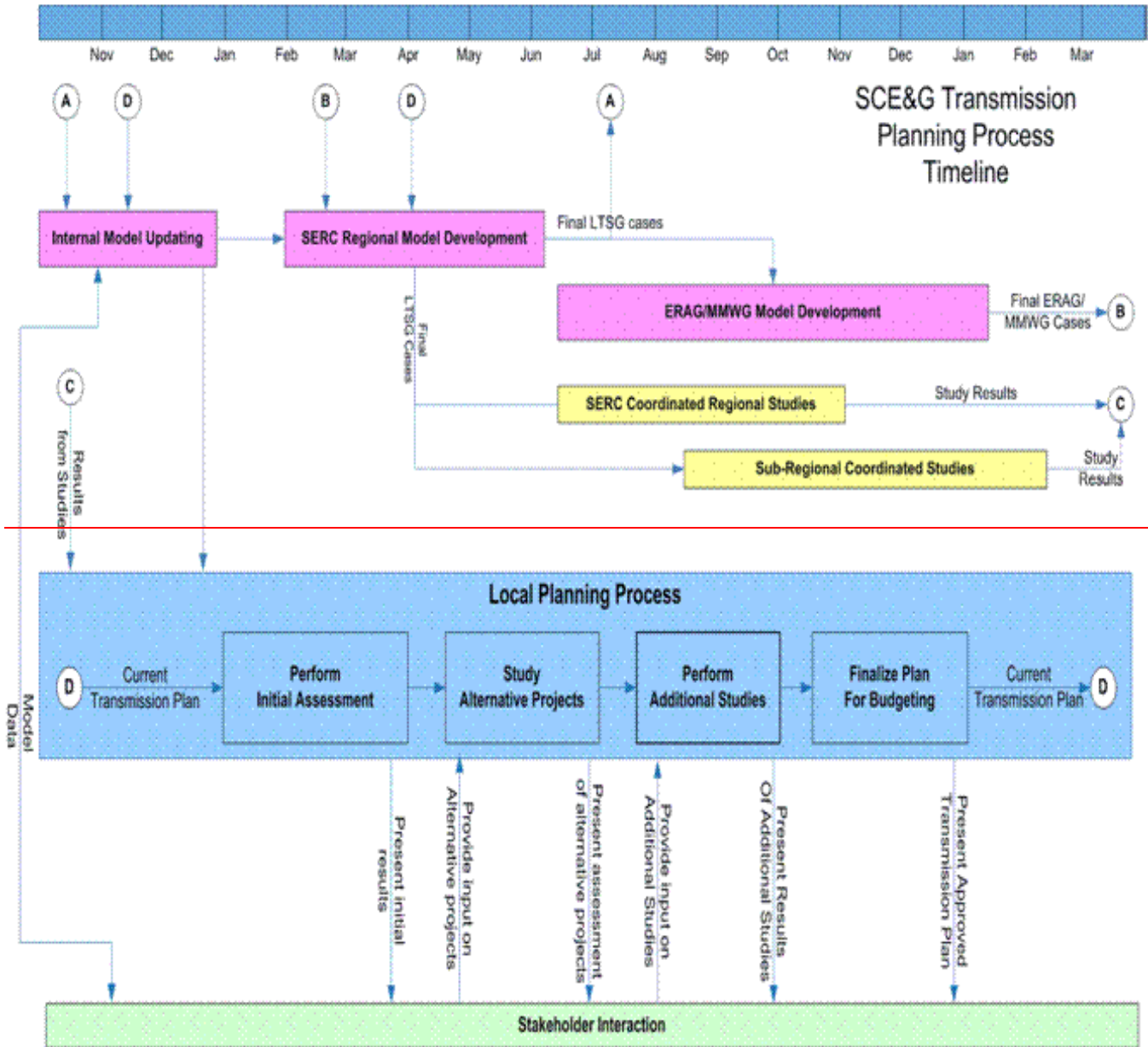
~~requested responsibility for in its respective request posted on the Regional Planning Website. Should the total amount of transmission capacity identified by the Requestors not equal the amount of transmission capacity that is estimated to be added to the Transmission System by constructing the Economic 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 actual 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.~~

- ~~**d. 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 actual costs of the Economic Upgrade[s] allocated to the Requestors shall be reduced by the amount of savings caused by the deferral or cancellation.~~
- ~~**e. Implementing Agreements and Regulatory Approvals:** The Transmission Provider will not be obligated to commence design or construction of any Economic Upgrades 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 (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. 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 actual 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.

**Appendix K-2**

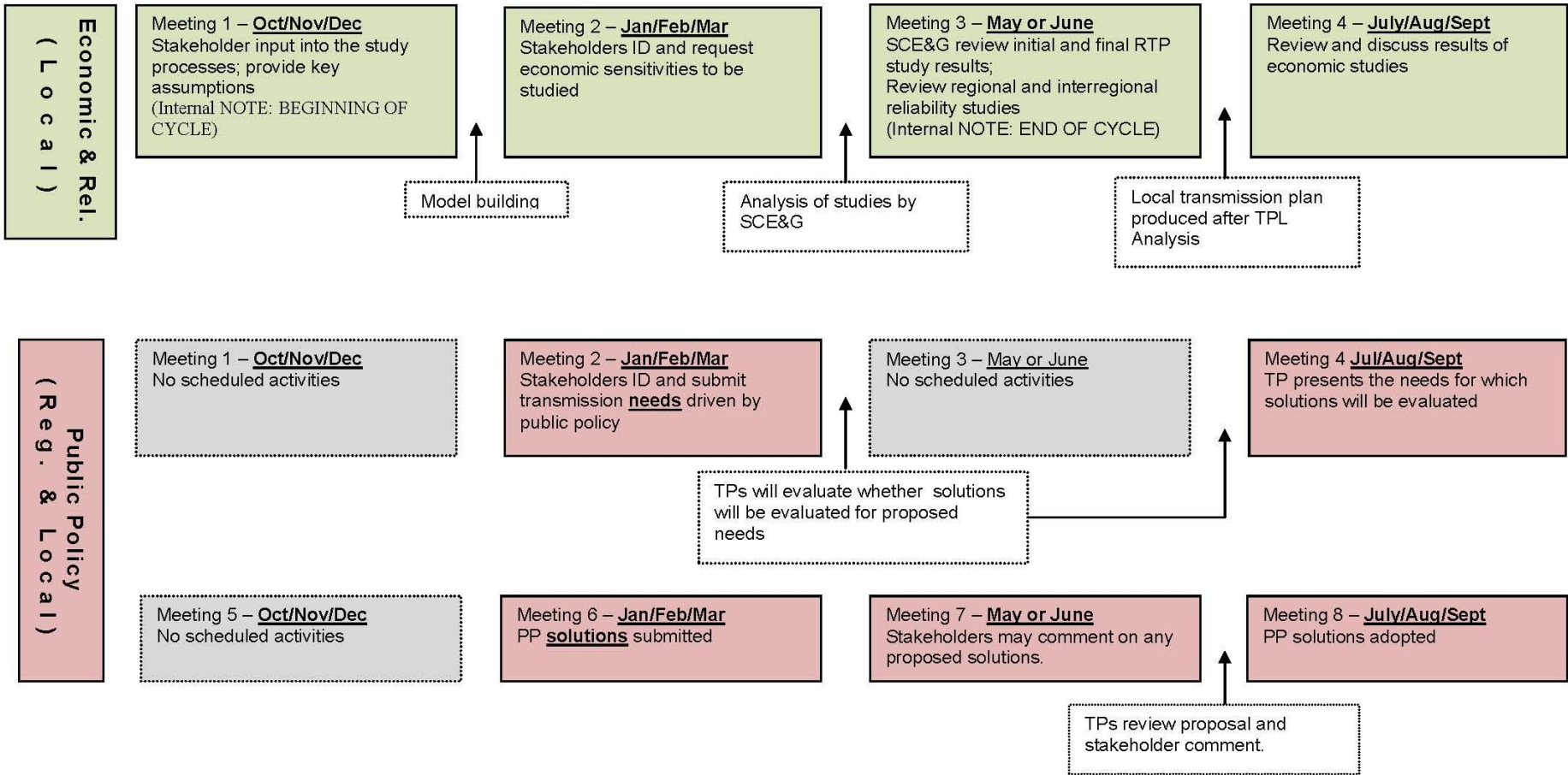




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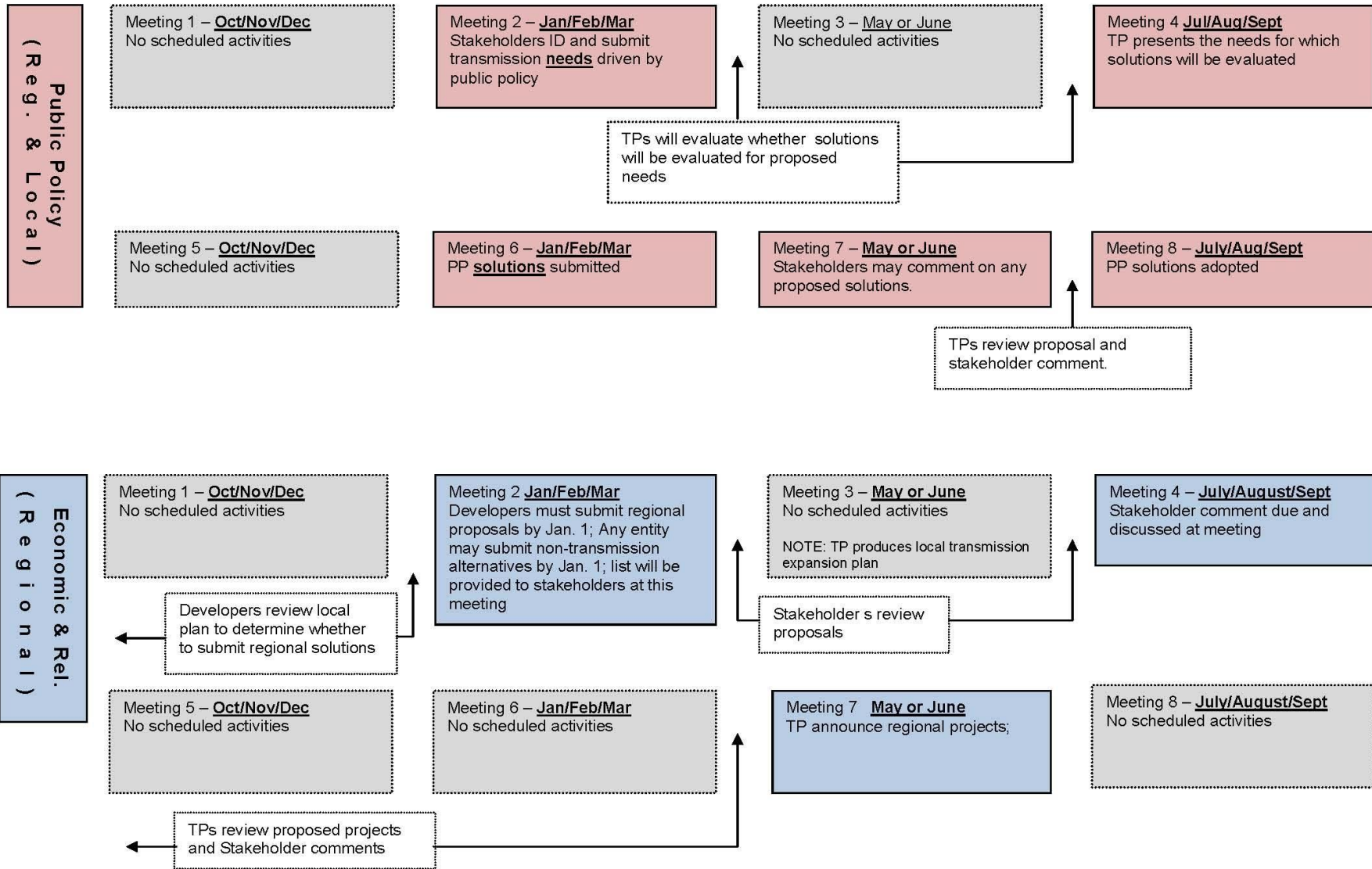
# Appendix K-1

## Timeline for Local Transmission Planning



## Appendix K-2

### Timeline for Regional Transmission Planning



## Appendix K-3

### **Southeast Inter-Regional Participation Process**

#### **Introduction:**

In an effort to more fully address the regional participation principle outlined in the Order 890 Attachment K Tariff requirements and the related guidance contained in the FERC Transmission Planning Process Staff White Paper (dated August 2, 2007), this Southeast Inter-Regional Participation Process expands upon the existing processes for regional planning in the Southeast. This document outlines an inter-regional process among various Southeastern interconnected transmission owners. The inter-regional process described herein is incorporated into each Participating Transmission Owner's<sup>5</sup> planning process and OATT Attachment K (for those transmission owners that have a regulatory requirement to file an Attachment K).

#### **Purpose:**

This inter-regional process complements the regional planning processes developed by the Participating Transmission Owners in the Southeast. For the purpose of this document, the term "Southeast Inter-Regional Participation Process" ("SIRPP") is defined as a new process to more fully address the regional participation principle of Order 890 for multiple transmission systems in the Southeast. The term "Regional Planning Processes" refers to the regional transmission planning processes a Transmission Owner has established within its particular region for Attachment K purposes. Importantly, the Economic Planning Studies discussed herein are hypothetical studies that do not affect the transmission queue for purposes of System Impact Studies, Facilities Studies, or interconnection studies performed under other portions of the OATT.

#### **Current Inter-Regional Planning Process:**

Each Southeastern transmission owner currently develops a transmission plan to account for service to its native load and other firm transmission service commitments on its transmission system. This plan development is the responsibility of each transmission planner individually and does not directly involve the Regional Reliability Organization (*e.g.* SERC). Once developed, the Participating Transmission Owners collectively conduct inter-regional reliability transmission assessments, which include the sharing of the individual transmission system plans, providing information on the assumptions and data inputs used in the development of those plans and assessing whether the plans are simultaneously feasible.

#### **Participating Transmission Owners:**

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<sup>5</sup> The sponsors of the Southeast Inter-Regional Participation Process are referred to as transmission owners, rather than transmission providers, because not all of the sponsors are "Transmission Providers" for purposes of the *pro forma* OATT.

Due to the additional regional planning coordination principles that have been announced in Order 890 and the associated Transmission Planning White Paper, several transmission owners have agreed to provide additional transmission planning coordination, as further described in this document. The "Participating Transmission Owners" are listed on the SIRPP website (<http://www.southeastirpp.com>).

### **Southeast Inter-Regional Participation Process:**

The Southeast Inter-Regional Participation Process is outlined in the attached diagram. As shown in that diagram, this process will provide a means for conducting stakeholder requested Economic Planning Studies across multiple interconnected systems. In addition, this process will build on the current inter-regional, reliability planning processes required by existing multi-party reliability agreements to allow for additional participation by stakeholders.

The established Regional Planning Processes outlined in the Participating Transmission Owners' Attachment Ks will be utilized for collecting data, coordinating planning assumptions, and addressing stakeholder requested Economic Planning Studies internal to their respective regions. The data and assumptions developed at the regional level will then be consolidated and used in the development of models for use in the Inter-Regional Participation Process. This will ensure consistency in the planning data and assumptions used in local, regional, and inter-regional planning processes.

These established Attachment K processes may also serve as a mechanism to collect requests for inter-regional Economic Planning Studies by a participant's stakeholders group. The Economic Planning Studies requested through each participant's Attachment K process that involve impacts on multiple systems between Regional Planning Processes will be consolidated and evaluated as part of the Southeast Inter-Regional Participation Process. Stakeholders will also be provided the opportunity to submit their requests for inter-regional Economic Planning Studies directly to the Inter-Regional process.

The Participating Transmission Owners recognize the importance of coordination with neighboring (external) planning processes. Therefore, seams coordination will take place at the regional level where external regional planning processes adjoin the Southeast Inter-Regional Participation Process (*e.g.* Southeastern Regional Planning Process coordinating with FRCC Regional Planning Process, Entergy coordinating with SPP, TVA coordinating with MISO and PJM, and the North Carolina Transmission Planning Collaborative coordinating with PJM). External coordination is intended to include planning assumptions from neighboring processes and the coordination of transmission enhancements and stakeholder requested Economic Planning Studies to support the development of simultaneously feasible transmission plans both internal and external to the Southeast Inter-Regional Participation Process.

With regard to the development of the stakeholder requested inter-regional Economic Planning Studies, the Participating Transmission Owners will each provide staff (transmission planners) to serve on the study coordination team. The study coordination team will lead the development of study assumptions (and coordinate with stakeholders, as discussed further below), perform

model development, and perform any other coordination efforts with stakeholders and impacted external planning processes. During the study process, the study coordination team will also be responsible for performing analysis, developing solution options, evaluating stakeholder suggested solution options, and developing a report(s) once the study(ies) is completed. Once the study(ies) is completed, the study coordination team will distribute the report(s) to all Participating Transmission Owners and the stakeholders.

With regard to coordinating with stakeholders in the development of the inter-regional Economic Planning Study(ies), in each cycle of the Southeast Inter-Regional Participation Process, the Participating Transmission Owners will conduct three inter-regional stakeholder meetings. The information to be discussed at such meetings will be made available in final draft form for stakeholder review prior to any such meeting by posting on the SIRPP website and/or e-mails to SIRPP Stakeholder Group ("SIRPPSG") members. The Participating Transmission Owners will use reasonable efforts to make such information available at least 10 calendar days prior to the particular meeting. The Participating Transmission Owners will conduct the "1<sup>st</sup> Inter-Regional Stakeholder Meeting", as shown in the attached diagram. At this meeting, a review of all of the Economic Planning Study(ies) submitted through the participants' Regional Planning Processes or directly to the Inter-Regional process, along with any additional Economic Planning Study requests that are submitted at this 1<sup>st</sup> meeting, will be conducted. During this meeting, the stakeholders will select up to five studies that will be evaluated within the planning cycle. The study coordination team will coordinate with the stakeholders regarding the study assumptions underlying the identified stakeholder requested inter-regional Economic Planning Study(ies). Through this process, stakeholders will be provided an opportunity to comment and provide input regarding those assumptions. Following that meeting, and once the study coordination team has an opportunity to perform its initial analyses of the inter-regional Economic Planning Study(ies), the Participating Transmission Owners will then conduct the "2<sup>nd</sup> Inter-Regional Stakeholder Meeting." At this meeting, the study coordination team will review the results of such initial analysis, and stakeholders will be provided an opportunity to comment and provide input regarding that initial analysis. The study coordination team will then finalize its analysis of the inter-regional study(ies) and draft the Economic Planning Study(ies) report(s), which will be presented to the stakeholders at the "3<sup>rd</sup> Inter-Regional Stakeholder Meeting." Stakeholders will be provided an opportunity to comment and provide input regarding the draft report(s). Subsequent to that meeting, the study coordination team will then finalize the report(s), which will be issued to the Participating Transmission Owners and stakeholders.

In addition to performing inter-regional Economic Planning Studies, the Southeast Inter-Regional Participation Process will also provide a means for the Participating Transmission Owners to review, at the Southeast Inter-Regional Participation Process stakeholder meetings, the regional data, assumptions, and assessments that are then being performed on an inter-regional basis.

### **Southeast Inter-Regional Participation Process Cycle:**

The Southeast Inter-Regional Participation Process will be performed annually. Due to the expected scope of the requested studies and size of the geographical region encompassed, the Participating Transmission Owners will perform up to five (5) inter-regional Economic Planning



Studies annually, which could encompass both Step 1 and Step 2 evaluations. A Step 1 evaluation will consist of a high level screen of the requested transfer and will be performed during a single year's planning cycle. The high level screen will identify transfer constraints and likely transmission enhancements to resolve the identified constraints. The Participating Transmission Owners will also provide approximate costs and timelines associated with the identified transmission enhancements to facilitate the stakeholders' determination of whether they have sufficient interest to pursue a Step 2 evaluation. Once a Step 1 evaluation has been completed for a particular transfer, the stakeholders have the option to request a Step 2 evaluation for that transfer to be performed during the subsequent year's Inter-Regional Participation Process Cycle. If the stakeholders opt to not pursue Step 2 evaluation for the requested transfer during the subsequent year's Inter-Regional Participation Process Cycle, an Economic Planning Study of that request may be re-evaluated in the future by being submitted for a new Step 1 evaluation. In the event that the stakeholders request a Step 2 evaluation, the Participating Transmission Owners will then perform additional analysis, which may include additional coordination with external processes. The Participating Transmission Owners will then develop detailed cost estimates and timelines associated with the final transmission enhancements. The Step 2 evaluation will ensure that sufficient coordination can occur with stakeholders and among the impacted Participating Transmission Owners. In addition, the Step 2 evaluation will provide sufficient time to ensure that the inter-regional study results are meaningful and meet the needs of the stakeholders.

It is important to note that the Participating Transmission Owners expect that a Step 2 evaluation will be completed prior to interested parties requesting to sponsor transmission enhancements identified in an Economic Planning Study. However, the Participating Transmission Owners will work with stakeholders if a situation develops where interested parties attempt to sponsor projects identified in a Step 1 evaluation and there is a compelling reason (*e.g.* where time is of the essence).

### **Inter-Regional Cost Allocation:**

The cost allocation for Inter-Regional Economic Upgrade projects will be determined in accordance with the cost allocation principle adopted by each Participating Transmission Owner's Regional Planning Process in which each portion of the construction of such upgrades would occur. The cost allocation principle for each SIRPP Regional Planning Process is posted on the SIRPP website. Typically, since Inter-Regional Economic Upgrade projects will likely consist of improvements that will be physically located in the footprints of multiple Regional Planning Processes, this approach means the cost allocation for each part of the Inter-Regional Economic Upgrade project or each project within a set of projects will be governed by the cost allocation principle adopted by the Regional Planning Process in which that part of the project or set is physically located. For example, should an Inter-Regional Economic Upgrade project consist of a single, 100 mile 500 kV transmission line, with 30 miles physically located in Regional Planning Process "A" and the remaining 70 miles located in Regional Planning Process "B," then the cost allocation for the 30 miles of 500 kV transmission line located in Regional Planning Process "A" would be governed by that Regional Planning Process' cost allocation principle, and the cost allocation for the other 70 miles of 500 kV transmission line would be governed by the cost allocation principle of Regional Planning Process "B." Should an Inter-

Regional Economic Upgrade project be physically located entirely within one Regional Transmission Planning process, the costs of the project would be governed by that region's cost allocation principle.

### **Inter-Regional Coordination of Economic Transmission Project Development:**

Once an Economic Planning Study report has been finalized, multiple stakeholders may be interested in jointly participating in the project development. An Inter-Regional process addressing each such economic upgrade request will be developed that will formalize the process of determining if there is sufficient stakeholder interest to pursue economic project development and the coordination that will be required of the impacted Transmission Owners to support this process. The Participating Transmission Owners and the stakeholders will support this process development activity beginning in 2008.

### **Stakeholder Participation in the Southeast Inter-Regional Participation Process:**

#### ***Purpose***

The purpose of the SIRPPSG is to provide a structure to facilitate the stakeholders' participation in the Southeast Inter-Regional Participation Process. Importantly, the SIRPPSG shall have the flexibility to change the "Meeting Procedures" section discussed below but cannot change the Purpose, Responsibilities, Membership, or Data and Information Release Protocol sections absent an appropriate filing with (and order by) FERC to amend the OATT.

#### ***Responsibilities***

In general, the SIRPPSG is responsible for working with the Participating Transmission Owners on Inter-Regional Economic Planning Study requests so as to facilitate the development of such studies that meet the goals of the stakeholders. The specific responsibilities of this group include:

1. Adherence to the intent of the FERC Standards of Conduct requirements in all discussions.
2. Develop the SIRPPSG annual work plan and activity schedule.
3. Propose and select the Economic Planning Study(ies) to be evaluated (five annually).
  - a. Step 1 evaluations
  - b. Step 2 evaluations
4. The SIRPPSG should consider clustering similar Economic Planning Study requests. In this regard, if two or more of the Economic Planning Study requests are similar in nature and the Participating Transmission Owners conclude that clustering of such requests and studies is appropriate, the Participating Transmission Owners may, following communications with the SIRPPSG, cluster those studies for purposes of the transmission evaluation.
5. Provide timely input on the annual Economic Planning Study(ies) scope elements, including the following:
  - a. Study Assumptions, Criteria and Methodology
  - b. Case Development and Technical Analysis
  - c. Problem Identification, Assessment and Development of Solutions (including proposing alternative solutions for evaluation)



- d. Comparison and Selection of the Preferred Solution Options
  - e. Economic Planning Study Results Report.
6. Providing advice and recommendations to the Participating Transmission Owners on the Southeast Inter-Regional Participation Process.

### ***Membership***

The SIRPPSG membership is open to any interested party.

### ***Meeting Procedures***

The SIRPPSG may change the Meeting Procedures criteria provided below pursuant to the voting structure in place for the SIRPPSG at that time. The currently effective Meeting Procedures for the SIRPPSG shall be provided to the Participating Transmission Owners to be posted on the SIRPP website and shall become effective once posted on that website (<http://www.southeastirpp.com>), which postings shall be made within a reasonable amount of time upon receipt by the Transmission Owners. Accordingly, the following provisions contained under this Meeting Procedures heading provide a starting- point structure for the SIRPPSG, which the SIRPPSG shall be allowed to change.

#### **Meeting Chair**

A stakeholder-elected member of the SIRPPSG will chair the SIRPPSG meetings and serve as a facilitator for the group by working to bring consensus within the group. In addition, the duties of the SIRPPSG chair will include:

1. Developing mechanisms to solicit and obtain the input of all interested stakeholders related to inter-regional Economic Planning Studies.
2. Ensuring that SIRPPSG meeting notes are taken and meeting highlights are posted on the SIRPP website (<http://www.southeastirpp.com>) for the information of the participants after all SIRPPSG meetings.

#### **Meetings**

Meetings of the SIRPPSG shall be open to all SIRPPSG members interested in inter-regional Economic Planning Studies across the respective service territories of the Participating Transmission Owners. There are no restrictions on the number of people attending SIRPPSG meetings from any interested party.

#### **Quorum**

Since SIRPPSG membership is open to all interested parties, there are no quorum requirements for SIRPPSG meetings.

#### **Voting**

In attempting to resolve any issue, the goal is for the SIRPPSG to develop consensus solutions. However, in the event consensus cannot be reached, voting will be conducted with each SIRPPSG member's organization represented at the meeting (either physically present or participating via phone) receiving one vote. The SIRPPSG chair will provide notices to the SIRPPSG members in advance of the SIRPPSG meeting that specific votes will be taken during the SIRPPSG meeting. Only SIRPPSG members participating in the meeting will be allowed to participate in the voting (either physically present or participating via phone). No proxy votes

will be allowed. During each SIRPP cycle, the SIRPPSG members will propose and select the inter-regional Economic Planning Studies that will be performed during that particular SIRPP cycle. The SIRPPSG will annually select up to five (5) inter-regional Economic Planning Studies, including both Step 1 evaluation(s) and any Step 2 evaluations, with any such Step 2 evaluations being performed for the previous years Step 1 studies for the pertinent transfers. Each organization represented by their SIRPPSG members will be able to cast a single vote for up to five Economic Planning Studies that their organization would like to be studied within the SIRPP cycle. If needed, repeat voting will be conducted until there are clear selections for the five Economic Planning Studies to be conducted.

### **Meeting Protocol**

In the absence of specific provisions in this document, the SIRPPSG shall conduct its meetings guided by the most recent edition of *Robert's Rules of Order, Newly Revised*.

### ***Data and Information Release Protocol***

SIRPPSG members can request data and information that would facilitate their ability to replicate the SIRPP inter-regional Economic Planning studies while ensuring that CEII and other confidential data is protected.

### **CEII Data and Information**

SIRPPSG members may be certified to obtain CEII data used in the SIRPP by following the confidentiality procedures posted on the SIRPP website (*e.g.*, making a formal request for CEII, authorizing background checks, executing the SIRPP CEII Confidentiality Agreement, etc.). The SIRPP Participating Transmission Owners reserve the discretionary right to waive the certification process, in whole or in part, for anyone that the SIRPP Participating Transmission Owners deem appropriate to receive CEII. The SIRPP Participating Transmission Owners also reserve the discretionary right to reject a request for CEII; upon such rejection, the requestor may pursue the SIRPP dispute resolution procedures set forth below.

### **Non-CEII Confidential Information**

The Participating Transmission Owners will make reasonable efforts to preserve the confidentiality of information that is confidential but not CEII in accordance with the provisions of the Tariff and the requirements of (and/or agreements with) NERC and/or SERC, as well as any agreements with the other Participating Transmission Owners and any other contractual or legal confidentiality requirements.

Without limiting the applicability of the foregoing, to the extent confidential non-CEII information is provided in the transmission planning process and is needed to participate in the transmission planning process and/or to replicate transmission planning studies, it will be made available to those SIRPPSG members who have executed the SIRPP Non-CEII Confidentiality Agreement, which is posted on the SIRPP website. Importantly, if information should prove to contain both confidential non-CEII information and CEII, then the requirements of both this section and the previous section would apply.

### ***Dispute Resolution***

Any procedural or substantive dispute between a stakeholder and a Participating Transmission Owner that arises from the SIRPP will be addressed by the Participating Transmission Owner's dispute resolution procedures in its respective Regional Planning Process. In addition, should the dispute only be between stakeholders with no Participating Transmission Owner involved (other than its ownership and/or control of the underlying facilities), the stakeholders will be encouraged to utilize the Commission's alternative means of dispute resolution.

Should dispute resolution proceedings be commenced in multiple Regional Planning Processes involving a single dispute among multiple Participating Transmission Owners, the affected Participating Transmission Owners, in consultation with the affected stakeholders, agree to use reasonable efforts to consolidate the resolution of the dispute such that it will be resolved by the dispute resolution procedures of a single Regional Planning Process in a single proceeding. If such a consensus is reached, the Participating Transmission Owners agree that the dispute will be addressed by the dispute resolution procedures of the selected Regional Transmission Planning Process.

Nothing herein shall restrict the rights of any party to file a Complaint with the Commission under relevant provisions of the Federal Power Act.

**Southeast Inter-Regional Participation Process  
Diagram:**

