

EIPC Stakeholder Steering Committee Straw Proposal

Purpose and Principles

The following straw proposal for the formation and selection of the Eastern Interconnection Planning Collaborative (EIPC) Stakeholder Steering Committee (SSC) is put forward for further discussion with stakeholders. The Department of Energy (“DOE”) Funding Opportunity Announcement (“FOA”) calls for the creation of a stakeholder steering committee. The FOA provides that the SSC will “provide strategic guidance to the Applicant’s analysts on the scenarios to be modeled, the modeling tools to be used, key assumptions for the scenarios, and other essential activities.” As to the make-up of the Steering Committee, the FOA appears to leave that process to the stakeholders with the caveat that at least one-third of the stakeholder steering committee members be made up of state representatives.

Working with The Keystone Center, the EIPC Principal Investigators (PIs)¹ submit the attached as a straw proposal in order to assist in deliberations on this issue. The PIs do not intend to dictate the make-up of the Steering Committee. This is a decision of the stakeholders themselves. The EIPC PIs encourage these decisions to be made by consensus. However, under the FOA, the PIs do have certain deadlines for deliverables which require timely formation of a Stakeholder Steering Committee, and submit this straw proposal for consideration with this goal in mind.

The proposal was developed with these guiding principles in mind:

- All affected stakeholders should be represented within a sector. The stakeholder process should be inclusive. An affected stakeholder is one that has a direct interest in the outcomes of the EIPC project. Those outcomes are defined in the EIPC bid documents posted at <http://eipconline.com>
- The process should build upon the existing stakeholder processes that have been approved by FERC pursuant to Order 890.²
- The SSC should be organized through a process that empowers the broadest number of stakeholders, ensures input from all regions and is reasonably consistent among all of the regions.
- The number of seats on the SSC should be no more than 30 to enhance the potential to achieve decisions through consensus.
- State representatives will have at least one-third of the total SSC seats as outlined in the DOE FOA, and the representatives will be appointed by the Eastern Interconnection States Planning Council (EISPC).
- Expectations and procedures should be developed for on-going communication between SSC members and their interest group sectors.

Stakeholder Sectors and Seats on the SSC:

Below are two straw proposals for the make-up of the SSC. Option A most closely tracks the existing sector definitions within the 890 planning processes and provides for a steering committee of 20 members. Option B

¹ The PIs refer to those Planning Authorities in the Eastern Interconnection who formally submitted the EIPC bid to the DOE in response to its Funding Opportunity Announcement 0000068. Although virtually all the Planning Authorities in the Eastern Interconnection supported the bid, the PIs are: ISO-New England, New York ISO, PJM Interconnection, the Midwest ISO, MAPP COR, Southern Company, TVA and Entergy.

² The regional configuration proposed for the purpose of selecting the Sector Caucuses is designed to be used exclusively for the DOE project. FERC Order 890 processes are separate and distinct and will continue to function as they have in the past.

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OPTION A *

- 2 Transmission Owners and Developers
- 2 Generation Owners and Developers

- 2 Other Suppliers (Power Marketers, Demand-side resources, Renewable energy)
- 2 Public Power and Transmission Dependent Utilities (TDUs)

- 2 End Users

- 2 NGOs

- 7 State Representatives
- 1 Canadian Provincial representative
- Ex-Officio Members: DOE, FERC

TOTAL: 20 members

OPTION B **

- 3 Transmission Owners and Developers
- 3 Generation Owners & Developers (minimum 1 renewable, minimum 1 non-renewable)
- 3 Other Suppliers (e.g. Power Marketers, Demand-side resources, Distributed Generation)

- 3 TDUs, Public Power, & Coops (e.g. Municipal utilities, Rural Co-ops, Power Authorities)
- 3 End Users (e.g. Small consumer advocates, large consumers – minimum 1 state consumer advocate agency)

- 3 NGOs (e.g. climate change & energy, land and habitat conservation)
- 10 State Representatives
- 1 Canadian Provincial representative
- Ex Officio Members: DOE, FERC

TOTAL: 29 members

provides an additional layer of granularity for two sectors (generators and end users) and provides for a steering committee of 29 members.

***Option A** was developed after reviewing the existing FERC-certified 890 stakeholder segments across the Eastern Interconnection and identifying commonly-shared stakeholder segments.

****Option B** was developed after reviewing feedback on Option A collected through interviews with stakeholders conducted by The Keystone Center.

Stakeholder Steering Committee Selection Process:

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

- Using existing RTO/ISO or Planning Authority boundaries in a two-phase nominating process.
- Allowing each sector in each region to nominate 2-3 members to the interconnection-wide caucus.
- Caucus members from all regions would gather (20-30 each sector) to select the SSC members.
- Because NGOs may be national organizations and may not have the resources to participate in each 890 regional processes, NGOs would have a separate, Eastern Interconnection-wide process for selecting caucus members.
- The EISPC would appoint the state representatives to the SSC in accordance with EISPC procedures.

The Caucus nomination process will be governed by the following rules:

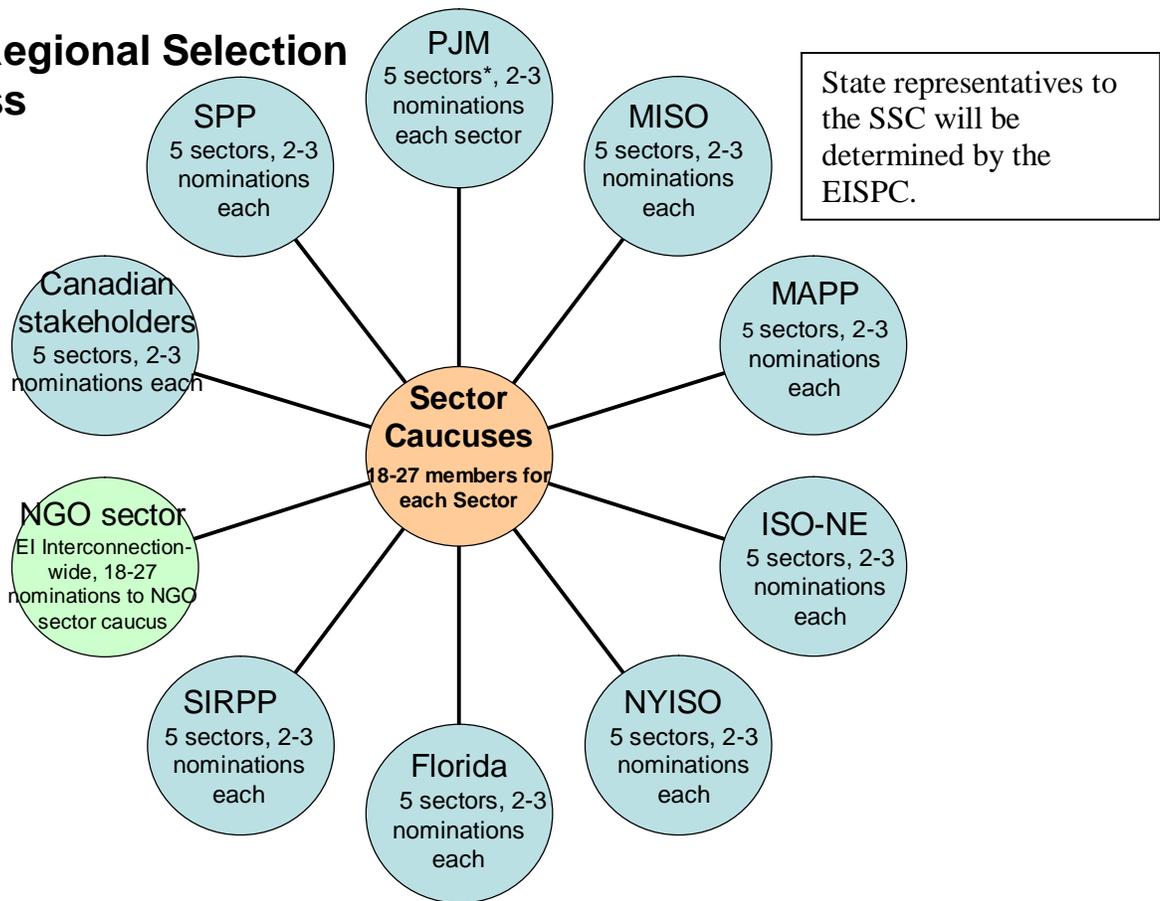
- Within each region, no organization can participate in more than one sector nomination process.

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- Subject to the rules concerning PAs and their affiliates,³ every Caucus member selected must be willing to serve on the SSC if elected.
- The Sector Caucus members should select SSC members from within their ranks, unless there is a consensus among them to accept additional nominations.
- Each sector should strive to achieve regional diversity in the selection of their SSC representatives.
- Caucus nomination processes are open to all who are interested, including PAs and their affiliates; however the PAs and their affiliates may not serve as SSC members unless the sector participation is otherwise insufficient.
- Trade organizations can not vote in caucus nomination processes as trade organizations, but may be selected by the sector members as caucus members and SSC members
- Membership on the SSC is limited to individuals rather than companies or organizations. As a result, vacancies are to be filled through the sector caucus process outlined herein.

Below is a graphical representation of the regional Caucus nomination process.⁴

Draft Regional Selection Process



***5 Sectors:** Transmission Owners & Developers, Generation Owners & Developers, Other Suppliers, TDUs & Public Power, End Users
 The NGO Sector selects caucus members through EI-wide process

³ In developing the straw proposal, the PIs determined that the Planning Authorities (PAs) participating on the EIPC Analysis Team may participate in the sector caucus nomination process but may only serve on the SSC if the sector representation is otherwise insufficient. The PAs on the EIPC Analysis Team are the 24 Planning Authorities who signed the EIPC agreement and supported the DOE proposal.

⁴ The regional configuration proposed for the purpose of selecting the Sector Caucuses is designed to be used exclusively for the DOE project. FERC Order 890 processes are separate and distinct and will continue to function as they have in the past.

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Regional Planning Processes:

ISO-NE: Independent System Operator of New England <http://www.iso-ne.com/>

NY ISO: New York Independent System Operator <http://www.nyiso.com/public/index.jsp>

PJM: PJM Interconnection <http://www.pjm.com/>

SPP: Southwest Power Pool <http://www.spp.org/index.html>

SIRPP: Southeast Inter-Regional Participation Process <http://www.southeastirpp.com/>

MAPP: Mid-Continent Area Power Pool <http://www.mapp.org/DesktopDefault.aspx>

MISO: Midwest Independent System Operator <http://www.midwestiso.org/home>

Florida: Florida Reliability Coordinating Council <https://www.frcc.com/Planning/default.aspx>

Continuing Role for Caucus Members

Caucus members, by virtue of their nomination, will have credibility with their stakeholder sectors and represent a broader range of interests than the SSC members can. Strengthening the role of the caucus groups can alleviate concerns about the ability of the SSC members to represent the diversity within the sectors. Therefore, the Caucus members could continue to play a significant role, for example:

- Serve as designated alternates to the SSC to participate when an elected SSC member cannot attend a meeting or step down from the position due to change in job, inability to commit the required time or other reasons.
- Serve on the Stakeholder Working Groups if willing
- Work with the SSC to achieve consensus. To be effective the caucus members will need to actively track the issues before the SSC by attending the SSC meetings in-person or by webcast.
- Seek input from the larger stakeholder community on key issues before the SSC (via formal webinars and informal outreach to fellow stakeholders)
- Provide advice to the SSC representatives based on input from the larger stakeholder community.

The overall EIPC process is designed to allow for input from all stakeholders whether or not they are chosen to serve on the SSC or the Sector Caucus. The PIs intend to allow for the submission of written comments and may have discussions with interested persons subject to time and resource constraints. Nevertheless, the decision-making process concerning scenario choices is to be made by the SSC so SSC representatives need to reach out and represent their sector rather than just their individual company or region. (See “SSC Purpose, Roles and Responsibilities.”)

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EIPC Stakeholder Steering Committee (SSC) Purpose, Roles and Responsibilities

PURPOSE

The purpose of the SSC or Committee is to “provide strategic guidance to the Applicant’s analysts on the scenarios to be modeled, the modeling tools to be used, key assumptions for the scenarios, and other essential activities.”⁵ The SSC will gather input from stakeholders, represent their constituents’ interests in deliberations, and strive to achieve consensus on aspects of the transmission planning studies to be performed by the EIPC Analysis Team.

ROLES AND RESPONSIBILITIES OF THE SSC

The primary responsibilities of the SSC include:

1. Approve the SSC Working Charter
2. Represent the viewpoints and interests of multiple organizations within their interest group sector.
3. Make every effort to arrive at SSC decisions through consensus
4. Attend all SSC meetings. There may be up to four 2-day SSC meetings each year and conference calls and webinars between each meeting. Membership on the SSC will require a significant commitment of time and effort through June 2012 and is intended to reside with the individual elected to the position.
5. Conduct all meetings and activities with transparency. All meetings of the SSC will be open to all and any interested individuals. Open meetings will be facilitated by selecting large venues where possible or by providing live webcast and audio accessibility. All agendas and work products will be posted on the EIPC website.
6. Participate in one or more Stakeholder Regional Workshops (SRWs) each year to inform and gather input from the broader Stakeholder community. There may be as many as eight SRWs each year.
7. Develop a process for how the SSC will collect input from stakeholders
8. Establish and appoint individuals to the Stakeholder Work Groups (SWGs) that reflects balanced stakeholder participation.
9. Develop roles and responsibilities and deliverables for the various Stakeholder Working Groups formed
10. Ensure appropriate open communications between the SSC and stakeholders for receipt of input and feedback, as well as synthesize stakeholder input on the assumptions used to evaluate resource futures
11. Provide information to all stakeholders on macro scenarios, resource futures, and related sensitivities
12. Working with stakeholders and any established Stakeholder Working Groups, develop consensus recommendations on the eight (8) resource futures (as outlined in EIPC’s revised DOE proposal)⁶ and related sensitivities to be submitted for macroeconomic analysis and high level transmission analysis consistent with DOE-approved schedules
13. Develop criteria to determine the selection of the three (3) future scenarios (as outlined in EIPC’s revised DOE proposal)
14. Develop consensus recommendations for the three (3) future scenarios to be submitted for detailed transmission expansion and reliability analysis (as outlined in EIPC’s revised DOE proposal)
15. Review the analyses and reports of the EIPC Analysis Team and provide consensus input
16. Determine how the SSC will interact with Eastern Interconnection States Planning Council (EISPC)
17. Request help and information from EIPC Analysis Team as needed to fully understand the tools and analyses
18. Work with EIPC Analysis Team to establish communication protocols between the two groups.

⁵ DOE FOA0000068, pg. 6.

⁶ The revised proposal can be downloaded at http://eipconline.com/document_library.php.