

**ATTACHMENT [K-\_\_\_]****Interregional Transmission Coordination Between the SCRTP and SERTP Regions****INTRODUCTION**

Through the South Carolina Regional Transmission Planning Process (“SCRTP”), the enrolled Transmission Providers within the SCRTP (“Transmission Providers”) coordinate with the public utility transmission providers in the Southeastern Regional Transmission Planning Process (“SERTP”) to address transmission planning coordination issues related to interregional transmission facilities. The interregional transmission coordination procedures include a detailed description of the process for coordination between the Transmission Providers in the SCRTP and public utility transmission providers in the SERTP (i) with respect to an interregional transmission facility that is proposed to be located in both transmission planning regions and (ii) to identify possible interregional transmission facilities that could address transmission needs more efficiently or cost effectively than transmission facilities included in the respective regional or local transmission plans. The interregional transmission coordination procedures are hereby provided in this Attachment [K-\_\_\_] with additional materials provided on the SCRTP Regional Planning website.

For purposes of this Attachment [K-\_\_\_], the SCRTP regional transmission planning process is the process described in Attachment [K] of this Tariff; the SERTP’s regional transmission planning process is the process described in the SERTP’s Transmission Providers’ Tariff Sections. References to the respective regional transmission planning processes in this Attachment [K-\_\_\_] are intended to identify the activities described in those Tariff provisions. Unless noted otherwise, Section references in this Attachment [K-\_\_\_] refer to Sections within

this Attachment [K-\_\_\_].

Through the interregional transmission coordination procedures the Transmission Providers provide:

- (1) A commitment to coordinate and share the results of the SCRTP and the SERTP transmission plans to identify possible interregional transmission projects that could address transmission needs more efficiently or cost-effectively than separate transmission facilities, as well as a procedure for doing so;
- (2) A formal procedure to identify and jointly evaluate transmission facilities that are proposed to be located in both transmission planning regions;
- (3) A duty to exchange, at least annually, planning data and information; and
- (4) A commitment to maintain a website or e-mail list for the communication of information related to the coordinated planning process.

The Transmission Providers in the SCRTP and the transmission providers located in the SERTP shall maintain a mutually agreeable cost allocation method for new interregional transmission facilities that are located within both transmission planning regions. Such cost allocation methodology, which satisfies the six interregional cost allocation principles set forth in Order No. 1000, is included in this Attachment [K-\_\_\_].

#### **INTERREGIONAL TRANSMISSION PLANNING PRINCIPLES**

Representatives of the SCRTP and the SERTP will meet no less than once per year to facilitate the interregional coordination procedures described below (as applicable). Representatives of the SCRTP and the SERTP may meet more frequently during the evaluation of project(s) proposed for purposes of interregional cost allocation between the SCRTP and the SERTP.

## 1. Coordination

**1.1 Review of Respective Regional and Local plans:** Biennially, the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP region shall review each other's current regional and local plan(s) and engage in the data exchange and joint evaluation described in Sections 2 and 3.

**1.2 Review of Proposed Interregional Projects:** The Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP will coordinate with regard to the evaluation of interregional transmission projects identified by the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP as well as interregional transmission projects proposed for Interregional Cost Allocation Purposes ("Interregional CAP"), pursuant to Sections 3 and 4, below. Initial coordination activities regarding new interregional proposals will typically begin during the third calendar quarter. The SCRTP and the SERTP will typically exchange status updates for new interregional transmission project proposals or proposals currently under consideration every six (6) months, or as needed. These status updates will include, if applicable: (i) an update of the region's evaluation of the proposal; (ii) the latest calculation of Regional Benefits (as defined in Section 4.2); (iii) the anticipated timeline for future assessments; and (iv) reevaluations related to the proposal.

**1.3 Coordination of Assumptions Used in Joint Evaluation:** The Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP will coordinate assumptions used in joint evaluations, as necessary,

which includes items such as:

- Expected timelines/milestones associated with the joint evaluation
- Study assumptions
- Regional benefit calculations.

## **2. Data Exchange**

**2.1** At least annually, the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP shall exchange power-flow models and associated data used in the transmission planning processes to develop their respective then-current regional and local transmission plan(s). This exchange will typically occur by the beginning of each region's transmission planning cycle. Additional transmission-based models and data may be exchanged between the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP as necessary and if requested. For purposes of the interregional coordination activities outlined in this Attachment [K-\_\_\_], data and models used in the development of the SCRTP and the SERTP then-current regional and local transmission plans and used in their respective transmission planning processes will be exchanged. This data will be posted on the pertinent regional transmission planning process' website, consistent with the posting requirements of the respective regional transmission planning processes, and may be treated as CEII as appropriate. The SCRTP shall notify the SERTP of such posting.

**2.2** The SCRTP regional and local transmission plans will be posted on the SCRTP website pursuant to the SCRTP regional transmission planning process. SCRTP

Transmission Providers will also notify the SERTP of such posting. The SERTP will exchange its then-current regional and local plan(s) in a similar manner according to its regional transmission planning process.

### **3. Joint Evaluation**

**3.1 Identification of Interregional Projects:** The Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP shall exchange planning models and data and current regional and local transmission plans as described in Section 2. The Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP will review one another's then-current regional and local plan(s) in accordance with the coordination procedures described in Section 1 and their respective regional transmission planning processes. If, through this review, the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP identify a potential interregional project that could be more efficient or cost effective than projects included in the respective regional or local plans, the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP will jointly evaluate the potential project pursuant to Section 3.3.

**3.2 Identification of Interregional Projects by Stakeholders:** Stakeholders may propose projects that may be more efficient or cost-effective than projects included in the SCRTP and the SERTP regional or local transmission plans. Stakeholders may propose these projects pursuant to the procedures in each region's regional transmission planning processes. (See SCE&G Attachment K Section VIII.C.) The Transmission Providers in the SCRTP and the public utility

transmission providers in the SERTP will evaluate interregional projects proposed by stakeholders pursuant to Section 3.3.

**3.3 Evaluation of Interregional Projects:** The Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP shall act through their respective regional transmission planning processes to evaluate potential interregional transmission projects and to determine whether the inclusion of any potential interregional transmission projects in each region's regional transmission plan would be more efficient or cost-effective than projects included in their respective then-current regional or local transmission plans. Such analysis shall be consistent with accepted transmission planning practices of the respective regions and the methods utilized to produce each region's respective regional and local transmission plan(s). To the extent possible and as needed, assumptions and models will be coordinated between the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP as described in Section 1. Data shall be exchanged to facilitate this evaluation using the procedures described in Section 2.

**3.4 Initial Evaluation of Interregional Projects Proposed for Interregional Cost Allocation Purposes:** If an interregional project is proposed in the SCRTP and the SERTP for Interregional CAP, the initial evaluation of the project will typically begin during the third calendar quarter, with analysis conducted in the same manner as analysis of interregional projects identified pursuant to Sections 3.1 and 3.2. Projects proposed for Interregional CAP shall also be subject to the requirements of Section 4.

- 4. Cost Allocation:** If an interregional project is proposed for Interregional CAP in the SCRTP and the SERTP, then the following methodology applies:

**4.1 Interregional Projects Proposed for Interregional Cost Allocation Purposes:**

For a transmission project to be considered for Interregional CAP within the SCRTP and the SERTP, the following criteria must be met:

- A. The transmission project must be interregional in nature:
- Be located in both the SCRTP and the SERTP region;
  - Interconnect to the transmission facilities of one or more SCRTP Transmission Providers and interconnect with the transmission facilities of one or more SERTP Sponsors;
  - Meet the qualification criteria for transmission projects potentially eligible to be included in the regional transmission plans for purposes of cost allocation in both the SCRTP and the SERTP, pursuant to their respective regional transmission planning processes.
- B. On a case-by-case basis, the Transmission Providers in the SCRTP and the public utility transmission providers in the SERTP will consider a transmission project that does not satisfy all of the criteria specified in Section 4.1.A but: (i) meets the threshold criteria for a project proposed to be included in the regional transmission plan for purposes of cost allocation in only one of the two regions; (ii) would be located in both regions; and (iii) would be interconnected to the transmission facilities of one or more of the SCRTP Transmission Providers and interconnect with

the transmission facilities of one or more of the SERTP Sponsors.

- C. The transmission project must be proposed for purposes of cost allocation in both the SCRTP and the SERTP.
- The transmission developer and project submittal must satisfy all criteria specified in the respective regional transmission processes.
  - The proposal should be submitted in the timeframes outlined in the respective regional transmission planning processes.

#### **4.2 Evaluation of Interregional Projects Proposed for Interregional Cost**

**Allocation Purposes:** Interregional projects proposed for Interregional CAP in the SCRTP and the SERTP shall be evaluated within the respective regions as follows:

- A. Each region, acting through its regional transmission planning process, will evaluate proposals to determine whether the proposed project(s) addresses transmission needs that are currently being addressed with projects in its regional or local transmission plan and, if so, which projects in the regional or local transmission plan could be displaced by the proposed project(s).
- B. Based upon its evaluation, each region will quantify a Regional Benefit based upon the transmission costs that each region is projected to avoid due to its transmission project(s) being displaced by the proposal.
- For purposes of this Attachment [K-\_\_\_], “Regional Benefit” means the total avoided capital costs of projects included in the then-current regional or local transmission plans that would be



displaced if the proposed interregional transmission project was included. The Regional Benefit is not necessarily the same as the benefits utilized in the respective regional transmission planning processes for determining, for example, *regional* cost allocation.

**4.3. Calculation of Benefit to Cost Ratio:** Each region will calculate a regional benefit to cost (“BTC”) ratio consistent with its regional process and compare the BTC ratio to its respective threshold to determine if the interregional project appears to be more efficient or cost effective than those projects included in its current regional or local transmission plan. For purposes of this BTC ratio evaluation:

- A. Each region shall utilize the benefit calculation(s) as defined in such region’s regional transmission planning process (for purposes of clarity, these benefits are not necessarily the same as the Regional Benefits determined pursuant to Section 4.2).
- B. Each region shall utilize the cost calculation(s) as defined in such region’s regional transmission planning process. The anticipated percentage allocation of costs of the interregional project to each region shall be based upon the ratio of the region’s Regional Benefit to the sum of the Regional Benefits identified for both the SCRTP and the SERTP. The Regional Benefits shall be determined pursuant to the methodology described in Section 4.2.

Regional BTC assessments shall be performed in accordance with each region’s regional transmission planning process, including but not limited to subsequent

calculations and reevaluations.

**4.4 Inclusion in Regional Transmission Plans:** An interregional project proposed for Interregional CAP in the SCRTP and the SERTP will be included in the respective regional transmission plans for purposes of cost allocation after:

- A. Each region has performed all evaluations, as prescribed in its regional transmission planning process, necessary for a project to be included in its regional transmission plan for purposes of cost allocation. (See SCE&G Attachment K Section VII.E.)
  - This includes any regional BTC ratio calculations performed pursuant to Section 4.3; and
- B. All approvals and agreements, as prescribed in its regional process, necessary for a project to be included in the regional transmission plan for purposes of cost allocation have been obtained.

Any interregional project selected in the SCRTP regional transmission plan for Interregional CAP shall provide to required project updates in accordance with SCE&G Attachment K Section VII.G.

**4.5 Allocation of Costs Between the SCRTP and the SERTP:** The cost of an interregional project, selected for purposes of cost allocation in the regional transmission plans of both the SCRTP and the SERTP, will be allocated as follows:

- A. Each region will be allocated a portion of the interregional project's costs in proportion to such region's Regional Benefit to the sum of the Regional Benefits identified for both the SCRTP and the SERTP.

- The Regional Benefits used for this determination shall be based upon the last Regional Benefit calculation performed – pursuant to the method described in Section 4.2. – before each region included the project in its regional transmission plan for purposes of cost allocation and as approved by each region.

B. Costs allocated to each region shall be further allocated within each region pursuant to the cost allocation methodology contained in its regional transmission planning process.

**4.6 Removal from Regional Plans:** An interregional project may be removed from the SCRTP or the SERTP regional plan for purposes of cost allocation: (i) if the developer fails to meet developmental milestones; (ii) pursuant to the reevaluation procedures specified in the respective regional transmission planning processes; or (iii) if the project is removed from one of the region’s regional transmission plans pursuant to the requirements of its regional transmission planning process.

A. The SCRTP Transmission Providers shall notify the SERTP if an interregional project or a portion thereof is likely to be removed from its regional transmission plan.

**4.7 Abandonment:** If an interregional project is abandoned, the impacted Transmission Provider(s) may seek to complete the interregional 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 Provider(s) 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.

## **5. Transparency**

- A. The SCRTP Transmission Providers shall post procedures for coordination and joint evaluation on the SCRTP website.
- B. Access to the data utilized will be made available through the SCRTP website subject to the appropriate clearance, as applicable (such as CEII and confidential non-CEII). The SCRTP Transmission Providers will make available, on the SCRTP website, links for stakeholders to register (if applicable/available) for the stakeholder committees or distribution lists of the SERTP planning region.
- C. The SCRTP Transmission Providers will provide status updates of the interregional transmission planning activities during their regional transmission planning meetings. The SCRTP Transmission Providers will provide status updates of interregional activities including:
  - Facilities to be evaluated
  - Analysis performed
  - Determinations/results.
- D. Stakeholders will have an opportunity to provide input and feedback within the SCRTP regional transmission planning process and the SERTP related to interregional facilities identified, analysis performed, and any determination/results. Stakeholders may participate in either or both regions' regional transmission planning processes to provide their input and feedback regarding the interregional coordination between the SCRTP and the SERTP.